

Charity registration number 1105320

Company registration number 05049547 (England and Wales)

FIX IT (UK) LTD

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

FIX IT (UK) LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Councillor K Cunliffe Mr KR Rimmer Mrs HC Todd Mr M Keeffe Mr SJ Smith
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

CONTENTS

	Page
Trustees' report	1 - 8
Independent examiner's report	9
Statement of financial activities	10
Balance sheet	11
Notes to the financial statements	12 - 20

FIX IT (UK) LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report and financial statements for the year ended 31 August 2023.

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 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 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.

Aims of the charity

Fix It (UK) Limited raises the aspirations of young people from the borough and surrounding areas to meet the opportunities and responsibilities of society today, by offering them practical training in Motor Vehicle Studies and personal development programmes that build confidence, motivation and personal, social and life skills. 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, achieving, succeeding and progressing into further education or other training or employment. Fix It (UK) Ltd provides opportunities for disadvantaged young people aged 14-16 and up to 24 if they have Special Educational Needs and/or disabilities, 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), Personal, Social, Health, Economic and Citizenship education and life and work skills.

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 who might benefit from learning acquired through practical - based activities. The majority of our programme involve 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 training in personal, social and employment skills through OpenAwards. Fix It (UK) Ltd 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 2023

Achievements and performance

Introduction

The 2022-23 financial year followed a very challenging period for the charity, which had been left in a precarious situation regarding its ongoing viability.

The Chair of Trustees immediately took action to remedy the significant management issues at the end of 2021/22. An interim Head of Centre was appointed to lead the charity with the formulation of a business recovery plan. This was done alongside a special committee of the Trustee Board which was composed of the Chair and two experienced business trustees. The newly appointed Head of Centre had significant experience in the Further Education Sector particularly in regard to change management. This proved invaluable. The Trustee Board met regularly and daily financial monitoring was implemented along with accurate "real time" forecasting.

With a reduced and more efficient establishment staffing, where the largest reductions were made to management costs, the charity was able to regroup and refocus attention to several key areas, including financial controls, staff management, relationships & partnerships, efficiency across all aspects of the charity and the crucial area of the curriculum and recruitment. Relationships with several key stakeholders were repaired and improved, allowing the charity to attract significant new business for 2022/23. Learner recruitment was extremely positive and healthy, leading to the charity enrolling the largest number of Post 16 learners on record and the recruitment of the highest number of Pre 16 learners since before 2018.

The more stringent financial management processes were further supplemented by a formal monthly oversight arrangement with the appointed charity accountants, who worked side by side with the charity to ensure its survival. This support and additional monitoring was absolutely essential in order that the Trustee Board had real time financial information available at all times.

This financial scrutiny and management was overseen continually by the Head of Centre who received and contributed to continually updated accurate financial forecasts. The monitoring of expenditure was extremely vigilant throughout the year. Although the charity remained in a state of business recovery, there was enough income to target prudent careful investment across the curriculum.

A real focus was placed on the individual learner, the educational pathway and social and emotional support for each and every learner. This was critical to vastly improving retention across the whole provision.

In summary, 2022/23 was an exceptionally successful year for the charity and the trustees can report a turnaround from a significant deficit position in 2021/22 to a significant surplus at the end of the financial year.

EDUCATION

Educational Pathways

The curriculum model continues to be developed through ongoing continuous improvement. The Post 16 offer is delivered through the Institute of the Motor Industry Qualifications and the Pre-16 offer is delivered via OpenAwards qualifications.

Post 16 learners are offered qualifications from entry level 1 up to level 2 in motor vehicle maintenance and repair. In addition they study functional skills, maths and English from pre-entry level up to Level 2. The pathway for post 16 learners is now realistically a maximum of three years (excluding learners with exceptionally high needs). Pre 16 learners generally have a two year pathway where the Entry Level 3 award (year 1) and certificate (year 2) are offered. The learners also undertake a significant programme of Social Emotional Mental Health and Personal Social Health Economic & Citizenship curriculum to supplement their educational journey.

FIX IT (UK) LTD

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

FOR THE YEAR ENDED 31 AUGUST 2023

Educational Achievement & Key Performance Indicators (KPIs)

Fix It UK Ltd recorded another successful year to date in terms of achievements; exam pass rates were excellent. The Motor Vehicle qualification results are tabulated below;

Pre 16 Provision (KPIs)

Pre 16 Open Awards (Entry 3) Skills for Further Learning & Employment Results Analysis		
Number of Learners Registered	30	100%
Number of Learners at end of the course	30	100%
Number of Learners Passed at Least 1 Unit	30	100%
Number of Learners, who attained full qualification	29	97%
Pre-16 Overall Achievement Rate	97%	

2022/23 Pre 16 Retention - 100%

This was an exceptional achievement by the pre 16 team. Retention is difficult to measure within the pre 16 area given that the learner is the responsibility of the school. Although some learners were removed by the school **not a single learner was excluded by Fix It (UK)**.

2022/23 Pre 16 Attendance - 73%

True benchmarks are difficult to find due to the very diverse nature of Alternative Provision. The best comparator is the 'Absence rates in state-funded alternative provision - autumn and spring term combined' in England between 2018/19 Autumn and spring term and 2022/23 Autumn and spring term which stands at 40.7% giving a **benchmark attendance figure of 59.3%**.

FIX IT (UK) LTD

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

FOR THE YEAR ENDED 31 AUGUST 2023

Post 16 Provision (KPIs)

Post 16 IMI Certificate in Introduction to Automotive Maintenance & Repair		
Number of Learners on roll	20	100%
Number of Learners Withdrawn or not entered for qualification	9	45%
Number of Learners on roll at end of the course	18	90%
Number of Learners Registered for Qual (Entry Level 3)	6	100%
Number of Learners, who attained full qualification	6	100%
Number of Learners Registered for Qual (Level 1)	5	100%
Number of Learners, who attained full qualification	5	100%

2022/23 Post 16 Retention - 90%

This was an exceptional performance and although the two learners that left provision were excluded, every single support mechanism had been put in place in an attempt to retain these individual learners. Furthermore, Fix It retained a link with both these learners and worked with the Local Authority to ensure a successful transition to a more appropriate setting.

2022/23 Post 16 Attendance - 76%

Although there is clearly work to do in this area it is important to recognise the type of young person that accesses Alternative Provision (AP). Very often, the young people are very low mainstream school attenders, non-engagers, non-attenders or school-refusers. They also often present with diagnosed conditions and have significant social or emotional difficulties. Therefore achieving over 76% as an overall attendance figure with numerous learners achieving 100% is an exceptional achievement.

DfE publishes absence figures for both Pupil Referral Units (PRUs) and Alternative Provision (APs) combined. The latest attendance data for these settings is for the Autumn 2021 term, which showed that 76% of enrolments were persistently absent, meaning that they missed 10% or more sessions and 31% were severely absent, meaning that they missed 50% or more sessions.

FIX IT (UK) LTD

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

FOR THE YEAR ENDED 31 AUGUST 2023

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. However, the direct employment of an Estate Technician has meant that the interior aesthetic and learning areas have been vastly improved and there is a programme of backlog maintenance.

The lease on the premises was holding over at the time of writing. However, negotiations are at an advanced stage for a significant extension to a minimum of ten years.

Due to improved learner numbers and financial performance the management were able to set aside a capital sum for expansion in the post 16 area. This work involved the acquisition of additional space and the installation of a further workshop learning environment to expand the Post 16 provision.

Energy Markets

The Estate Manager acted proactively in 2021 to ensure that the Charity was protected from the uncertainty in the energy markets due to the Russia / Ukraine conflict. A three year fixed rate contract was signed for gas and electricity that commenced September 2022. The rates were secured in December 2021 for the September 22 renewal. Energy markets are extremely volatile and it was prudent to act early to protect the charity. The charity also undertook some insulation works in unit 7 prior to the winter period.

The spend in 22/23 has decreased marginally:

- Electricity Costs - £5,330
- Gas Costs - £3,586
- **Total Energy Cost 22/23 = £8,916**
- Total Energy Cost 21/22 = £9,597
- **Saving in annual comparison = £681**

Insurance Covers

A significant reduction in premium was achieved in 2021-22. This reduction was sustained through 2022/23 with a very comparable premium achieved for the same level of covers.

2020/21 Insurance Premium - £11,404

2021/22 Insurance Premium - £6,710

2022/23 Insurance Premium - £6,867

Catering

The Charity was left with no option other than to make a redundancy in catering operations at the end of 21/22 financial year. Although this was a very difficult decision, the cost saving is substantial and all pre 16 learners are now given a free breakfast and a free warm meal at lunch regardless of their free school meals status. The Charity felt this particularly important given the food poverty and cost of living issues across the whole region. Additionally, Post 16 learners can also access a free breakfast club daily.

Despite the provision of free breakfasts to all learners and free lunches to pre 16 learners, the saving year on year from 21/22 to 22/23 within the catering operation was £12,091.

FIX IT (UK) LTD

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

FOR THE YEAR ENDED 31 AUGUST 2023

HEALTH AND SAFETY

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 our 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 this continues to be driven by the senior leadership team.

Health & Safety Performance / Partner Audits

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

Acorns School (S)*	Applebee Wood (S)
Cambian Red Rose (S)	Cambian Tyldesley (S)
Fred Longworth High School (M)	Lowton High School (M)*
Newbridge Learning Community (S)	Oakfield High School and College (S)
Outwood Academy (M)	Progress School - Lillford Centre (S)*
Shaftesbury High School (PRU)	Shevington High School (M)
Southlands High School (M)	The Dean Trust Academy (M)
The Westleigh School (M)*	Waterloo Lodge (S)
Bedford High School (M)	Deanery High School (M)
Wigan Council (LA)	Moorbrook School (S)

(S) - Special School (M) Mainstream School (PRU) Pupil Referral Unit (LA) - Local Authority

* Denotes a school that Fix It were contacted or visited by Ofsted during their full inspection

Outstanding feedback has been received from all the above schools and the local authority where no significant actions or areas for improvement were noted. This is particularly pleasing and demonstrates the continuous improvement in the area of Health, Safety and Welfare.

Local Authority - Wigan Council Oversight - Including SEN Review

The local authority (LA) launched a new engagement visit inspection regime during 2022/23. The LA also visited to conduct a full review of the Special Educational Needs (SEN) arrangements.

The engagement visit looked at all areas of the whole provision. This included, amongst other areas:

- Recruitment - Pre 16 Referral process / Post 16 V10 application for funding process and learner interview process
- Relationships
- Safeguarding and Health & Safety
- Curriculum Pathways / Quality of Provision / Schools QAA Process
- Attendance, both monitoring and reporting pre and post 16
- Individual Learning Plans / Interventions with individual learners
- Emotional & Social Support / Behaviour
- Learner Services
- Destinations

The council agreed fully with Fix It's assessment of areas of development and none of these were considered to be inadequate or requiring significant improvement. The visit overall was very positive.

The SEN visit also highlighted no areas of concern, whilst areas of good practice were identified around safeguarding and SEMH support.

FIX IT (UK) LTD

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

FOR THE YEAR ENDED 31 AUGUST 2023

Financial review

The charity's gross income rose from £597K to £723K in 2022/23, an increase of 21%. There was a decrease in costs of 16%, from £696K to £588K, mostly as a result of decreased staff costs. Overall there was a surplus of £135,174 for the year to 31 August 2023 (compared to a deficit in 2022 of £99,042).

An arrangement made with HMRC in 2022 to repay overdue PAYE was agreed and repayments are being made according to that schedule.

The charity has drawn up realistic budgets and cash flows projections which demonstrate that if activities continue as expected, the charity will be able to continue to operate for the foreseeable future.

In summary, Fix It (UK) Ltd was in a financially weak position at 31 August 2022, but returned to a much stronger financial position by 31 August 2023. Indications are that with continued careful management of resources, the charity will continue to positively impact the lives of a number 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. This amounts to approximately £131,000. It is also our policy to hold an amount for any necessary building works. This policy will be reviewed in twelve months.

At 31 August 2023, the charity had cash reserves of £67,234, a significant increase from the prior year, when cash reserves were £30,249.

Risk factors

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 those 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. The company was 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	(Resigned 4 January 2023)
Councillor K Cunliffe	
Councillor JA Harding	(Resigned 1 July 2023)
Ms J Platt	(Resigned 27 July 2023)
Mr KR Rimmer	
Mrs HC Todd	
Mr M Keeffe	
Mr SJ Smith	
Mr S Grayson	(Resigned 4 January 2023)

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 seeks and welcomes 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.

FIX IT (UK) LTD

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

FOR THE YEAR ENDED 31 AUGUST 2023

Organisational structure

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, Lee Walls and Diane Stone, who, together with a small 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

Mr M Keeffe
Trustee

23 October 2023

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 2023.

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: 23 October 2023

FIX IT (UK) LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<u>Income from:</u>			
Charitable activities	3	721,851	592,079
Other trading activities	4	116	4,774
Investments	5	1,394	25
		<hr/>	<hr/>
Total income		723,361	596,878
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	6	588,187	695,920
		<hr/>	<hr/>
Net income/(expenditure) for the year/ Net movement in funds		135,174	(99,042)
Fund balances at 1 September 2022		(68,719)	30,323
		<hr/>	<hr/>
Fund balances at 31 August 2023		66,455	(68,719)
		<hr/> <hr/>	<hr/> <hr/>

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 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12		72,544		33,363
Current assets					
Stocks	13	500		500	
Debtors	14	145,404		192,558	
Cash at bank and in hand		67,234		30,249	
		<u>213,138</u>		<u>223,307</u>	
Creditors: amounts falling due within one year	17	<u>(207,339)</u>		<u>(325,389)</u>	
Net current assets/(liabilities)			<u>5,799</u>		<u>(102,082)</u>
Total assets less current liabilities			<u>78,343</u>		<u>(68,719)</u>
Creditors: amounts falling due after more than one year	18		<u>(11,888)</u>		<u>-</u>
Net assets/(liabilities)			<u><u>66,455</u></u>		<u><u>(68,719)</u></u>
Income funds					
Unrestricted funds			<u>66,455</u>		<u>(68,719)</u>
			<u><u>66,455</u></u>		<u><u>(68,719)</u></u>

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 2023.

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 23 October 2023

Councillor K Cunliffe
Trustee

Mr M Keeffe
Trustee

Company Registration No. 05049547

FIX IT (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

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

All funds of the charity are available for use at the discretion of the trustees in furtherance of their charitable objectives and are therefore unrestricted.

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.

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.

FIX IT (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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:

Plant and equipment	20% of cost
Fixtures and fittings	20% reducing balance
Computers	20% reducing balance
Motor vehicles	33% 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.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

FIX IT (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 Charitable activities

	Fix It 2023	Fix It 2022
	£	£
Services provided under contract	721,851	592,079
	<u> </u>	<u> </u>

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Meals from canteen	116	4,774
	<u> </u>	<u> </u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	1,394	25
	<u> </u>	<u> </u>

FIX IT (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

6 Charitable activities

	2023	2022
	£	£
Staff costs	401,799	526,762
Depreciation and impairment	11,915	8,417
Teaching Expenses	12,647	8,862
Accreditation fees	6,230	4,007
Consultancy costs	980	1,803
Learner rewards	2,256	1,322
Staff uniform	1,390	154
Cleaning and laundry	2,992	2,474
Student bursaries	19,167	17,340
Staff training	3,264	6,554
	<u>462,640</u>	<u>577,695</u>
Share of support costs (see note 8)	114,953	113,869
Share of governance costs (see note 8)	10,594	4,356
	<u>588,187</u>	<u>695,920</u>

7 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 2023

8 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Rent, rates and premises expenses	41,751	-	41,751	40,831	-	40,831
Motor and travel	-	-	-	30	-	30
Insurance	7,985	-	7,985	5,591	-	5,591
Telephone	11,562	-	11,562	11,678	-	11,678
Light and heat	10,783	-	10,783	9,597	-	9,597
Postage, printing and stationery	1,636	-	1,636	339	-	339
IT and computer costs	3,151	-	3,151	11,172	-	11,172
Interest on loans	84	-	84	7,039	-	7,039
Bank charges	554	-	554	549	-	549
Sundry expenses	37,447	-	37,447	27,043	-	27,043
Accountancy and payroll	-	8,805	8,805	-	4,528	4,528
Legal fees	-	-	-	-	(172)	(172)
Governance services	-	1,789	1,789	-	-	-
	<u>114,953</u>	<u>10,594</u>	<u>125,547</u>	<u>113,869</u>	<u>4,356</u>	<u>118,225</u>
Analysed between						
Charitable activities	<u>114,953</u>	<u>10,594</u>	<u>125,547</u>	<u>113,869</u>	<u>4,356</u>	<u>118,225</u>

9 Trustees

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

Matthew Keeffe, one of the trustees carried out consultancy work for the charity during the year to 31 August 2023, via a limited company of which he is a share holder and director.

The amounts involved are:

Matthew Keeffe - £980 (2022 - £905)

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total staff numbers	<u>15</u>	<u>22</u>

FIX IT (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

10 Employees (Continued)

Employment costs	2023	2022
	£	£
Wages and salaries	394,525	518,460
Other pension costs	7,274	8,302
	<u>401,799</u>	<u>526,762</u>

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

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Tangible fixed assets

	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2022	-	75,738	10,943	1,000	87,681
Additions	5,214	42,487	3,396	-	51,097
	<u>5,214</u>	<u>118,225</u>	<u>14,339</u>	<u>1,000</u>	<u>138,778</u>
At 31 August 2023	5,214	118,225	14,339	1,000	138,778
	<u>5,214</u>	<u>118,225</u>	<u>14,339</u>	<u>1,000</u>	<u>138,778</u>
Depreciation and impairment					
At 1 September 2022	-	48,181	5,807	330	54,318
Depreciation charged in the year	87	9,983	1,623	223	11,916
	<u>87</u>	<u>58,164</u>	<u>7,430</u>	<u>553</u>	<u>66,234</u>
At 31 August 2023	87	58,164	7,430	553	66,234
	<u>87</u>	<u>58,164</u>	<u>7,430</u>	<u>553</u>	<u>66,234</u>
Carrying amount					
At 31 August 2023	5,127	60,061	6,909	447	72,544
	<u>5,127</u>	<u>60,061</u>	<u>6,909</u>	<u>447</u>	<u>72,544</u>
At 31 August 2022	-	27,557	5,136	670	33,363
	<u>-</u>	<u>27,557</u>	<u>5,136</u>	<u>670</u>	<u>33,363</u>

13 Stocks

	2023	2022
	£	£
Raw materials and consumables	500	500
	<u>500</u>	<u>500</u>

FIX IT (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

14 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	144,797	191,286
Prepayments and accrued income	607	1,272
	<u>145,404</u>	<u>192,558</u>

15 Loans and overdrafts

	2023	2022
	£	£
Bank loans	-	1,627
	<u>-</u>	<u>1,627</u>
Payable within one year	-	1,627
	<u>-</u>	<u>1,627</u>

At 31 August 2022, the charity had an outstanding loan due to IWOCA which had been repaid in instalments, the last of which was payable in October 2021. Interest was charged at a commercial rate. The loan was unsecured.

16 Finance lease commitments

It is the company's policy to lease certain equipment under finance leases. The average lease term is 5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments

17 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Bank loans	15	-	1,627
Obligations under finance leases	16	3,962	-
Other taxation and social security		48,039	85,649
Trade creditors		7,615	2,397
Accruals and deferred income		147,723	235,716
		<u>207,339</u>	<u>325,389</u>

18 Creditors: amounts falling due after more than one year

	Notes	2023	2022
		£	£
Obligations under finance leases	16	11,888	-
		<u>11,888</u>	<u>-</u>

FIX IT (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

19 Related party transactions

Other than the transactions disclosed in note 10, there were no disclosable related party transactions during the year (2022 - none).