

Charity Registration No. 1105320

Company Registration No. 05049547 (England and Wales)

FIX IT (UK) LTD

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

FIX IT (UK) LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr BM Wilson
Councillor K Cunliffe
Councillor JA Harding
Ms J Platt (Appointed 26 February 2021)
Mr KR Rimmer (Appointed 4 February 2021)
Mrs HC Todd (Appointed 4 February 2021)
Mr M Keeffe (Appointed 24 September 2021)
Mr SJ Smith (Appointed 24 September 2021)
Mr S Grayson (Appointed 24 September 2021)

Charity number

1105320

Company number

05049547

Principal address

Unit 6/7 Rosebridge Industrial Estate
Moss Street
Springview
Wigan
WN3 4TA

Registered office

41 Bridgeman Terrace
Wigan
Lancashire
United Kingdom
WN1 1TT

Independent examiner

HullJady
41 Bridgeman Terrace
Wigan
Lancashire
United Kingdom
WN1 1TT

FIX IT (UK) LTD

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FIX IT (UK) LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report and financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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 2019)".

Objectives and activities

The charity's objects are to advance the education and training of the inhabitants of the Wigan Borough, in particular but not exclusively young people and those who have been convicted of a criminal offence or whose circumstances may create tendencies in them towards such offences.

Fix It (UK) Limited enables young people from Wigan and the surrounding areas to meet the opportunities and responsibilities of society today, by offering them training in Motor Vehicle Studies and personal development programmes that build confidence, motivation and personal, social and life skills.

Fix It (UK) Limited is a Charity based in the Borough of Wigan and is a social enterprise supporting some of the most disadvantaged and vulnerable young people in the Borough and beyond. Our social purpose is to improve the life chances, choices and opportunities of young people who are socially and economically excluded by enabling them to engage in learning, achieve, succeed and progress into further education, employment or training. Fix It (UK) Ltd provides opportunities for disadvantaged young people aged 14-16 and up to 24 if they are SEND, to develop their skills, gain qualifications and undertake practical work experience in motor vehicle maintenance and body work skills. In addition Fix it UK Ltd offers young people the opportunity to engage in functional skills (maths and English), STEM technologies and life and work skills.

Fix It (UK) Ltd works with young people who face a variety of complex barriers to participation in mainstream education and training including those with learning difficulties; those lacking positive role models, young or ex-offenders, those involved in anti-social behaviour and young people who are not in education, employment or training (NEET) or at risk of becoming NEET.

Fix It (UK) Ltd uses the lure of working with cars and other motor vehicles to engage and motivate young people on our programmes. Our activities and programmes are designed specifically to engage those young people who are less academically focused and benefit from learning acquired through practically based activities. The majority of our programme involves delivery of practical activities in our purpose built workshop, which is supported by theoretical training sessions to enable our staff to assess the level of knowledge gained by young people and award certification. Fix It (UK) Ltd delivers nationally recognised accredited IMI (Institute Of The Motor Industry) qualifications alongside a range of personal, social life and employment skills training through Open Awards. Fix It UK prides itself on mentoring to support each young person's transition into further training, education or employment.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

FIX IT (UK) LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Achievements and performance

Management Change and Educational Performance

The financial year 2020-21 presented continued unprecedented, significant challenges and changes throughout the period, this report will highlight the key challenges, the change management and the major operational matters experienced during this time.

The Senior Management Team is led by a Principal who is highly experienced, highly qualified and an extremely knowledgeable educationist who provides exceptional strategic leadership to the management team and across the whole staff body of the Charity. The Principal is supported by a Deputy Principal, a Centre Manager (Education) and an Estate Manager.

The Senior Management Team was further restructured during 2021 and a further addition was made to the Senior Management Team with the inclusion of an Intervention Manager in order to give greater focus on the individual support needs of each and every learner.

Educational Performance

In September 2020 all staff had returned from Furlough but a 'Work from Home' instruction had been put back in place. Post 16 learners were working on a blended learning model where we made use of Google Classroom. Pre 16 continued to attend the centre but on a reduced timetable; starting at 10am and finishing at 2pm. The important criteria was to continue to cater for our vulnerable learners with some element of education. This was agreed with the individual partners and learners were catered for with targeted support. Covid 19 was still impacting operations with mask wearing still prevalent.

We prepared for the return of our young people in January 2021 as planned by the Prime Minister, however due to a third lockdown on the 6th January we continued with the same model. This continued until the 8th March when young people began to return to full time education.

Due to the effects of lockdown on our young people it was a struggle to encourage them to return to full time education. We realised we needed to develop a more personalised approach to our young peoples' education. This further led to the development of a more structured service at Fix It which included a Learner Services offer which is developing an inclusive mentoring programme.

ESTATES & FACILITIES

The Built Environment

The main building is suffering from significant internal backlog maintenance, the previous standard of building work and finish also gives rise to condition concerns. The building is leased but full internal maintenance and upkeep is bestowed upon the Charity as part of the lease conditions. Prior to 2019 it is evident that very little by way of quality refurbishment or indeed quality maintenance had occurred.

Given the financial climate and financial outlook for the coming years the SLT have been undertaking mandatory maintenance and targeted curriculum investments from internal financial resources..

During the 2020-21 financial year, estate improvements were made to the STEM teaching area, the motor vehicle area through the installation of industry standard tyre bays and the introduction of a motorcycle repair area.

FIX IT (UK) LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Energy & Sustainability

The Estate Manager acted proactively in 2019 to ensure that the Charity was protected from the uncertainty in the energy markets. A long term 3 year fixed rate contract was signed for gas and electricity that runs up until the end of the 2021-22 academic year (August 2022).

Energy markets are extremely volatile and it is likely that continuing significant rises will occur to energy prices throughout 2022. This will manifest to a significant rise in price per unit costs at Fix It. It is therefore important that the Trustees and SLT focus on the Charity becoming much more energy efficient and sustainably responsible going forward.

The Estate manager has therefore been tasked with focusing on the sustainability agenda going forward in an attempt to reduce the impact of the dramatic energy market increases that are being experienced at the writing of this report.

Insurance Covers

At the time of writing the Charity is in the process of pre-renewal negotiations with the appointed broker.

Although, in the main, the existing insurance policies afforded required insurance covers it was felt by the Estate Manager that the overall insurance policy was not totally appropriate. The Charity has always had in place "Motor Trade" Policies, the main purpose and activity of the Charity is education and training.

At the time of writing the Estate Manager is confident that significant savings will be made in 2021-22 and in the following years will the implementation of correct insurances.

Property Strategy

SLT have recognised a real need to commence comprehensive work on the formulation of a property strategy.

The current condition of the existing site and the backlog maintenance identifies the need for major improvement in the general accommodation. In addition the Estate needs to react to evolving demographics, given the ongoing pandemic it is felt that many more young people will potentially benefit from involvement with Fix It UK Ltd.

Work commenced on this in late 2021 and is realistically at an embryonic stage. It is highly likely that significant external funding will be required and Trustee involvement will be absolutely essential going forward.

This will be a key priority for 2021-2022.

FIX IT (UK) LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Information Technology (I.T.)

The pandemic gave rise to concerns about the IT infrastructure of the Charity, the need to utilise online technology for meetings and remote learning exposed the limitations of our current network.

In the summer of 2021 significant targeted investment was made in the IT network, infrastructure and equipment. The Charity now has a dedicated, uncontested and robust 1GB fibre connected direct to site, comprehensive wifi6 has been installed throughout the entire centre. Additional chromebooks have been acquired for learner use and the Charity now has twenty bookable devices to support the curriculum.

Catering

It is a fair reflection that the catering function has had a challenging year, this mainly due to the extensive restrictions placed upon the catering sector by the Covid19 pandemic. The catering provision had to change and adapt to a non contact service throughout the 2020/21 academic year. A grab bag service based on a "subway" type offer operated for the entire academic year, the catering operative ensured that seasonal adjustments

A new menu will be developed and introduced in Autumn that will give variety and increased choice to the learners.

HEALTH AND SAFETY

SARS-CoV-2 Covid19 Pandemic

The Covid 19 pandemic continued to be a major challenge for educational settings throughout the 2020-21 academic year.

At the start of the pandemic, Fix It (UK) had carried out a comprehensive Covid19 Risk Assessment. This risk assessment has been reviewed and amended throughout the course of the evolving pandemic and reflected almost every Government change of policy. At the time of writing the risk assessment has been reviewed at least fortnightly and has been amended on fifteen occasions to reflect the necessary control measures at that time.

The control measures and management actions along with staff / learner compliance have been exceptionally effective at managing and controlling the Covid Pandemic within Fix It Uk Ltd.

FIX IT (UK) LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

H&S Policy And Procedures

The Health & Safety Policy is reviewed annually and signed off by the Chair of Trustees.

Significant work has been undertaken to ensure that Fix It UK Ltd Health and Safety policies, procedures and general standards meet the required standards expected by local authorities and school partners. Continuous improvement has occurred throughout the area and continues to be driven by SLT.

Significant areas where increased emphasis has been implemented over the twelve month period covered by this report are as follows;

- School Audits
- General Risk Assessment Process
- Individual Learner Risk Assessments
- Work Related Stress / Positive Mental Health
- Display Screen Equipment Assessments for designated user
- Health and Safety Induction Process
- Workplace Inspections
- Improved Catering Practices through implementation of the Food Standards Agency Hazard Analysis Critical Control Point system,

Health & Safety Performance & Partner Audits

The Charity has been subject to significant and increased audit from our partners, SLT welcome this increased rigour in respect to Health & Safety standards. The following organisations have all performed H&S assurance and audit visits;

- Expanse Learning
- Learn4Life / Care Afloat
- The Deanery High School
- The Westleigh School
- The Cambian Group
- Care4Children
- Shaftesbury High School

Outstanding feedback has been received from all the above schools and partner organisations, a selection of comments received have been included below;

"A really remarkable provision"

"Fantastic progress has been made in a short period of time"

"Excellent standards evident in the centre"

"The work around Covid protections is outstanding"

This is particularly pleasing and demonstrates the distance travelled in the areas of Health, Safety and Welfare over the last three years.

FIX IT (UK) LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

New Partnerships and Growth

The Charity has been exceptionally successful in re-connecting and re-engaging with historical partners and forming relationships with new partner schools / organisations, this engagement gives real optimism for future growth in learner numbers. These relationships include schools within the Borough of Wigan, Care Homes, organisations with a similar a social ethos and also organisations from further afield. The improving external reputation is and will be fundamental to any growth going forward.

Exceptional feedback has been received from partner organisations in respect to the work undertaken by the Charity with young people.

Financial review

The charity's gross income is up to £590K up from £490K in 2019/20, an increase of £100,000 or 20.4%. This has been achieved through strong relationships and contract retention with both local councils and partner schools. It is also important to note consistent financial growth within Fix It's core activities since the 2018/19 academic year.

The charity had a net deficit of funds in the year to 31 August 2021 of £13,787 and total net funds on 31 August 2021 of £30,402. Although there was a deficit, the trustees believe this is a pleasing result given the exceptional circumstances of the pandemic in the last year. Overall this report reflects on another successful period in a very challenging climate whilst also acknowledging a number of areas for improvement.

In summary, Fix It UK Ltd is in a much stronger position despite the unprecedented challenges and with further prudent investment in staffing, resources and the built environment, there exists a real opportunity to positively impact the lives of larger numbers of the most disadvantaged young people in the Borough of Wigan and beyond.

Reserves policy

It is the policy of this charity to hold in reserves, if possible, the equivalent of two months' general running costs and an additional one month's salary costs. It is also our policy to hold an amount for likely building works at the next inspection. This policy will be reviewed in twelve month's time.

As a small charity, the trustees and staff are acutely aware of their responsibilities to the young people in its care and to the staff which it employs. The annual income is about £590,000.

As of August 2021, Fix It (UK) employs twenty four members of staff at an annual cost of approximately £456,000. As the charity grows, there may then be a need for further reserves to be considered in the future.

The condition of the buildings is generally good.

The charity currently has general reserves of circa £30,000.

The Trustees considered the following factors in arriving at their reserves policy:

- Money should only be kept in reserve for specific reasons. Whilst the Charity Commission clearly indicates that cash reserves should not be "hoarded", it is also clear that sensible planning for known events and responsibility for others (including employees) is important.
- A wish to have two months running costs in cash reserves in case of a major problem (£25,000 running costs + £76,000 two months salaries) = £101,000. Fix It is currently working towards this.
- There is a general hope that more should be spent on building additional resources to provide a wider curriculum.

Risk factors

FIX IT (UK) LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is a company limited by guarantee and is governed by its governing document, the Memorandum and articles of association incorporated in February 2004.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr BM Wilson	
Councillor K Cunliffe	
Councillor JA Harding	
Ms J Postlethwaite	(Resigned 21 October 2021)
Ms J Platt	(Appointed 26 February 2021)
Mr KR Rimmer	(Appointed 4 February 2021)
Mrs HC Todd	(Appointed 4 February 2021)
Mr M Keeffe	(Appointed 24 September 2021)
Mr SJ Smith	(Appointed 24 September 2021)
Mr S Grayson	(Appointed 24 September 2021)

Trustees have been selected for their commitment to our charitable causes and for any particular skills they might have to support the charity's work. The charity actively seek, and welcome new applications from interested people.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Although the charity is controlled by the board of trustees who are ultimately responsible for the operation of the charity, on a day to day basis, responsibility for the running of the charity is delegated to two directly-employed managers, Jayne Sherwood and Paul Worswick who, together with a specialist team, ensure the charitable objectives are carried out. The managers regularly report to, and are monitored by the trustees.

The trustees' report was approved by the Board of Trustees.



Councillor K Cunliffe
Trustee

27 January 2022

FIX IT (UK) LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FIX IT (UK) LTD

I report to the trustees on my examination of the financial statements of Fix IT (UK) Ltd (the charity) for the year ended 31 August 2021.

Responsibilities and basis of report

As the trustees of the charity (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 financial statements of the charity 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 financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

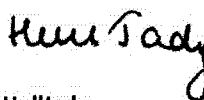
Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, 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 that in any material respect:

- 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 financial statements to be reached.



HullJady

Clare Jady FCA

41 Bridgeman Terrace

Wigan

Lancashire

WN1 1TT

United Kingdom

Dated: 27 January 2022

FIX IT (UK) LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Income from:			
The statement of financial activities includes all gains and losses recognised in the year.			
	3	16,145	14,300
Charitable activities	4	573,836	474,303
Other trading activities	5	804	2,583
Investments	6	8	44
Total income		590,793	491,230
Expenditure on:			
Charitable activities	7	603,447	451,719
Other	12	1,133	-
Total resources expended		604,580	451,719
Net (expenditure)/income for the year/ Net movement in funds		(13,787)	39,511
Fund balances at 1 September 2020		44,189	4,678
Fund balances at 31 August 2021		30,402	44,189

The statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

FIX IT (UK) LTD

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13		27,680		26,725
Current assets					
Stocks	14	500		900	
Debtors	15	8,625		20,173	
Cash at bank and in hand		22,785		28,865	
		<u>31,910</u>		<u>49,938</u>	
Creditors: amounts falling due within one year	17	<u>(29,188)</u>		<u>(30,374)</u>	
Net current assets			2,722		19,564
Total assets less current liabilities			<u>30,402</u>		<u>46,289</u>
Creditors: amounts falling due after more than one year	18		-		(2,100)
Net assets			<u>30,402</u>		<u>44,189</u>
Income funds					
Unrestricted funds			30,402		44,189
			<u>30,402</u>		<u>44,189</u>

FIX IT (UK) LTD

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 27 January 2022



Councillor K Cunliffe

Trustee

Company Registration No. 05049547

FIX IT (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity information

Fix IT (UK) Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is 41 Bridgeman Terrace, Wigan, Lancashire, WN1 1TT, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

FIX IT (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is recognised when the charity has a legal obligation to pay and is accounted for on an accruals basis.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% reducing balance
Computers	20% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

FIX IT (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

FIX IT (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 The statement of financial activities includes all gains and losses recognised in the year.

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	370	2,000
Grant income	15,325	12,000
Other	450	300
	<u>16,145</u>	<u>14,300</u>

4 Charitable activities

	Fix It 2021	Fix It 2020
	£	£
Services provided under contract	573,836	473,409
Ancillary trading income	-	894
	<u>573,836</u>	<u>474,303</u>

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Meals from canteen	804	2,583

FIX IT (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

6 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	8	44

7 Charitable activities

	2021	2020
	£	£
Staff costs	441,265	326,134
Depreciation and impairment	4,880	5,559
Teaching Expenses	15,053	3,342
Accreditation fees	1,604	3,547
Consultancy costs	1,420	600
Recruitment costs	555	507
Bad debts	8,190	-
Learner rewards	593	238
Staff uniform	260	687
Cleaning and laundry	8,481	9,972
Student bursaries	13,043	11,685
Staff training	3,433	4,414
Volunteer expenses	-	15
	<u>498,777</u>	<u>366,700</u>
Share of support costs (see note 9)	99,050	81,889
Share of governance costs (see note 9)	5,620	3,130
	<u>603,447</u>	<u>451,719</u>

8 Description of charitable activities

The charity's principal activity is to work with young people who face a variety of complex challenges and to assist them in improving their life chances. The charity uses the lure of working with motor vehicles to engage and motivate young people and to give them the opportunity to engage in functional maths and English, STEM technologies and life and work skills, with the aim of assisting them to move into further training, education or employment

FIX IT (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Rent, rates and premises expenses	40,090	-	40,090	31,066	-	31,066
Motor and travel	478	-	478	1,416	-	1,416
Insurance	11,404	-	11,404	12,133	-	12,133
Telephone	9,961	-	9,961	6,572	-	6,572
Light and heat	11,148	-	11,148	7,178	-	7,178
Postage, printing and stationery	707	-	707	200	-	200
IT and computer costs	3,922	-	3,922	4,442	-	4,442
Interest on loans	1,015	-	1,015	4,389	-	4,389
Bank charges	506	-	506	417	-	417
Sundry expenses	19,819	-	19,819	14,076	-	14,076
Legal and professional	-	2,820	2,820	-	3,130	3,130
Governance costs heading 1	-	2,800	2,800	-	-	-
	<u>99,050</u>	<u>5,620</u>	<u>104,670</u>	<u>81,889</u>	<u>3,130</u>	<u>85,019</u>
Analysed between						
Charitable activities	<u>99,050</u>	<u>5,620</u>	<u>104,670</u>	<u>81,889</u>	<u>3,130</u>	<u>85,019</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Total staff numbers	<u>24</u>	<u>17</u>

FIX IT (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

11 Employees	(Continued)	
Employment costs	2021	2020
	£	£
Wages and salaries	435,626	321,874
Other pension costs	5,639	4,260
	<u>441,265</u>	<u>326,134</u>

No employee is paid over £60,000.

There were no employees whose annual remuneration was more than £60,000.

12 Other

	Unrestricted funds	Total
	2021	£ 2020
Net loss on disposal of tangible fixed assets	1,133	-
	<u>1,133</u>	<u>-</u>

FIX IT (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

13 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 September 2020	68,508	9,100	77,608
Additions	3,672	3,296	6,968
Disposals	(8,142)	(2,853)	(10,995)
At 31 August 2021	<u>64,038</u>	<u>9,543</u>	<u>73,581</u>
Depreciation and impairment			
At 1 September 2020	45,246	5,636	50,882
Depreciation charged in the year	3,625	1,255	4,880
Eliminated in respect of disposals	(7,493)	(2,368)	(9,861)
At 31 August 2021	<u>41,378</u>	<u>4,523</u>	<u>45,901</u>
Carrying amount			
At 31 August 2021	<u>22,660</u>	<u>5,020</u>	<u>27,680</u>
At 31 August 2020	<u>23,262</u>	<u>3,463</u>	<u>26,725</u>

14 Stocks

	2021	2020
	£	£
Raw materials and consumables	<u>500</u>	<u>900</u>

15 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	8,131	19,633
Other debtors	-	50
Prepayments and accrued income	494	490
	<u>8,625</u>	<u>20,173</u>

FIX IT (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Loans and overdrafts

	2021	2020
	£	£
Bank loans	700	7,717
Payable within one year	700	5,617
Payable after one year	-	2,100

At 31 August 2021, the charity had an outstanding loan due to Key Fund which had been repaid in instalments, the last of which was payable in October 2021. Interest is charged at a commercial rate. The loan was unsecured.

17 Creditors: amounts falling due within one year

	Notes	2021	2020
		£	£
Bank loans	16	700	5,617
Other taxation and social security		20,728	17,852
Trade creditors		2,533	4,639
Accruals and deferred income		5,227	2,266
		29,188	30,374

18 Creditors: amounts falling due after more than one year

	Notes	2021	2020
		£	£
Bank loans	16	-	2,100

19 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).