



SMART
WORKS

SMART

WORKS

CHARITY

ANNUAL REPORT 2019/20

SMART WORKS

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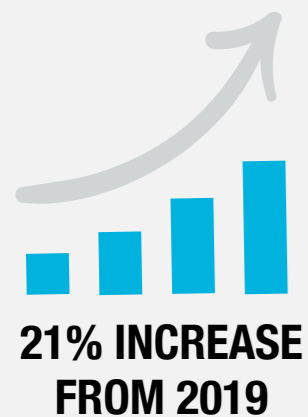
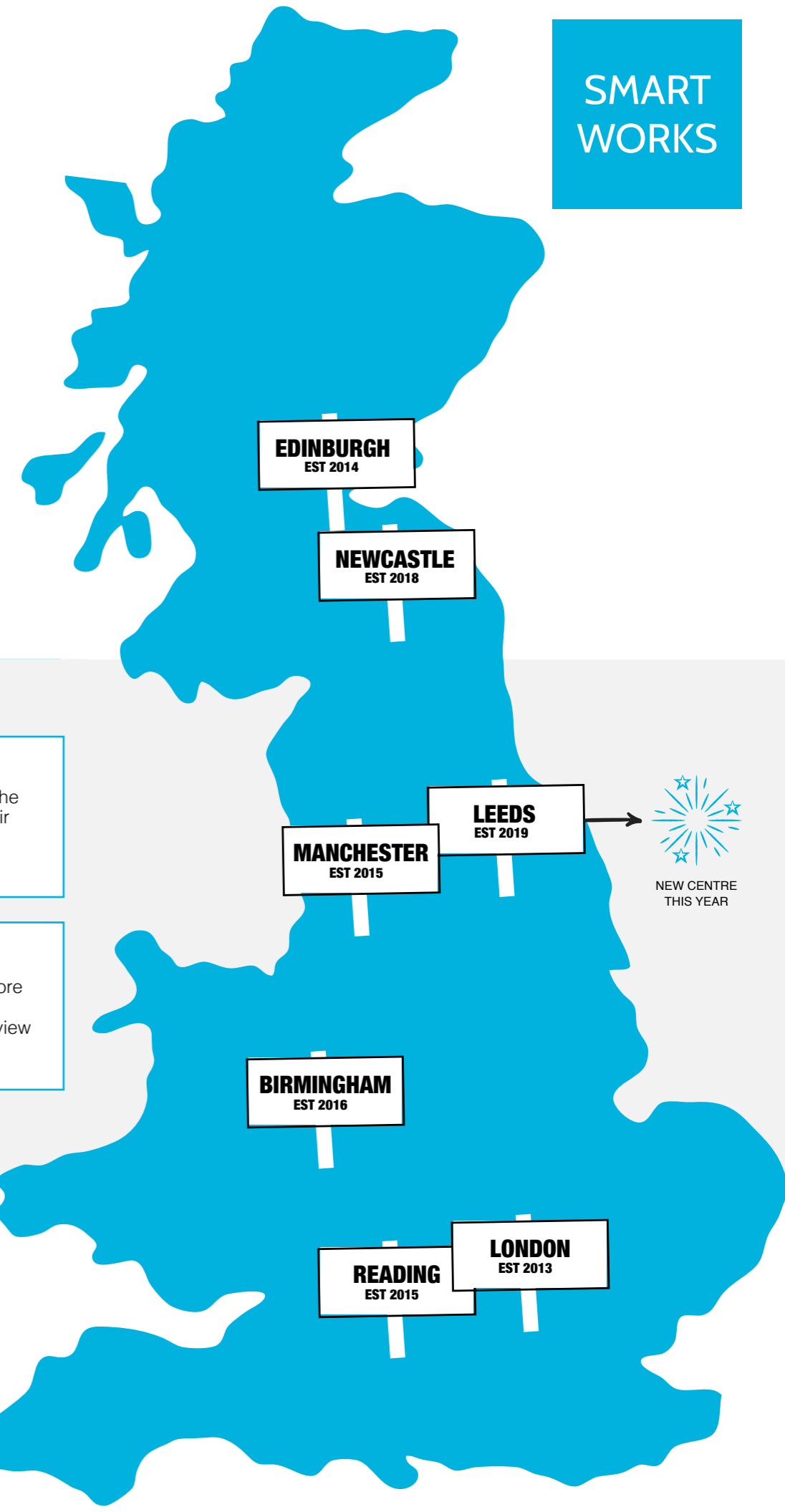
2019-2020

SMART WORKS

The Smart Works Story in numbers

SMART WORKS is a volunteer led charity that exists to help unemployed and vulnerable women before a job interview, by giving them the clothes, coaching and confidence to succeed at a crucial moment, get the job and transform their lives. We judge our success by the difference we make to the lives of the women we support.

8
CENTRES
ACROSS
THE
UK



3,921
WOMEN SUPPORTED
BY OUR SERVICE

65% of our clients go on to get the job within one month of their appointment

95% of our clients left feeling more confident that they would succeed at their next interview



POWERED BY
15,000 HOURS OF
DONATED TIME BY OVER
400 VOLUNTEERS

46%

of the women we support have applied for over 20 jobs

43%

of the women we support have been unemployed for over a year

40%

of the women we support are lone parents



“Across the land Smart Works centres have risen to the challenge of helping to transform women’s lives”



INTRODUCTION FROM THE CHAIR

It gives me great pleasure to present the Smart Works Annual Report of the Board of Trustees for the year ending 31 March 2020.

Smart Works was created seven years ago with the ambition of giving women across the UK the tools they need to succeed at their job interview, thereby transforming their lives. A two-hour session of dressing and coaching at Smart Works gives our clients the confidence to succeed at this crucial turning point - and 65% of these women will get the job.

The impact we have been able to have over the last year is a credit to the Smart Works staff and the 400 volunteers who deliver our service nationwide. From our eight centres across the UK, we will make a material difference to women in need and change the trajectory of their lives through employment.

It has been a good year for our charity, ranging from the support and inspiration of our Patron, The Duchess of Sussex, to the time, dedication and energy of our 400 volunteers who have dressed and coached clients.

We believe we are set for the challenges of this coming year, and will continue to help any woman, nationwide, who is referred to Smart Works. Smart Works is powered by the passion and belief that what we do is helpful and necessary. While the future at the present time is uncertain, we will continue to serve our clients to the best of our ability. Now is the time for the innovation and imagination to ensure we can continue the delivery of our service.

I am proud of our wonderful charity. Across the land Smart Works centres have risen to the challenge of helping to transform women’s lives by getting a job. And will continue to do so.

Lady Juliet Hughes-Hallett
Founder and Chair



INTRODUCTION FROM THE CEO

At Smart Works, we judge our success by the difference we can make to the lives of the women we help. By this measure, the last twelve months have been our most successful to date. We have helped nearly 4,000 women and delivered over 5,500 appointments in North and West London, Manchester, Birmingham, Newcastle, Edinburgh, Reading and Leeds. It is particularly important to us that 65% of our clients had returned to work within a month of their appointment at Smart Works.

All of this is thanks to the dedication of the Smart Works community, and there have been some incredibly special moments to share this year. The launch of the Smart Set, inspired by our Patron, The Duchess of Sussex, in September 2019 is a particular stand out. Bringing together major fashion retailers, the Smart Set was a joint campaign designed to connect customers directly with our clients. For every piece bought, an identical piece was donated to Smart Works. Not only has this campaign resulted in much needed and beautiful quality wardrobe essentials filling our dressing rooms across the UK, but it has

also connected customers, clients and retailers together as part of a bigger community.

The pandemic began to take hold across the UK just as this financial year ended. The response of the staff, volunteer and trustee teams has been outstanding. We're finding new ways to expand our service that at the beginning of the year didn't seem possible and our bonds feels stronger than ever.

Above all, there has not been a single day since the March lockdown began when we've not been helping clients. Thank you to everyone who has made that possible in these most difficult of times.

Kate Stephens
Chief Executive

The trustees, who are also the directors of the charity for the purposes of the Companies Act, present their annual report together with the accounts of Smart Works for the year ended 31 March 2020. The accounts have been prepared in accordance with the accounting practice set out on page 32 and comply with the charity's governing document, applicable laws and the requirements of Statement of recommended Practice on 'Accounting and Reporting by Charities' issued in 2019.

OBJECTIVES

Smart Works is a UK charity that dresses and coaches unemployed women for their job interview.

The charity's objects are the relief of financial hardship and the relief of unemployment for the public benefit through the promotion of economic independence among women. To deliver this, Smart Works was created in September 2013 to help some of the most vulnerable women in society with the clothes and the confidence they need to succeed at their job interview and start a new chapter of their life.

The women who come to the charity are referred from prisons, refuges, mental health charities and job centres. Almost half of our clients have been rejected from over 20 jobs, destroying self-esteem and creating a cycle of hopelessness and despair. From the moment she walks through our door, each woman is cherished and cared for. She is welcomed into our safe, friendly space with an empathetic

approach that puts the client's needs first. She is gifted a complete outfit of high-quality clothes and accessories, styled for her, and dedicated one-to-one interview training, so that she can start believing in her ability to succeed.

Once a woman gets the job, we offer a Second Dressing for enough clothing to last until first pay cheque. When a client re-enters the workplace, she can join our Network, meeting monthly in different corporate settings, with tailored sessions to set her up for professional success.

Smart Works has an efficient, volunteer-led model. Our dressing session and interview coaching is delivered nationwide by a team of 400+ skilled and trained volunteers. Our wardrobe is stocked with high-quality clothes donated by individuals and retailers.

Our strategic focus is to deliver our core dressing and interview coaching service to the best possible standard across the UK and take it to more locations so that any woman who needs our support can come to Smart Works. Our key performance indicators are the number of women that we help, and the proportion of those women who then go on to secure employment after their visit to a Smart Works centre.



ACHIEVEMENTS & PERFORMANCE

Smart Works has had an outstanding year across all areas of activity. Of particular note, across our eight centres in the UK, we delivered 3,921 first dressing and interview training appointments (an increase of 21%); delivered 1,631 second dressings (an increase of 27%) and a total of 5,552 total appointments (an increase of 23%). Job success rate increased by 1%, from 64% to 65%.

London has had a strong year, reaching capacity in its two existing premises and moving to a new space with increased scope to continue to help more women. Birmingham had an exceptional year, supporting over 600 women and delivering annual growth of 143%, and Manchester had a strong year supporting over 400 women and delivering 21% annual growth. Edinburgh saw impressive growth of 27%, welcoming 251 clients, and Reading also exceeded their growth target, growing by 12% and helping 283 women; and Newcastle completed its first full year of operation with a growth of 4%, helping 262 women.

In November 2019, we opened our eighth centre in Leeds; since the centre opened its doors, they have supported 54 women on their journey to work.



Partnerships with organisations that share our values continue to underpin this growth and have flourished across all areas of activity.

Trust and foundations continue to provide a vital corner stone of funding. We are grateful for the continued support of The Garfield Weston Foundation and The Esmée Fairbairn Foundation, and to new funders such as The Julia and Hans Rausing Trust, Oak Foundation, The Gaudio Family Foundation and The Segelman Trust. The certainty that this funding provides gives us the confidence to grow our service and help more women.

The past year has seen a considerable growth in our own events and activities, and this earned income remains a vital stream within our fundraising approach. We are particularly grateful to our media partner, Stella magazine and Somerset House, as well as the many brands

involved in the Big Stella x Smart Works Fashion Sale at Somerset House. We continued to run our own Fashion Sales, and our annual cycling challenge, Spin for Smart Works, saw 254 teams sign up to participate, an uplift of 66% against 2019's 138 committed teams.

Major corporate partnerships have continued to flourish. Bobbi Brown Cosmetics supported us through their Pretty Powerful Campaign for the seventh year with a collaboration with Elizabeth Scarlett. The promotion has already raised the highest ever total for the charity and we are proud to be able to continue our partnership with team at Bobbi Brown. Our longstanding relationship with John Lewis & Partners afforded us the chance to benefit from being the charity partner of their annual John Lewis & Partners Gala, bringing in significant funds.

The quality and quantity of clothing donations has also been exceptional. We are grateful to the retail partners, particularly John Lewis & Partners, Marks & Spencer, Hobbs and Burberry, who donated thousands of items of tailoring which were distributed across our regions. We have also noted a remarkable increase in individual donations, up 50% on the previous year, with 801 supporters sending us pieces for our wardrobe.

A significant highlight of the year was the launch and implementation of the Smart Set, together with our Patron, The Duchess of Sussex. A standout occasion for the charity and for the fashion industry, the Smart Set brought together John Lewis & Partners, Marks & Spencer, Jigsaw and Misha Nonoo on a 1:1 donation scheme whereby one item was donated to Smart Works for each item bought. The concept of the Smart Set was introduced in the September edition of

British Vogue, guest edited by The Duchess of Sussex, and then launched on 12 September. It generated enough donations to stock our wardrobes across the UK for a year.

We wrapped up the financial year with another event-filled International Women's Day. We welcomed support from Hobbs and Bumble, and in addition, new corporate supporters helped with financial contributions and clothing drives, while retail partners took inspiration from the 1:1 commercial model of the Smart Set and ran similar activities to generate clothing donations.

A more strategic approach to communications, coupled with several major external moments has led to an excellent year with a substantial growth in social following (125% overall) and website visits. As well as building the external profile, the focus has been on creating a stronger and better connected Smart Works community.

THE SMART WORKS SERVICE IN ACTION

We are passionate about our service and always put our clients at the heart of everything we do. We play a vital role in re-connecting women to their capability, self-confidence and self-belief and this impact is best brought to life in the words of our clients.

Bibi came to Smart Works in 2019 after being unemployed for over five years and finding herself homeless. After spending many years looking for a role Bibi was lacking the confidence she needed to succeed.

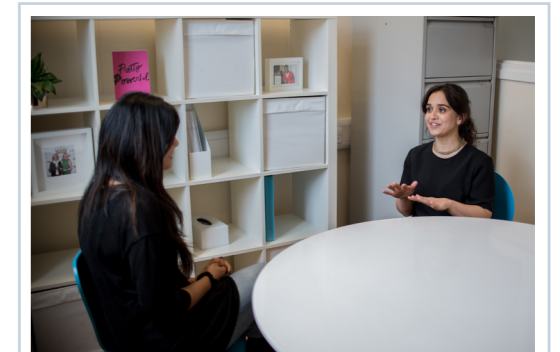
"When I first came to Smart Works, I was homeless and had been struggling with depression. I had been unemployed for over five years and it had been a long road to even get an interview. I was referred to Smart Works by my local council before my interview at a law firm in Mayfair."

"At first I was unsure about coming as I didn't know what to expect. I hadn't thought much about what I would wear to my interview and I didn't want to be a charity case. My Smart Works appointment exceeded my expectations. I felt nervous, shy and low in spirits when I first arrived, but I was immediately touched by the care, respect and kindness of those who greeted me."

"In my dressing session the volunteer stylists helped me to pick out a beautiful outfit that made me feel interview ready. I felt like the clothes I took away became like a friend to me, helping to carry me through."

"The interview skills coaching session was also very informative. I felt so comfortable and could ask any question, no matter how silly or small. Before leaving I was given an interview preparation booklet to take away with me which I read over again the morning before my interview. I feel my appointment at Smart Works made a big difference to how I was perceived at my interview."

"A burden was lifted from my shoulders and I left with all the tools I needed to handle any interview situation. I got the job, and am now looking to start my new career in law. I was so humbled by my experience and I'm already working with my team to see how we can give back in the future."



"A burden was lifted from my shoulders and I left with all the tools I needed to handle any interview situation..."

FINANCIAL REVIEW

RESULTS FOR THE YEAR

The Coronavirus pandemic began to take significant hold across the UK just as the financial year was ending and consequently the financial results were not significantly impacted. However, the audit of the financial statements was directly affected, and we are grateful to our auditors for their pragmatic approach in working with us to conclude the audit.

Given the current level of economic and social uncertainty, management have carried out an assessment and concluded that there are no material uncertainties to disclose. Consequently, the accounts have been prepared on a going concern basis.

Smart Works consolidated accounts include two key changes this year – a new office opening in Leeds (November 2019) and the full consolidation of the Edinburgh office (joined the Group on 31 March 2019).

Total income for the year was £1.86m which was an increase of 31% over the previous year. Of this, £198k represents fair value of dressing stock donations (2019: £231k), making the total income minus stock donations £1.66m (2019: £1.19k), a 40% increase.

We continue our strategy to diversify sources of income. Grants and individual donations were £741k (2019: £516k), corporate giving income was £373k (2019: £276k) and fundraising events generated £544k (2019: £322k).

Approximately 28% of the total income was generated by the centres outside London, an increase of 3% from last year.

Unrestricted income of £1.42m represents 77% of overall total income. Restricted income of £440k includes £198k of dressing stock.

Expenditure for the year increased by 38% to £1.56m reflecting the ongoing growth of the charity.

During the year, costs have been analysed into 2 key categories in line with SORP disclosures: “Core Service Delivery” and “National Delivery Support and Growth”. Total costs for these categories were £1.1m (growth of 43%) and £252k (growth of 24%) respectively, (2019: £769k and £204k).

Core Service Delivery expenditure increased primarily due to two main factors. Firstly, we have seen 21% more women in this financial year versus last year, giving rise to increased costs of c£200k. Secondly, we have included the costs of two additional centres in the consolidated results for the first time this year which represents c£110k of expenditure in 2020.

National Delivery Support and Growth expenditure primarily followed the Core Service Delivery above. We have a larger network of centres helping a larger number of women and consequently require additional resources to ensure that we are growing in a manner consistent with our overall strategic objectives.

Staff costs were the most significant expense at £735k (2019: £503k). The average number of employees increased from 17 to 22 (2 of which relates to the inclusion of Leeds and Edinburgh) and the remainder due to growth in London and across the regions.

Property, rent and office costs were £365k (2019: £322k) and the increase is predominantly related to the additional two centres. Together with staff costs, these remain the principal costs of the charity.

Total group surplus for the year was £303k (2019: £290k) giving restricted funds of £315k and unrestricted funds of £1.05m (2019: £183k and £884k respectively).

The generosity and ongoing commitment of our supporters has continued to drive our success and growth. We are very fortunate that our income comes

from a wide range of sources and whilst some of our funders prefer to remain anonymous we are extremely grateful to all of our supporters including Bobbi Brown, John Lewis & Partners and Burberry. The charity also benefits from a number of multi-year grants from the Garfield Weston Foundation, The Esmée Fairbairn Foundation, The Julia and Hans Rausing Trust, Oak Foundation, The Gaudio Family Foundation and The Segelman Trust.

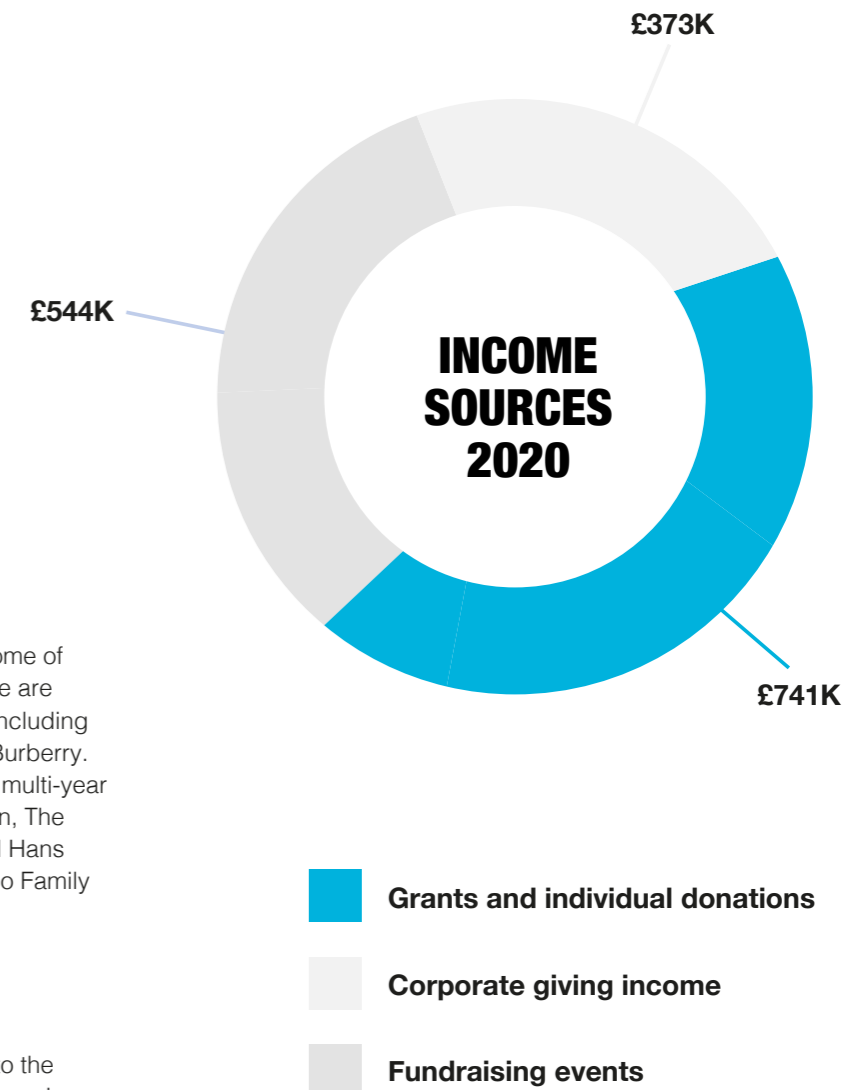
INVESTMENT POLICY

The trustees having regard to the liquidity requirements of operating the charity and to the reserves policy have operated a policy of keeping available funds in interest-bearing deposit accounts. These are currently held with CAF Bank, Scottish Widows, Virgin, United Trust, Natwest and HSBC.

RESERVES POLICY

The trustees have considered the requirement for free reserves, i.e. those unrestricted funds not designated for specific purpose or otherwise committed. It has been determined that, given the nature of the charity’s work, the level of free reserves for Smart Works Charity should be equivalent to nine to twelve months of annual expenditure. This provides sufficient flexibility to cover any temporary shortfall in incoming resources and will allow the charity to cope and respond immediately to a reasonable range of unforeseen adverse circumstances prior to specific remedial plans being implemented.

General unrestricted funds of £1.1m represents approximately 9 months of forecast annual expenditure (excluding restricted fund expenditure). The current level of unrestricted funds are deemed adequate and will be reviewed in line with the charity’s strategy for the next financial year.





PLANS FOR THE FUTURE

The Board has a three year strategic plan to govern its activities, starting in April 2019, and against which the charity had a successful first year.

The impact of the global pandemic at the end of March 2020 has had a direct impact on the second year of the three year plan.

The difficult decision was taken to suspend face to face delivery of the Smart Works service at the end of March and move to a virtual service delivery with online coaching and wardrobe packages dispatched direct to clients. A new service, Career Coaching, has also been introduced to help clients secure an interview. Both of these innovations have so far been successful and given new insights into how we can adapt and deliver our service and will be carefully considered as part of the charity's future plans.

It has proved a time of both disruption and innovation in the short term, alongside the long term prospect that with female unemployment already on a significant upward trajectory, the charity's services are likely to be more needed than ever. Given this, it is still the case that a plan for growth in service delivery is anticipated for the final year of the plan.

Overall, we will remain focused on delivering a quality service that has a proven impact to reach the highest possible number of women who need our support.

STRUCTURE, GOVERNANCE, MANAGEMENT

GOVERNANCE

Smart Works and its trustees are bound by the Memorandum and Articles of Association. The names of the trustees who served during the year are set out in the reference and administrative information on page 47.

RECRUITMENT & APPOINTMENT OF NEW TRUSTEES

Regular reviews are undertaken to assess the skills of the current trustees and identify any areas for strengthening. New trustees are appointed by the existing trustees and their appointment is confirmed by the members.

INDUCTION & TRAINING OF NEW TRUSTEES

New trustees are provided with an induction to familiarise themselves with the charity and the not for profit sector. They are briefed on their responsibilities by the existing trustees. New trustees are also referred to the Charity Commission's guide 'The Essential Trustee'.

ORGANISATIONAL STRUCTURE & DECISION MAKING

The trustees review and approve all policies, and follow a three year strategic plan set from 1 April 2019. The trustees meet quarterly throughout the year and have an annual session to update and revise the strategy.

FUNDRAISING

The charity understands its duty to protect the public, including vulnerable people, from

unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate but does not currently fundraise from the public or use any internal fundraisers or external fundraising agencies for either telephone or face to face campaigns and received no fundraising complaints during the year.

MANAGEMENT

The Chief Executive, Kate Stephens, runs the charity. As of 31 March 2020, the rest of the senior management team comprised of a Director of Service Delivery and Innovation, a Director of Partnerships and a Head of Finance.

PAY POLICY

All trustees give their time freely and no trustee received remuneration in the year.

As a small but fast growing and dynamic charity, Smart Works believes that its staff are key to delivering its objectives. To this end it believes that its pay policies should be fair, transparent, competitive and sustainable. Smart Works believes that it is important to reward its staff competitively and at the same time ensure that it remains prudent and can guarantee that salary costs are sustainable both at the current time and in the future. The Chief Executive is responsible for proposing the remuneration and terms and conditions of employment for all staff of the charity which is then approved by the Board. The pay and terms and conditions of the Chief Executive is approved by the full Board of Trustees.

The charity aspires to pay its staff around the median market pay level for comparable jobs in similar sized charities in London. Smart Works pays staff related

to their particular skills, experience, qualifications, performance and contribution to the charity, which is the typical approach to setting pay for small to medium sized charities. Smart Works reviews salary levels annually, coming into effect on 1 April of each year.

RISK MANAGEMENT

The Board of Trustees continues to review and assess risks faced by the charity every six months. The Chief Executive fully updates the Board of Trustees at these meetings and highlights current risks facing the charity. This covers governance, financial, operational, physical, external and reputational, legal and compliance risks. The main risks identified on the risk register and how they are managed are:

1. A shortfall of income against costs. This is mitigated by a balanced approach to fundraising, seeking to secure income from three main sources: grant funding, corporate income and our own activities.
2. Unsustainable growth. This is mitigated by setting a strategy of opening a maximum of one Smart Works centre a year and ensuring a balanced income portfolio.
3. Losing key staff and trustees. This is mitigated by a strong appraisal and development programme, alongside six months' notice for senior staff and trustees.

The Chief Executive ensures that robust policies, procedures, systems and training are in place to deal with risk and these are designed to mitigate or manage any potential impact on the charity should those risks materialise.

POLICIES

Policies for all relevant areas are maintained, including Safeguarding Adults at Risk, Safeguarding Children, Data Protection, Health and Safety, Bribery, Conflict of Interest, Complaints Handling and Privacy Policy for Clients, Donors and Diversity. A staff handbook is made available to all staff and includes a summary of all policies, and this is also shared with new trustees of Smart Works Charity and of regional Smart Works centres.

VOLUNTEERS

The trustees are grateful for the invaluable contribution of those who give their time voluntarily to deliver the dressing and interview preparation for our clients. The number of active volunteers across the UK on 31 March 2020 was 419; we have a very high retention rate. Arguably, one of the greatest assets Smart Works has is the enormous role played by its dedicated volunteers.

DIVERSITY & INCLUSION

Smart Works has a policy of encouraging diversity and non-discrimination against disabled people. A particular focus has also been given to encourage a wider ethnic diversity amongst staff, volunteers and trustees; and to ensuring those with lived experience of the challenges of female unemployment are well represented.

PUBLIC BENEFIT

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefits when reviewing our aims and objectives and in planning our future activities.

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies' subject to the small company's regime.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of Smart Works Charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.



Juliet Hughes-Hallett
Chair



Ewa Kerin
Trustee



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF SMART WORKS CHARITY

OPINION

We have audited the financial statements of Smart Works Charity (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise of the Consolidated statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, 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 group's and parent charitable company's affairs as at 31 March 2020, and of the group's incoming resources and application of resources, including its income and expenditure, 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 OF 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable 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 trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report¹, 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 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.

Opinions 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 trustees' report (incorporating 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 our knowledge and understanding of the group and parent charitable 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 trustees 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 TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 34, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and parent charitable 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 trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, 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 charitable company's members and its trustees 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Helena Wilkinson BSc FCA DChA (Senior Statutory Auditor)
26 November 2020

For and on behalf of
Price Bailey LLP
Chartered Accountants
Statutory Auditors

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2020 (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)

	Notes	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
Income from:					
Donations:	2				
Donations and grants		869,357	243,760	1,113,117	791,891
Donations of dressing stock		-	198,108	198,108	231,257
		<u>869,357</u>	<u>441,868</u>	<u>1,311,225</u>	<u>1,023,148</u>
Other trading activities	3	544,687	-	544,687	321,653
Investments		3,432	-	3,432	3,253
Other income	4	-	-	-	72,465
Total income		<u>1,417,476</u>	<u>441,868</u>	<u>1,859,344</u>	<u>1,420,519</u>
Expenditure on:					
Raising funds	6	(207,371)	-	(207,371)	(157,094)
Charitable activities	5	(1,039,000)	(310,010)	(1,349,010)	(973,524)
Total expenditure		<u>(1,246,371)</u>	<u>(310,010)</u>	<u>(1,556,381)</u>	<u>(1,130,618)</u>
Net income/ (expenditure)		171,105	131,858	302,963	289,901
Net movement in funds		171,105	131,858	302,963	289,901
Reconciliation of funds					
Total funds brought forward		883,645	183,208	1,066,853	776,952
Total funds carried forward		<u>1,054,750</u>	<u>315,066</u>	<u>1,369,816</u>	<u>1,066,853</u>

Total income for the group includes £198,108 (2019: £231,257) of income which is received in the form of donations of clothing and accessories. The income represents a fair value estimate of these stock donations, the clothes are given to the beneficiaries of the charity.

There are no recognised gains and losses other than those in the statement of financial activities. Therefore no statement of total recognised gains and losses has been prepared. All the above amounts relate to continuing activities.

CONSOLIDATED CHARITY AND GROUP BALANCE SHEETS FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020		2019	
		Group	Charity	Group	Charity
Fixed assets					
Tangible assets	11	44,062	33,352	595	-
Investments	12	-	2	-	2
		<u>44,062</u>	<u>33,354</u>	<u>595</u>	<u>2</u>
Current assets					
Stock	13	165,513	64,410	163,289	84,421
Debtors	14	110,306	88,042	150,102	138,634
Cash at bank and in hand		1,599,385	1,222,123	1,317,179	1,098,547
		<u>1,875,204</u>	<u>1,374,575</u>	<u>1,630,570</u>	<u>1,321,602</u>
Creditors	15	(549,450)	(542,321)	(564,312)	(544,682)
Net current assets		1,325,754	832,254	1,066,258	776,920
Total net assets		<u>1,369,816</u>	<u>865,608</u>	<u>1,066,853</u>	<u>776,922</u>
Funds					
Designated funds	17	44,062	33,352	595	-
General funds		1,010,688	649,092	883,050	690,001
Total unrestricted funds		<u>1,054,750</u>	<u>682,444</u>	<u>883,645</u>	<u>690,001</u>
Restricted funds	16	315,066	183,163	183,208	86,921
Total funds		<u>1,369,816</u>	<u>865,607</u>	<u>1,066,853</u>	<u>776,922</u>

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of accounts. The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

The accounts were approved by the Board of Trustees on 11 November 2020 and signed on their behalf by:



Juliet Hughes-Hallett
Chair



Ewa Kerin
Trustee

The notes on pages 34 to 46 form part of these accounts

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

Group	2020 £	2019 £
Cash flows from operating activities:		
Surplus for the financial year	302,962	289,901
Adjustments for:		
Depreciation of tangible assets	1,699	2,556
Investment income	(3,432)	(3,253)
Decrease in debtors	39,796	15,423
(Increase) in stock	(2,224)	(95,144)
Increase in creditors	(14,862)	188,888
Net cash generated from operating activities	<u>323,939</u>	<u>398,326</u>
Cash flows from investing activities		
Income from investments	3,432	3,253
Net cash from investing activities	<u>3,432</u>	<u>3,253</u>
Net increase in cash and cash equivalents	282,206	401,579
Cash and cash equivalents at the beginning of the year	1,317,179	915,600
Cash equivalents at the end of the year	<u>1,599,385</u>	<u>1,317,179</u>
Cash and cash equivalents at the end of the year comprise:		
Cash at bank and in hand	<u>1,599,385</u>	<u>1,317,179</u>

NOTES TO THE FINANCIAL ACCOUNTS

1. ACCOUNTING POLICIES

A) BASIS OF PREPARATION AND CONSOLIDATION

The financial statements have been prepared in accordance with 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) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Presentation currency used is British Pounds Sterling. The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

B) INCOME

Income is recognised where there is entitlement, where the receipt of income is probable and the amount can be measured with sufficient reliability.

Grants and donations are recognised once entitlement and value have been confirmed in writing.

Investment Income is included in the accounts when receivable. This is received in the form of interest income from standard bank accounts.

Donated gifts in kind of stock for dressing clients are included at fair value and recognised as income when they are distributed to clients. Gifts donated for resale are included as income when they are sold.

C) EXPENDITURE

Expenditure is included in the statement of financial activities on an accruals basis and includes attributable VAT which cannot be recovered. All expenditure is allocated to the particular activity where the cost relates directly to that activity. Premises costs are allocated to charitable

activities, fundraising and support costs based on floorspace allocation. Support costs are allocated using an apportionment in proportion to staff time.

D) TAX RECLAIMS ON DONATIONS AND GIFTS

Income from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

E) VOLUNTEERS AND DONATED SERVICES

The value of services provided by volunteers is not incorporated in these financial statements. The trustees consider it impractical to measure the value volunteer help and consequently, as permitted by the SORP, their value is not recognised in the financial statements but is described in the trustees' annual report. Smart Works had an average of 328 volunteers during the year.

F) TAXATION

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2020. Smart Works trading limited had a nil surplus giving rise to zero corporation tax.

g) Tangible fixed assets

Assets are capitalised if they can be used for more than one year and cost at least £1,000. Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment 3 years

Office fixtures and fittings 5 years

H) INVESTMENTS

Smart Works investment in its subsidiaries is stated at lower of cost and net asset value.

I) STOCKS

Stocks are valued at the lower of cost and net realisable value. Donated dressing stock for distribution to clients is valued at fair value. Stocks of donated clothing held for resale are not valued until sold.

J) SIGNIFICANT ACCOUNTING ESTIMATES

The trustees make estimates and assumptions concerning the future. The resulting accounting estimates

will, by definition, seldom equal the related actual results. There are no 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.

K) DEBTORS

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income and tax recoverable is included at the best estimate of the amount receivable at the balance sheet date.

L) CREDITORS

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

M) FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments with the exception of stocks which are shown as their value to the charity. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement value before any trade discounts due. Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts.

N) FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for specific purposes.

Designated funds are unrestricted funds which have been set up by the trustees to hold funds for specific purposes. The aim and use of each designated fund is set out in the notes to the accounts.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. The aim and use of each restricted fund is set out in the notes to the accounts.

O) CASH AT BANK IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

P) PENSION

Smart Works operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the Statement of Financial Activities.

Q) OPERATING LEASE AGREEMENTS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

R) GOING CONCERN AND COVID-19

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

Following the World Health Organisation's declaration of COVID-19 as an international pandemic in March 2020 and the subsequent restrictions imposed by the UK government, Smart Works has been affected in a number of ways and the following measures have been taken to date:

- Office closures and use of the Government Furlough Scheme:
- A move to online offerings to beneficiaries:
- A realignment of our target funding model to reflect the environment

The trustees believe that the forecasted results and good level of cash flow of the charity together with the measures taken to date will enable the charity to continue as a going concern and, as a result, do not include any adjustments that would result if the charity was not able to continue as a going concern.

2. DONATIONS

	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £
Grants and individual donations	496,797	243,760	740,557
Corporate donations	372,560	-	372,560
	<u>869,357</u>	<u>243,760</u>	<u>1,113,117</u>
Donations of dressing stock	-	198,108	198,108
	<u>869,357</u>	<u>441,868</u>	<u>1,311,225</u>

Prior year	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £
Grants and individual donations	405,950	109,610	515,560
Corporate donations	276,331	-	276,331
	<u>682,281</u>	<u>109,610</u>	<u>791,891</u>
Donations of dressing stock	-	231,257	231,257
	<u>682,281</u>	<u>340,867</u>	<u>1,023,148</u>

3. OTHER TRADING ACTIVITIES

Current year	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £
Fundraising events	544,687	-	544,687
	<u>544,687</u>	<u>-</u>	<u>544,687</u>

Prior year	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £
Fundraising events	317,515	4,138	321,653
	<u>317,515</u>	<u>4,138</u>	<u>321,653</u>

4. OTHER INCOME

	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Smart Works Edinburgh - Net Assets at 31 March 2019	-	-	-	72,465

The articles of Smart Works Edinburgh were amended on 5 March 2019 as it became a subsidiary of Smart Works. This change means the net assets, which were held by Smart Works Edinburgh at 31 March 2019, have been brought into the funds of Smart Works Charity. Smart Works Edinburgh was set up by Smart Works as a Scottish Charitable Organisation in 2013 and worked with Smart Works under the licensing agreement model. Movements of funds between 5 March and 31 March are not deemed material.

5. CHARITABLE ACTIVITIES

Current year	Staff costs Costs £	Non staff Costs £	Support Costs £	2020 Total Funds £
Unrestricted funds:				
Core service delivery	291,334	266,602	228,507	786,443
National delivery support and growth	139,392	73,220	39,945	252,557
Total unrestricted	<u>430,726</u>	<u>339,822</u>	<u>268,452</u>	<u>1,039,000</u>
Restricted funds:				
Core service delivery	97,303	212,707	-	310,010
National delivery support and growth	-	-	-	-
Total restricted	<u>97,303</u>	<u>212,707</u>	<u>-</u>	<u>310,010</u>
	<u>528,029</u>	<u>552,529</u>	<u>268,452</u>	<u>1,349,010</u>

Prior year	Staff costs Costs £	Non staff Costs £	Support Costs £	2019 Total Funds £
Unrestricted funds:				
Core service delivery	166,843	195,562	158,798	521,203
National delivery support and growth	99,118	33,990	36,910	170,018
Total unrestricted	265,961	229,552	195,708	691,221
Restricted funds:				
Core service delivery	77,967	170,198	-	248,165
National delivery support and growth	30,000	4,138	-	34,138
Total restricted	107,967	174,336	-	282,303
	373,928	403,888	195,708	973,524

6. ACTIVITIES FOR RAISING FUNDS

Current year	Staff costs Costs £	Non staff Costs £	Support Costs £	2020 Total Funds £
Unrestricted funds:				
Events and other costs	67,048	108,903	31,420	207,371
Total unrestricted:	67,048	108,903	31,420	207,371
Restricted funds:				
Events and other costs	-	-	-	-
Total restricted:	-	-	-	-
	67,048	108,903	31,420	207,371

Prior year	Staff costs Costs £	Non staff Costs £	Support Costs £	2019 Total Funds £
Unrestricted funds:				
Events and other costs	54,657	75,418	24,884	154,959
Total unrestricted:	54,657	75,418	24,884	154,959
Restricted funds:				
Events and other costs	-	2,135	-	2,135
Total restricted:	-	2,135	-	2,135
	67,048	77,553	24,884	157,094

7. SUPPORT COSTS

	2020 Total Funds £	2019 Total Funds £
Staff costs and related expenditure	146,141	87,505
Property and related costs	54,657	50,510
Office expenses	47,002	32,175
Legal, professional and accountancy	10,637	11,576
IT costs	30,555	15,960
Other costs	-	9,929
Governance costs	10,880	12,937
	299,872	220,592

Governance costs consist of independent audit and examination fees

8. NET INCOME IS STATED AFTER CHARGING

	2020 £	2019 £
Depreciation of owned fixed assets	83	2,511
Operating lease payments - land and buildings	188,418	170,461
Auditor's remuneration	7,190	8,400
Independent Examiner's remuneration	2,095	4,027
Independent Examiner's fees for other services	-	-

9. STAFF COSTS

	2020 £	2019 £
Wages and salaries	675,058	463,032
Employer's National Insurance	47,496	33,304
Employer's pension contributions	13,787	6,301
	736,341	502,637
Numbers of employees with emoluments in the following bands		
£70,000-£79,999	-	-
£80,000-£89,999	1	1

The employer's pension contributions made in relation to the employee above was £2,193 (2019: £806)

Average number of employees during the year	23	17
Average number of full time equivalent employees during the year	20	14

The key management personnel comprise the trustees and management team comprised of: CEO, Director of Service Delivery and Innovation, Director of Partnerships and Head of Finance. The total amount of employee benefits (including employer pension and National Insurance contributions) received by the key management personnel for their services to the charity group was £247,961 (2019: £187,317).

10. TRUSTEE EXPENSES

No trustees received any remuneration or expenses from the charity in relation to the performance of their duties as trustees. No trustee expenses (2019: nil) were paid to trustees during the year.

11. TANGIBLE FIXED ASSETS

Furniture and fittings	Group £	Charity £
Cost		
Brought forward	18,239	14,771
Additions	45,165	33,352
Carried forward	63,404	48,123
Depreciation		
Brought forward	15,133	14,771
Charge for the year	1,699	-
Carried forward	19,343	14,771
Net book value		
As at 31 March 2020	44,062	33,352
As at 31 March 2019	595	-

12. INVESTMENTS

	Shares held Class	% of Voting Rights	Charity Number	Company Number
Smart Works Birmingham	Company limited by guarantee	100%	1168264	10098116
Smart Works Leeds	Company limited by guarantee	100%	1184676	12059540
Smart Works (Greater Manchester)	Company limited by guarantee	100%	1163594	9425123
Smart Works Newcastle	Company limited by guarantee	100%	1176547	11115960
Smart Works Reading	Company limited by guarantee	100%	1164723	9626510
Smart Works Edinburgh	Scottish Charitable Incorporate Organisation	67%	SC044520	n/a
Smart Works Trading	Ordinary	100%	n/a	09061869

A summary of results for the year and prior year, along with a balance sheet summary, is shown below:

	Smart Works Birmingham	Smart Works Edinburgh	Smart Works Leeds	Smart Works (Greater Manchester)	Smart Works Newcastle	Smart Works Reading	Smart Works Trading Limited	Total 31 March 2020
Current year								
Gross income	99,401	92,340	79,932	106,996	127,102	174,153	74,454	754,378
Expenditure	(93,242)	(96,881)	(36,669)	(92,026)	(73,920)	(122,916)	(18,695)	(534,349)
Surplus/(deficit) for year	6,159	(4,541)	43,263	14,970	53,182	51,237	55,759	220,029
Fixed assets	256	-	10,454	-	-	-	-	10,710
Current assets	63,327	62,311	32,862	59,498	99,928	127,084	55,761	500,771
Creditors	(2,294)	-	(53)	(1,640)	(1,494)	(1,648)	-	(7,129)
Net assets	61,289	62,311	43,263	57,858	98,434	125,436	55,761	504,352
Unrestricted funds	41,289	48,987	16,906	44,181	68,976	103,221	55,761	379,321
Restricted funds	20,000	13,324	26,358	13,677	29,458	22,215	-	125,032
Net funds	61,289	62,311	43,263	57,858	98,434	125,436	55,761	504,352
Prior year								
Gross income	100,208	73,386	-	92,060	110,061	123,433	-	499,148
Expenditure	(72,148)	(71,574)	-	(85,440)	(64,809)	(87,537)	-	(381,508)
Surplus/(deficit) for year	28,060	1,812	-	6,620	45,252	35,896	-	117,640
Fixed assets	512	-	-	83	-	-	-	595
Current assets	56,105	71,816	-	44,989	62,328	75,290	-	310,528
Creditors	(1,487)	-	-	(2,184)	(20,076)	(1,092)	-	(24,839)
Net assets	55,130	71,816	-	42,888	42,252	74,198	-	286,284
Unrestricted funds	32,550	51,892	-	27,228	27,202	54,125	-	192,997
Restricted funds	22,580	19,924	-	15,660	18,050	20,073	-	96,287
Net funds	55,130	71,816	-	42,888	45,252	74,198	-	289,284

Smart Works Leeds was incorporated on 19 June 2019

13. STOCK

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Dressing stock	<u>165,513</u>	<u>64,410</u>	<u>163,289</u>	<u>84,421</u>

As detailed in note 1, the group's donated stock for beneficiaries is valued at fair value and the stock held at 31 March 2020 was counted and valued.

14. DEBTORS

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Trade debtors	29,804	17,027	25,910	25,376
Accrued income	22,054	22,052	82,672	79,696
Other debtors	58,448	48,963	41,520	33,562
	<u>110,306</u>	<u>88,042</u>	<u>150,102</u>	<u>138,634</u>

15. CREDITORS

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Trade creditors	17,757	14,469	17,664	17,146
Other taxation and social security	18,502	17,882	18,267	17,645
Other creditors	2,429	2,429	1,108	1,057
Accruals	363,296	360,076	302,853	297,172
Deferred income	147,466	147,465	224,420	206,452
Amount due to group undertakings	-	-	-	5,210
	<u>549,450</u>	<u>542,321</u>	<u>564,312</u>	<u>544,682</u>

Deferred income compromises restricted grants received in advance:

Balance bought forward	224,420	206,452	154,452	154,452
Amounts utilised in the year	(112,420)	(89,452)	(79,452)	(79,452)
Current year income deferred	35,466	30,466	149,420	131,452
Balance carried forward	<u>147,466</u>	<u>147,466</u>	<u>224,420</u>	<u>206,452</u>

16. RESTRICTED FUNDS

	Current year	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2020 £
Segro via London CF		2,500	-	(2,500)	-	-
Esmée Fairbairn		-	30,000	(30,000)	-	-
UK Development Fund		-	125,000	-	-	125,000
Guru Nanak Sikh temple		-	3,100	(1,080)	-	2,020
Community Fund (Manchester)		6,000	-	(6,000)	-	-
Manchester Guardian		1,792	-	(1,792)	-	-
Peter Kershaw Trust		2,512	-	(2,512)	-	-
Woodward Charitable Trust		1,000	-	(1,000)	-	-
Ford Trust		-	3,000	(3,000)	-	-
Carling Made Local		-	1,500	(1,500)	-	-
Forever Manchester		-	200	(200)	-	-
Berkshire Community Foundation - Tampon Tax 2019		4,113	-	(4,113)	-	-
Sage Foundation		-	10,127	(10,127)	-	-
Goods Exchange Grant		-	1,265	(1,265)	-	-
BCF Vital for Berkshire 2019		-	2,500	(2,500)	-	-
BCF Segro (Bracknell) Community Fund 2019		-	2,252	(2,252)	-	-
Groundwork Thames Valley - ESFA Community Training Grant		-	5,500	(5,500)	-	-
Reading University Interns		-	4,200	(4,200)	-	-
National Lottery Awards - taking Steps to success 2020		-	9,560	(9,560)	-	-
Louis Baylis Foundation		-	1,000	(1,000)	-	-
BCF Vital for Berkshire - Reaching Reading		-	4,000	-	-	4,000
Community Foundation		2,000	-	(2,000)	-	-
Proctor and Gamble		-	500	-	-	500
William Leech Charity		-	1,000	(305)	-	695
Hadrian Trust		-	1,000	-	-	1,000
Community Foundation - Akzo Nobel		-	1,000	-	-	1,000
Community Foundation - Ridley Trust		-	2,688	(2,688)	-	-
Community Foundation - Dickon		-	2,000	(2,000)	-	-
Community Foundation - Tampon Tax		-	9,768	-	-	9,768
One City Trust Main Grant fund		-	5,000	-	-	5,000
One City Trust Rapid Action Fund		-	600	(600)	-	-
Souter Trust		-	2,000	(1,440)	-	560
Corra Foundation		-	5,000	(5,000)	-	-
The National Lottery Community Fund (Edinburgh)		-	10,000	(10,000)	-	-
Dressing stock		163,291	198,108	(195,886)	-	165,513
		<u>183,208</u>	<u>441,868</u>	<u>(310,020)</u>	<u>-</u>	<u>315,066</u>

Prior year	Balance at				Balance at	
	1 April 2018	Income	Expenditure	Transfers	31 March 2019	
	£	£	£	£	£	£
Esmée Fairbairn	-	30,000	(30,000)	-	-	-
Nesta	-	15,000	(15,000)	-	-	-
Rank Foundation	15,000	-	(15,000)	-	-	-
Segro via London CF	-	5,000	(2,500)	-	2,500	-
Funds received for SW Edinburgh	-	4,138	(4,138)	-	-	-
Community Foundation (Newcastle)	-	2,000	-	-	2,000	-
Rothley Trust	-	1,000	(1,000)	-	-	-
RW Mann Trust	-	500	(500)	-	-	-
Awards for All (Birmingham)	6,890	-	(6,890)	-	-	-
Birmingham City Council	5,461	-	(5,461)	-	-	-
Love Brum	2,000	-	(2,000)	-	-	-
Awards for all (Manchester)	1,721	-	(1,721)	-	-	-
Community Fund (Manchester)	-	8,000	(2,000)	-	6,000	-
Manchester Guardian	-	2,000	(208)	-	1,792	-
Peter Kershaw Trust	-	2,512	-	-	2,512	-
Woodward Charitable Trust	-	1,000	-	-	1,000	-
Berkshire Community Foundation - Mental Illness Campaign	3,500	-	(3,500)	-	-	-
Berkshire Community Foundation - Segro 2018	-	5,000	(5,000)	-	-	-
Goods Exchange 2018	-	5,998	(5,998)	-	-	-
The MidCounties Co-op	-	2,000	(2,000)	-	-	-
Earley Foundation 2018	-	5,000	(5,000)	-	-	-
Reading University Interns	-	3,600	(3,600)	-	-	-
Heathrow Youth Community Fund 2018 (MAPIS)	-	5,000	(5,000)	-	-	-
Berkshire Community Foundation - Vital Signs Slough 2018	-	6,000	(6,000)	-	-	-
Berkshire Community Foundation - Tampon Tax 2019	-	10,000	(5,887)	-	4,113	-
Dressing stock	68,145	251,181	(156,035)	-	163,291	-
	102,717	364,929	(284, 438)	-	183,208	

Purpose of restricted funds

Segro via London CF	Outreach to see more women in areas of Havering and Hounslow.
Esmée Fairbairn	To engage 'harder to reach' beneficiaries in London.
UK Development Fund	To develop and broaden the Smart Works reach through a licensing approach.
Guru Nanak Sikh temple	A grant for property related costs (to purchase an intercom and additional security).
Community Fund (Manchester)	A project to help women who have suffered physical and mental health challenges on their journey back to work.
Manchester Guardian	To expand reach to clients across Greater Manchester through funding travelling expenses.
Peter Kershaw Trust	To expand reach to clients across Greater Manchester through funding travelling expenses.
Woodward Charitable Trust	To expand reach to clients across Greater Manchester through funding travelling expenses.

The Ford Trust	A grant to fund display equipment for our mobile pop up which helps us promote our services across Greater Manchester.
Carling Made Local	Funding is to fund the initial planning and set up of our Young Women's Programme.
Forever Manchester	Funding for Volunteer Christmas Celebration and thank you.
Berkshire Community Foundation - TT	A grant for staff and office related costs.
Sage Foundation	A grant for staff related costs.
Goods Exchange Grant	A grant for staff and property related costs.
BCF Vital for Berkshire 2019	A grant for staff related costs.
BCF Segro (Bracknell) Community Fund 2019	A grant for staff and property related costs.
Groundwork Thames Valley - ESFA Community Training Grant	A grant for staff and office related costs.
Reading University Interns	A grant for the staff costs of 2 undergraduate summer internships.
National Lottery Awards - Taking Steps to success 2020	A grant for staff and office related costs.
Louis Baylis Foundation	A grant for service delivery costs.
BCF Vital for Berkshire - Reaching Reading	A grant for staff and property related costs.
Community Foundation (Newcastle)	To aid targeting younger women who have need of the service.
Proctor and Gamble	A grant for office equipment, clothes rails and storage.
William Leech Charity	A grant for core and fundraising costs.
Hadrian Trust	A grant for core and PC equipment.
Community Foundation - Akzo Nobel	A grant for core costs.
Community Foundation - Ridley Trust	A grant for staff related costs.
Community Foundation - Dickon	A grant for staff related costs.
Community Foundation - Tampon Tax	A grant for staff related costs.
One City Trust Main Grant fund	A grant for service delivery costs to enable us to see more clients.
One City Trust Rapid Action Fund	A grant to cover client travel costs.
Souter Trust	A grant for staff related costs.
Corra Foundation	A grant to assist with an office move in May 2019.
The National Lottery Community Fund (Edinburgh)	A grant for staff and property related costs.
Berkshire CF - Grass Roots	A grant for property and staff related costs.
Lions Club Reading	A grant to support workshops for women in Reading.
Louis Baylis Charitable Trust	A grant for property and staff related costs.
Berkshire CF - Comic Relief Core Strength	A grant for property and staff related costs.
Berkshire CF - Mental Illness Campaign	A grant for property and staff related costs.
Berkshire CF - Segro 2018	A grant for property and staff related costs.
Goods Exchange 2018	A grant for running costs.
The MidCounties Co-Op	A grant for staff related costs.
Earley Foundation 2018	To support employment of a Development Officer plus marketing costs.
Reading University Interns	A grant for the staff costs for undergraduate summer internships.
Heathrow Youth Community Fund 2018	To fund staff costs for MAPIS, a project for Smart Works Reading and a partner organisation.
Berkshire CF - Vital Signs Slough 2018	A grant for staff costs.
Berkshire CF - Tampon Tax 2019	A grant for staff related costs.
Dressing stock	For the purpose of providing beneficiaries with interview clothing.

17. DESIGNATED FUNDS - GROUP

Current year	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2020 £
Designated capital fund C460:K546	595	-	(595)	44,062	44,062
	<u>595</u>	<u>-</u>	<u>(595)</u>	<u>44,062</u>	<u>44,062</u>

Designated Funds relate to leasehold improvements and other office equipment purchased as part of an office move

Prior year	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2019 £
Designated capital fund	3,106	-	(2,511)	-	595
	<u>3,106</u>	<u>-</u>	<u>(2,511)</u>	<u>-</u>	<u>595</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP

Current year	Restricted Funds 2020 £	Unrestricted Funds 2020 £	Total Funds 2020 £
Tangible fixed assets	-	44,062	44,062
Current assets	315,066	1,560,138	1,875,204
Creditors due within one year	-	(549,450)	(549,450)
	<u>315,066</u>	<u>1,054,750</u>	<u>1,369,816</u>

Prior year	Restricted Funds 2019 £	Unrestricted Funds 2019 £	Total Funds 2019 £
Tangible fixed assets	-	595	595
Current assets	183,208	1,447,362	1,630,570
Creditors due within one year	-	(564,312)	(564,312)
	<u>183,208</u>	<u>883,645</u>	<u>1,066,853</u>

19. PENSION COMMITMENTS

The company and its subsidiaries operate separate defined contributions pension schemes. The assets of the schemes are held separately from those of each company in independently administered funds. The pension costs charge represents contributions payable by the companies to the funds and amounted to £13,787 (2019: £6,301). Contributions totalling £2,428 (2019: £1,138) were payable to the fund at the balance sheet date and are included in creditors.

20. OTHER FINANCIAL COMMITMENTS- GROUP

	Land and buildings	
	2020 £	2019 £
At the year end the company had annual commitments under non-cancellable operating leases as set out below:		
Operating leases:		
within one year	111,725	95,665
within two to five years	73,204	110,158
	<u>184,929</u>	<u>205,823</u>

21. MEMBERS LIABILITIES

The company is limited by guarantee. Every member of the company undertakes to contribute to the assets of the company, in the event of the same being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the company contracted before he ceases to be a member, and of the costs, charges and expenses of winding up such amount as may be required not exceeding £1. At the balance sheet date there were 10 members (2019: 10 members).

22. RELATED PARTY TRANSACTIONS

During the year the charity made the following donations to its subsidiary charities:

	2020 £	2019 £
Smart Works Birmingham	25,656	23,845
Smart Works Edinburgh	20,006	9,935
Smart Works Leeds	34,267	-
Smart Works (Greater Manchester)	20,000	19,180
Smart Works Newcastle	20,000	24,644
Smart Works Reading	22,605	15,987
	<u>142,534</u>	<u>93,591</u>

The following amounts were due to be paid to the subsidiaries at the year end.

Smart Works Birmingham	-	771
Smart Works Edinburgh	-	649
Smart Works Leeds	706	-
Smart Works (Greater Manchester)	125	684
Smart Works Newcastle	-	2,012
Smart Works Reading	-	1,092
Smart Works Trading Ltd	-	2
	<u>831</u>	<u>5,210</u>

Smart Works received no payments from its subsidiary charities in the year (2019: £1,336).

There were no other related party transactions in the year (2019: £nil).

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered name	Smart Works Charity
Charity registration number	1080609
Company registration number	03870671
Corporate status	The Company is limited by guarantee
Registered office	Unit 1, Canonbury Yard, 202-208 New North Road, London N1 7BJ
Telephone	020 7288 1770
Website	www.smartworks.org.uk
Current trustees	Juliet Hughes-Hallett (Chair) Ewa Kerin (Honorary Treasurer) Natalie Alou-Alwan (appointed 2 June 2020) Philippa Charles Tiffanie Darke Margaret Darling (Vice Chair) Fiona Holmes Amelia Mendoza Claire Spencer-Churchill Jane Shepherdson (appointed 5 August 2019) Mona Barnes (resigned 2 May 2019)
Company Secretary	Mona Barnes (resigned 2 May 2019) Kate Stephens (appointed 2 May 2019, resigned 2 June 2020) Natalie Alou-Alwan (appointed 2 June 2020)
Royal Patron	The Duchess of Sussex
Patrons	Betty Jackson CBE Jennifer Saunders Jane Shepherdson CBE Emma Barnett
Statutory Auditors	Price Bailey LLP
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Mailing Kent, ME19 4JQ



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CHARITY NUMBER: 1080609