

**BLACK COUNTRY CONSORTIUM LIMITED**

**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2020**

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**BLACK COUNTRY CONSORTIUM LIMITED**  
**(A Company Limited by Guarantee)**

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**COMPANY INFORMATION**

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<b>Directors</b>	Cllr M Bird Cllr I Brookfield (appointed 28 May 2019) Mr P Brown Mr A Cox (resigned 21 June 2019) Mr K Davis (appointed 1 July 2019) Cllr Y Davies (appointed 3 June 2019, resigned 10 July 2020) Ms R Eade (appointed 10 December 2019) Mr S Eastwood Ms C Elliott (appointed 10 December 2019) Mrs L Flynn (appointed 12 August 2019) Cllr P Harley (appointed 27 May 2019) Mr N Johal DL Dr C Handy OBE Cllr R Lawrence (resigned 27/05/2019) Mrs A Tomlinson (appointed 10 December 2019) Mr S Towe (resigned 12 June 2020) Cllr S Trow (resigned 21 May 2019) Mr T Westley DL Cllr Q Zada (resigned 29 May 2019)
<b>Registered number</b>	05159791
<b>Registered office</b>	The Deckhouse Waterfront West Dudley Road West Midlands DY5 1LW
<b>Independent auditor</b>	Cooper Parry Group Limited Chartered Accountants & Statutory Auditor Park View One Central Boulevard Blythe Valley Business Park Solihull West Midlands B90 8BG

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**BLACK COUNTRY CONSORTIUM LIMITED**  
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**BLACK COUNTRY CONSORTIUM LIMITED**  
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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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The directors present their report and the financial statements for the year ended 31 March 2020.

**Principal activities**

The principal aim of the company is to champion the urban renaissance aspirations of the Black Country region, comprising the City of Wolverhampton and the boroughs of Walsall, Sandwell and Dudley. It will hold stakeholders to account on the implementation of the integrated economic and spatial strategy – the Black Country Strategy for Growth and Competitiveness, documented in the published Black Country Strategic Economic Plan. The company looks to monitor progress towards outcomes on economic competitiveness, reversal of population migration and the socio-economic mix of the population as set out in the 30 Year Vision.

The company's operations are structured around 4 prime roles; capacity to support public and private sector partners on strategic priorities, enabling partnership working between the public, private and voluntary sectors to improve the economic performance of the area and the health and wellbeing of its residents, providing data, intelligence and policy advice on economic issues and acting as an advocate and champion for the Black Country. This support is provided to the overarching strategic partnership – Black Country Consortium and a number of aligned boards including the Local Enterprise Partnership (BCLEP) and the Active Black Country Partnership (ABC).

The BCLEP is a voluntary partnership between local authorities and the private sector formed in 2011 by the then Department for Business, Innovation and Skills to help determine local economic priorities and lead economic growth and job creation within a defined local area. In June 2013 the Government set out enhanced strategic roles for LEPs. As a consequence, the role of secretariat to the LEP has expanded to include strategic advisor for a funding allocation of £170m from European sources, reflected in the Black Country European Strategic Investment Plan aligned to the overarching Black Country Strategic Economic Plan. The BCLEP has led on negotiations with central Government in determining 'City' and Local Growth Deals (£217m) which offer policy flexibilities and resources for bespoke interventions.

The Active Black Country partnership is the strategic lead for Physical Activity and Sport across the Black Country, advocating the health, social and economic benefits of sport, physical activity and play for our residents. The Active Black Country role is uniquely aligned to the Black Country, driven by the demographics of the region, the environment in which we work and our organisations beliefs and values. The partnerships core purpose is to enable physical activity impacting on improved wellbeing of Black Country residents and communities through connecting, aligning, influencing and collaboration on strategic priorities and related policy and investment. In 2019/20 the partnership has been successful in influencing over £32m investment into the region and managing a number of Lottery and national contracts that aim to tackle physical inactivity.

The company manages delivery of the Black Country Growth Hub which acts as a single point of contact for all business enquiries in the region. Government established Growth Hubs in 2014 in order to co-ordinate public and private providers of business support, collate information about business support provision available locally, and signpost businesses seeking help to the most appropriate support. Each LEP has a Growth Hub which is funded directly by a grant from BEIS. Specifically, the Black Country Growth Hub has operated with increased success since the adoption of a new Delivery Model which commenced on 1st April 2019, comprising a dedicated team of Business Co-Ordinator's and Business Account Managers.

The Company also manages the Black Country Skills Factory which focusses on skills development addressing the shortfall in sectors such as advanced manufacturing , transport technologies and building technologies through promoting apprenticeship opportunities, brokering bite sized training courses for both large and small employers and individuals and developing meaningful relationships between schools and business as part of the National Careers and Enterprise Company initiative to support schools/colleges to meet the Governments National Careers Strategy.

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**BLACK COUNTRY CONSORTIUM LIMITED**  
**(A Company Limited by Guarantee)**

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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**2019/20 Business review, current activities and future developments**

Black Country Consortium Limited is a not for profit company, limited by guarantee. Its guarantee members are the leaders of the four Black Country local authorities – City of Wolverhampton Council, Dudley MBC, Sandwell MBC and Walsall MBC.

The statement of comprehensive income for the 2019/20 financial year is shown on page 33 and incorporates adjustments for corporation tax and the West Midlands Pension Fund FRS102 pension adjustments. The result for the year before these adjustments was a surplus of £8,029. Cash balances are healthy and the net current asset position has been maintained year on year.

The company continues to change as we are asked to respond quickly and effectively to a rapidly changing national, sub-national, regional & local political environment, including economic recovery Planning in response to Covid-19. The focus of support remains on the Black Country with company officers and directors working through a series of partnership collaborations across the West Midlands, pan Midlands and with other LEPs on a national footing. The Black Country Programme Management Office function continue to oversee a range of capital programmes including the 6-year Black Country Local Growth Deal of £217m, the Black Country Enterprise Zone and the West Midlands Combined Authority Black Country Brownfield and Property Investment programme. Our activities have been aligned in part to the Local Enterprise Partnership with its priorities clustered under the three pillars of the Black Country Strategy; Infrastructure Development (Connectivity including Digital and Transport infrastructure, Black Country as Garden City initiative, Environment, Energy Capital, and Digital priorities ranging from Broadband to 5G); Competitiveness (Business Advice & Support, International Trade, Inward Investment, Access to Finance, Black Country Productivity Factory) and Education, Employability & Skills (School improvement and strategic advice on the improvement of Careers Information, Advice and Guidance, brokering relationships between employers and education and accelerating progress of Schools and Colleges against the governments Careers Strategy 2017, supporting Apprenticeship and Workforce Development for all sectors – e.g. The Black Country Skills Factory, NEET prevention and promotion of Higher and Further Education). These along with a focus on communication and perceptions have created the framework for many company activities.

In 2019/20, the LEP committed significant resources, working with the Greater Birmingham and Solihull LEP, Coventry & Warwickshire LEP and the West Midlands Combined Authority in the development of a Local Industrial Strategy for the West Midlands – the first in the UK. This included significant consultation with local and regional businesses, expansion of delivery plans to reflect (where applicable) a wider geographic focus and an analysis of market opportunities and failures to be addressed to enable the growth of productivity and inclusive growth across the West Midlands.

Importantly, the Black Country has played an integral role in developing the West Midlands LIS and has influenced the priorities that underpin it. The Black Country Economic Intelligence Unit is responsible for the collation of all the evidence for the West Midlands LIS, allowing partners to make informed decisions about what aspects of the economy and society the LIS should focus on. We are also leading on West Midland wide action plans for four sectors – metals and materials, aerospace, construction and rail. We will continue to work collaboratively at the West Midlands level and beyond in order to maximise the potential of industrial strategy opportunities and more recently sector plans in response to the Covid-19 Economic Recovery Plan.

Black Country Consortium is also one of the main delivery partners in the Midlands Engine Observatory which is a partnership commissioned by the Midlands Engine Executive. The Economic Intelligence Unit of Black Country Consortium provides the Midlands Engine with regular Economic Commentary including Covid-19 Economic Monitors, which provides intelligence that can inform, support and influence important decision making to ensure strategy and policy is evidence led.

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**BLACK COUNTRY CONSORTIUM LIMITED**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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The central role of LEPs in promoting growth has been reflected in a number of recent announcements:

- Facilitating and developing the Black Country Programme Management Office and the development of an integrated pipeline of propositions and programmes including the Local Growth Deal Fund, a six-year programme, 2015-2021, utilising £217M funding for transport infrastructure, employment, skills and housing projects;
- Facilitating the development of a specific Land and Property Investment Fund programme securing a minimum of £53M from the West Midlands Combined Authority;
- Shaping a minimum of £170m of European Structural Investment Funds for the 2014/20 period;
- Facilitating the development of a pipeline of propositions, programmes and projects creating the Black Country Delivery Plan underpinning the Black Country Local Industrial Strategy;
- Leading and programme management of resources from BDUK and BT for the support of Broadband infrastructure resulting in a £12m investment programme and exploring the opportunities from the WMCA 5G programme;
- Providing economic intelligence in support of the Combined Authority arrangements for the West Midlands including the production of the 'Annual State of the Region' report on behalf of the WMCA and providing strategic support in the development of the 'Office of Data Analytics';
- Founding member of a multi-faceted consortia to provide economic intelligence to the Midlands Engine;
- Supporting the implantation of the West Midlands Local Industrial Strategy and the ongoing provision of the evidence base to underpin the WM LIS and the associated sector action plans;
- Supporting and leading on the development of the Black Country Active Black Country Strategic Framework – Towards an Active Black Country;
- Identifying a pipeline of propositions, programmes across stakeholders working within targeted geographical areas to get Black Country residents more active and moving more;
- Established the Black Country Insight Hub that provides data, intelligence and learnings to inform policy, strategy development and business cases;
- Leading and managing the introduction of senior level, volunteer Enterprise Advisers into each Secondary School to improve the CEIAG (Careers Education, Information, Advice & Guidance) offering at the school through improving the schools Business Engagement Strategy as part of the national Careers & Enterprise Company programme;
- Driving the Careers Hub programme and recruiting and managing a network of Cornerstone Employers dedicated to improving the careers education of all pupils;
- Delivering a Primary School Careers Programme Pilot and developing a legacy of resources accessible to all schools and colleges;
- Strategic partner to the Elite Centre for Manufacturing Skills (ECMS), supporting the expansion of skills provision;
- Strategic support for the Black Country Growth Hub which provides a single point of contact for businesses in the Black Country to easily access a wide range of support and expertise, including Covid-19 recovery support and guidance and EU Exit information and guidance.

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**BLACK COUNTRY CONSORTIUM LIMITED**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**Covid-19**

In March 2020 Black Country Consortium Ltd had to respond quickly to the impact of the Covid-19 pandemic and consequential lockdown. Following the Prime Minister's announcement on 16 March, the BCC Ltd leadership team met the following day, and the whole company team immediately transitioned to working from home whilst maintaining delivery of all its services. More importantly, the team were able to quickly adapt to provide a very different range of support for businesses and stakeholders in their own response to Covid-19.

Central to our approach was the coordination of real time intelligence from across the Black Country providing Covid-19 economic monitors for the Black Country as well as working collaboratively with regional partners to support the flow of intelligence and insight on a weekly basis for national government, the West Midlands Mayoral Combined Authority and the pan regional Midlands Engine. We adapted our websites for the Black Country LEP, Active Black Country and Black Country Growth Hub to ensure the latest guidance and support were available 24/7. Our Growth Hub team including our Access to Finance expertise, worked in partnership with our Local Authorities and other stakeholders to ensure grant support and access to the various nationally announced financial packages for businesses were accessible whilst also feeding back to central government areas that needed further or different types of support based on the frontline experiences of businesses and their employees. We have coordinated the creation of a bespoke Black Country Covid-19 Economic Recovery Plan and continue to develop specific sector action plans in response to the specificity of supply chains and Black Country impacted business.

The team also supported the call for additional local, national and regional PPE suppliers in support of both the NHS and Care sectors. Many Black Country businesses responded to this need as well as front line supply chain support for the construction of the Nightingale Hospital infrastructure during the Spring of 2020.

As financial year ends go 2019-20 was very different; there was no time to pause and reflect on the significant achievements and progress made in this 'transitional' year.

At the date of signing these financial statements, the Senior Leadership Team and Directors have considered the effect of Covid-19 on the company with the information available, and do not believe it will affect Black Country Consortium's ability to continue to operate for the foreseeable future. As with most organisations, there will be both short term practical difficulties and longer-term adjustments which Black Country Consortium will continue to assess and manage. As a Black Country wide Organisation, our company offering is still in high demand and 60% of our future income target is secured through contractual commitments.

As a company limited by guarantee our priority continues to be ensuring our future offer adapts to meet the needs of our Guarantee Members and broader Black Country stakeholders via a sustainable funding model. We are well placed to continue operating.

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**BLACK COUNTRY CONSORTIUM LIMITED**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**Future Developments**

Our priorities continue to be shaped by the Covid-19 pandemic across all sectors of the business. Our 4 core company values (To be passionate about the Black Country; Work in a spirit of innovation, creativity and enterprise; Stimulate the sub-region by working in partnership; Value the contribution, skills and integrity of our team) underpin our work programme.

BC Consortium Ltd resources remain during 2020 focussed on supporting the economy in its broadest sense to adapt, transition and restart in their response to the pandemic.

As we await expected Government announcements on the Devolution White Paper, the Comprehensive Spending Review and other budget fiscal events we are expecting further transition and changes to roles and responsibilities on economic development. As with previous changes in national policy the company is well placed to be agile and transition as required. Our focus in coming months will be to manage and mitigate risks but also take advantage of the opportunities change will inevitably bring.

Looking to the future, resources available to the company from local authority subscriptions will continue to be under pressure. Partners are, therefore, likely to require greater return on their investment, including enhanced efficiencies and changes to service provision, including ways of working under a Team Black Country remit. Our annual business review will need to balance priorities for support with available resources and capacity. Active Black Country is working to consolidate the impact of the collective work in 2019/20 and ensure we have sufficient capacity and expertise to drive the agenda post 2021 when the current funding cycle ends. The combination of various funds, together with a growing remit to provide economic intelligence to the West Midlands Combined Authority, the Midlands Engine and other LEPs provides a strong platform to continue the coordination of Black Country wide activities.

Black Country Consortium is well positioned to develop further the levelling up agenda and the focus it brings to the Black Country vision and ambitions which have levelling up at their core. Collaborative working with subsidiarity as a core principle of what works best at what spatial level means that collaborative partnerships continue to adapt to local, regional, pan regional and national arrangements.

The Government is proposing to issue a White Paper with regards to devolution and next steps during 2020. This should set out the purposed future for LEPs. Details on the replacement of EU and Growth Deal funds by the proposed UK Shared Prosperity Fund (UKSPF) are also awaited.



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**BLACK COUNTRY CONSORTIUM LIMITED**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**Directors' responsibilities statement**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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**BLACK COUNTRY CONSORTIUM LIMITED**  
**(A Company Limited by Guarantee)**

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**Directors**

The directors who served during the year were:

Cllr M A Bird  
Cllr I Brookfield (appointed 28 June 2019)  
Mr P Brown  
Mr A Cox (resigned 21 July 2019)  
Cllr Y Davies (appointed 3 June 2019, resigned 10 July 2020)  
Mr K Davis (appointed 1 July 2019)  
Ms R Eade (appointed 10 December 2019)  
Mr S Eastwood  
Ms C Elliott (appointed 10 December 2019)  
Mrs L Flynn (appointed 12 August 2019)  
Dr C Handy OBE  
Cllr P Harley (appointed 27 May 2019)  
Mr N Johal DL  
Cllr R Lawrence (resigned 27 May 2019)  
Mrs A Tomlinson (appointed 10 December 2019)  
Mr S Towe CBE (resigned 12 June 2020)  
Cllr S Trow (resigned 21 May 2019)  
Mr T P Westley DL  
Cllr Q Zada (resigned 29 May 2019)

**Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Auditor**

The auditor, Cooper Parry Group Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

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

This report was approved by the board and signed on its behalf.



**Mr T Westley DL**  
Director

Date: 23 November 2020

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**BLACK COUNTRY CONSORTIUM LIMITED**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLACK COUNTRY CONSORTIUM LIMITED**

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**Opinion**

We have audited the financial statements of Black Country Consortium Limited (the 'Company') for the year ended 31 March 2020, which comprise the Statement of Comprehensive Income, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material

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**BLACK COUNTRY CONSORTIUM LIMITED**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLACK COUNTRY CONSORTIUM LIMITED**  
**(CONTINUED)**

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misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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**BLACK COUNTRY CONSORTIUM LIMITED**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLACK COUNTRY CONSORTIUM LIMITED**  
**(CONTINUED)**

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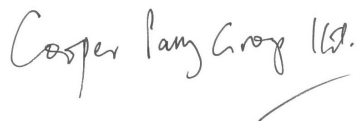
**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

**Use of our report**

This report is made solely to the Company's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members for our audit work, for this report, or for the opinions we have formed.



Simon Atkins FCA (Senior Statutory Auditor)

for and on behalf of

**Cooper Parry Group Limited**

Chartered Accountants  
Statutory Auditor

Park View  
One Central Boulevard  
Blythe Valley Business Park  
Solihull  
West Midlands  
B90 8BG

23 November 2020

**BLACK COUNTRY CONSORTIUM LIMITED**  
(A Company Limited by Guarantee)

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2020**

	Note	2020 £	2019 £
Turnover	2	3,658,702	3,577,609
Cost of sales		(1,379,895)	(1,283,744)
<b>Gross profit</b>		<u>2,278,807</u>	<u>2,293,865</u>
Administrative expenses		(2,658,837)	(2,566,968)
<b>Operating loss</b>	4	(380,030)	(273,103)
Interest receivable		7,479	6,218
<b>Loss before tax</b>		<u>(372,551)</u>	<u>(266,885)</u>
Tax on loss	6	(1,420)	(1,156)
<b>Loss for the financial year</b>		<u>(373,971)</u>	<u>(268,041)</u>
<b>Other comprehensive income for the year</b>			
Actuarial (loss)/gains on defined benefit pension scheme		(1,106,000)	548,000
<b>Other comprehensive income for the year</b>		<u>(1,106,000)</u>	<u>548,000</u>
<b>Total comprehensive income for the year</b>		<u>(1,479,971)</u>	<u>279,959</u>

The notes on pages 13 to 26 form part of these financial statements.

**BLACK COUNTRY CONSORTIUM LIMITED**  
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**REGISTERED NUMBER: 05159791**

**BALANCE SHEET**  
**AS AT 31 MARCH 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	7	21,063	19,338
		<u>21,063</u>	<u>19,338</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	873,558	919,295
Cash at bank and in hand		1,547,976	941,829
		<u>2,421,534</u>	<u>1,861,124</u>
Creditors: amounts falling due within one year	10	(1,637,836)	(1,083,730)
<b>Net current assets</b>		783,698	777,394
<b>Net assets</b>		<u>804,761</u>	<u>796,732</u>
Defined benefit scheme pension liability	13	2,823,000	1,335,000
<b>Capital and reserves</b>			
Income and expenditure account	11	(2,018,239)	(538,268)
		<u>804,761</u>	<u>796,732</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**Mr T Westley DL**  
 Director

Date: 23 November 2020

The notes on pages 13 to 26 form part of these financial statements.

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**BLACK COUNTRY CONSORTIUM LIMITED**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Black Country Consortium Limited is a company limited by guarantee, incorporated in the United Kingdom. The address of its registered office is shown on the company information page.

The financial statements are prepared in sterling (£).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**1.2 Income**

Income comprises grants and other income receivable from public sector bodies and other organisations. Income is recognised as and when the services for which it has been received have been performed, otherwise it is included in deferred income.

**1.3 Going concern**

As explained in the Directors' Report, since the year end there has been a global Coronavirus pandemic which is having a significant economic impact globally. At the time of signing these accounts the directors have considered the effect of the Coronavirus on the going concern position of the company. Due to the level of funding already secured for the 2020/21 and the 2021/22 financial years, the significant cash balance held at balance sheet date and the financial reserves that can be re-purposed to assist short term finance deficits if required, the directors are of the opinion that the company will continue to operate for a period of at least twelve months from the date of signing the accounts.

At the balance sheet date, the West Midlands Pension Fund deficit had moved £1,488,000 further into deficit. £2,823,000 was recognised in provisions at the balance sheet date. The present value of pension scheme liabilities increased by £1,620,000 to £12,625,000 during the financial year of 2019/20. During the same period, the fair value of the fund assets increased by £132,000 to £9,802,000. This modest increase in the pension fund assets is due to the significant impact of the coronavirus which affected stock markets globally. Since the balance sheet date there has been some recovery in global stock markets although an interim valuation has not been obtained.

**1.4 Tangible fixed assets and depreciation**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

**1.4 Tangible fixed assets and depreciation (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	- 6 to 8 years straight line
Computer equipment	- 6 to 8 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

**1.5 Operating leases**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

**1.6 Pension**

**Defined benefit pension plan**

The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration.

The liability recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability.'

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

**1.7 Debtors**

Short term debtors are measured at transaction price, less any impairment.

**1.8 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

**1.9 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**1. Accounting policies (continued)**

**1.10 Taxation**

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

**2. Turnover**

The following funds have been received in the year and have been included in turnover:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Black Country Local Authority subscriptions	413,321	390,188
Walsall MBC/LGF - programme office funding	268,039	123,627
Wolverhampton MBC - programme office funding	95,500	191,000
Walsall MBC/LEP Core and Strategic funding	500,000	500,000
Walsall MBC – Energy Strategy	-	119,912
Walsall MBC - LEP Review and LIS Implementation funding	200,000	-
Wolverhampton MBC – AIM	27,061	83,622
Combined Authority	318,155	243,833
Walsall MBC – Growth Hub	328,000	253,874
Innovation Alliance West Midlands	306,532	-
The Careers and Enterprise Company – Enterprise Advisors	58,622	146,463
The Careers and Enterprise Company – Careers Hub	120,863	72,000
The Careers and Enterprise Company - Primary Fund	65,100	-
Skills Funding Agency – ESF Skills Factory	41,600	327,450
Active Black Country Funding	692,162	491,903
Other funding (including deferred income adjustments)	223,747	633,737
<b>Total funding recognised in the year</b>	<b>3,658,702</b>	<b>3,577,609</b>

All turnover arose within the United Kingdom

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**BLACK COUNTRY CONSORTIUM LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 13, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 March 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

**4. Operating deficit**

The operating deficit is stated after charging:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	4,138	3,715
Audit fees	9,785	9,785
Other fees paid to the auditor	5,000	5,000
Other operating lease rentals	41,707	28,057
	<u>41,707</u>	<u>28,057</u>

Included within the Statement of Comprehensive Income are charges amounting to £382,000 (2019: £273,000) in respect of the FRS102 adjustments related to the defined benefit pension scheme.

The result for the year before these adjustments was a surplus of £8,029 (2019: surplus of £4,959).

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**5. Employees**

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

	<b>2020</b>	<b>2019</b>
	<b>No.</b>	<b>No.</b>
Administration	42	39
	<u>42</u>	<u>39</u>

The number of employees whose basic salary (excluding employer's pension contributions and national insurance) fell in the following brackets is:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Basic Salary Band</b>		
£105,000 - £109,999	1	1
£85,000 - £89,999	1	1
£65,000 - £69,999	1	-
£55,000 - £59,999	3	4
	<u>6</u>	<u>6</u>
	<u>6</u>	<u>6</u>

Of the 6 employees above (2019: 6), 2 were female (2019:1) and 4 were male (2019: 5).

Board members and directors do not receive remuneration from the company.

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**6. Taxation**

	2020 £	2019 £
<b>Corporation tax</b>		
Current tax on bank interest for the year	1,420	1,156
	1,420	1,156
<b>Total current tax</b>	1,420	1,156

**Factors affecting tax charge for the year**

The company is classified as a mutual company for tax purposes and is not taxed on its trading income.

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

**7. Tangible fixed assets**

	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>			
At 1 April 2019	1,852	29,912	31,764
Additions	5,863	-	5,863
Disposals	(1,852)	-	(1,852)
At 31 March 2020	5,863	29,912	35,775
<b>Depreciation</b>			
At 1 April 2019	1,595	10,831	12,426
Charge for the year on financed assets	474	3,664	4,138
Disposals	(1,852)	-	(1,852)
At 31 March 2020	217	14,495	14,712
<b>Net book value</b>			
At 31 March 2020	5,646	15,417	21,063
At 31 March 2019	257	19,081	19,338

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**8. Debtors**

	<b>2020</b>	<b>2019</b>
	£	£
Trade debtors	229,138	150,771
Other debtors	424	438
Prepayments and accrued income	643,996	768,086
	<u>873,558</u>	<u>919,295</u>

**9. Cash allocation to projects**

Included within the cash reserves held of £1,547,976 (2019: £941,829) are funds representing work to be completed in respect of future projects totalling £905,031 (2019: £530,271).

	<b>2020</b>	<b>2019</b>
	£	£
Black Country Local Authority subscriptions	192,054	175,370
SEP Proposition fund	37,657	37,657
Active Black Country funding*	553,014	173,601
Skills funding	-	81,382
Other sundry projects	84,617	62,261
Combined Universities Secondment	37,689	-
	<u>905,031</u>	<u>530,271</u>

\*includes Sport England funding for Primary Role £76,333, Satellite Clubs £80,592, Supporting Schools £79,333, Primary Schools Support Funding £18,762 and Volunteering £10,132, as well as other funding from the Combined Authority for the Place Based Fund £145,000.

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

	<b>2020</b>	<b>2019</b>
	£	£
Trade creditors	192,042	184,676
Corporation tax	1,420	1,181
Other taxation and social security	98,247	66,754
Other creditors	27,339	23,463
Accruals and deferred income	1,318,788	807,656
	<u>1,637,836</u>	<u>1,083,730</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**11. Reserves**

**Income and expenditure account**

This reserve includes all current and prior period retained surpluses and deficits.

**12. Company status**

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

As at the 31 March 2020 there were four members of the company (2019: four members).



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**13. Pension commitments**

The Company operates a Defined Benefit Pension Scheme.

The pension cost and provision for the year ending 31 March 2020 are based on the advice of a professionally qualified actuary. The most recent formal valuation is dated 31 March 2019.

Reconciliation of present value of plan liabilities:

	<b>2020</b> £	<b>2019</b> £
At the beginning of the year	11,005,000	10,287,000
Current service cost	462,000	432,000
Past service cost	89,000	-
Interest cost	264,000	263,000
Change in financial assumptions	(1,671,000)	556,000
Contributions	101,000	94,000
Benefits paid	(91,000)	(3,000)
Change in demographic assumptions	322,000	(624,000)
Experience loss on defined benefit obligation	2,144,000	-
<b>At the end of the year</b>	<b>12,625,000</b>	<b>11,005,000</b>

Reconciliation of present value of plan assets:

	<b>2020</b> £	<b>2019</b> £
At the beginning of the year	9,670,000	8,677,000
Interest on assets	235,000	225,000
Return on assets less interest	(638,000)	480,000
Other actuarial gains/losses on assets	327,000	-
Contributions	101,000	94,000
Benefits paid	(91,000)	(3,000)
Employer contributions	204,000	201,000
Administration expenses	(6,000)	(4,000)
<b>At the end of the year</b>	<b>9,802,000</b>	<b>9,670,000</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**13. Pension commitments (continued)**

	<b>2020</b>	<b>2019</b>
	£	£
Fair value of plan assets	9,802,000	9,670,000
Present value of plan liabilities	(12,625,000)	(11,005,000)
<b>Net pension scheme liability</b>	<u>(2,823,000)</u>	<u>(1,335,000)</u>

The amounts recognised in income and expenditure are as follows:

	<b>2020</b>	<b>2019</b>
	£	£
Current service cost	(465,000)	(432,000)
Net interest defined liability	(64,000)	(38,000)
Administration expenses	(6,000)	(4,000)
<b>Total</b>	<u>(535,000)</u>	<u>(474,000)</u>
Actual return on scheme assets	<u>(403,000)</u>	<u>705,000</u>
	<u>403,000</u>	<u>(705,000)</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Comprehensive Income was (£1,106,000 - loss) (2019 - £548,000 - gain).

The Company expects to contribute £200,000 to its Defined Benefit Pension Scheme in 2021.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**13. Pension commitments (continued)**

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	<b>2020</b>	<b>2019</b>
	%	%
Discount rate	2.35	2.4
Future salary increases	2.85	3.9
Future pension increases	1.85	2.4
Mortality rates		
- for a male aged 65 now	21.9	20.9
- at 65 for a male aged 45 now	23.8	22.6
- for a female aged 65 now	24.1	23.2
- at 65 for a female member aged 45 now	26.0	25.0

**14. Commitments under operating leases**

At 31 March 2020 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	<b>2020</b>	<b>2019</b>
	£	£
Not later than 1 year	37,097	37,251
Later than 1 year and not later than 5 years	144,247	145,053
Later than 5 years	-	36,000
	<u>181,344</u>	<u>218,304</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**15. Contingent liabilities**

As part of its normal commercial activity, the company has undertaken activities on behalf of partner organisations covering the delivery of specific projects. These projects have been funded by grants received by those partners from the European Regional Development Fund, European Social Fund and The Department for Business Innovation & Skills.

The terms of those grants provide for part or all of the grants to be repaid if the projects were deemed not to have been completed in accordance with the grant terms following inspection by UK and European auditors. European Commission regulations require all documentary evidence relating to projects be kept available for inspection by its auditors.

The directors are of the opinion that the likelihood of repaying any monies received relating to these projects is remote and no provision for potential liabilities has been made.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**16. Local Enterprise Partnership Income & Expenditure 2019/20**

	<b>2020</b> <b>£</b>
<b>Income</b>	
Funds ringfenced from previous LEP grant income	156,173
2019/20 LEP Grants	500,000
Funds ringfenced for future LEP grant expenditure	(32,354)
	623,819
<b>Expenditure</b>	
Black Country LEP contribution to WMCA for 19-20	25,000
Black Country LEP transfer to WM Innovation Alliance 19-20	25,000
Black Country LEP contribution to Midlands Engine 17-18, 18-19, 19-20	60,000
Black Country LEP contribution to Ladders for the Black Country 19-20	10,000
Sponsorship of LEP Network 2019/20	7,200
Black Country Energy Steering Group Support	35,520
Strategic Economic Plan & Local Industrial Strategy Development	22,301
LEP Board Development	8,657
Compliance Review	6,000
Marketing Communications & PR	24,382
Strategic Employment Sites Study	8,853
Economic Intelligence Data Subscriptions	4,820
Sundry Items	2,590
Capacity*	306,592
Events, Room Hire, Refreshments	15,036
Premises and Office Cost Recharge	32,000
Stationery, IT & Computer Costs	18,669
Motor & Travel Expenses	11,199
	623,819
<b>* Capacity (Staff costs recharged to LEP)</b>	
Careers & Enterprise Company Coordinator Match Funding	41,148
EU Programme Technical Assistant Post	46,045
Local Enterprise Partnership Governance	36,613
Finance & Productivity Lead	33,421
Digital Lead	45,296
Commonwealth Games Development Lead	15,480
Programme Office Recharges	5,928
Marketing & Communications	49,524
Economic Intelligence	33,137