

Hinckley and District Work-Link Project
Accounts
Year to 31st March 2021

Hinckley and District Work-Link Project
Year to 31st March 2021

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HINCKLEY AND DISTRICT WORK-LINK PROJECT

Trustee's Annual report for the Year to 31st March 2021

Work-Link Project is registered with the Charity Commission (No. 1002750) and Governed by the Work-Link Project Constitution. It is located at Unit 3, Jacknell Road, Hinckley.

A Trustee Board administers the Charity. Between April 2020 and March 2021 the board was served by:-

Name	Office
John Moore	Trustee
Keith Griffiths	Trustee
Tim Render	Trustee and Chair
Bron Witherford	Trustee

In attendance at meetings

Mandy Quinn - Project Manager

Sue Stanley - Finance Manager

Tim Render was re-elected as Chairman at the Annual General Meeting in January 2020 The Vice Chair, Treasurer and Secretary posts still remain vacant.

The Charity's Bankers are National Westminster Bank Plc, 13 The Borough, Hinckley, Leicestershire, LE10 1NW.

The only area of restriction contained in the governing documents is that the activities of Work-Link shall be limited to the objects set out in (3) of the governing document.

"The trustees shall invest in the trust's name any money that is not required for the immediate purpose of Work-Link in any of the securities in which trust money may be by law invested with power from time to time to transpose such investments. Any Property acquired by or for Work-Link shall be vested in the Trustees."

Work-Link remains committed to becoming a Charitable Incorporated Organisation as soon as practical. This process has been delayed further due to the restrictions in place during the Covid19 Pandemic. Once the charity is incorporated, the assets of the Charity will be held in the name of the charity and not individual trustees.

HINCKLEY AND DISTRICT WORK-LINK PROJECT

Trustee's Annual report for the Year to 31st March 2021 (Continued)

Structure, Governance and Management

The Charity is governed by a constitution dated 11th November 2008 and is registered with The Charity Commission as a Charity.

The maximum size of the Trustee Board is fifteen members: 4 interested representatives of Churches Together in Hinckley and District, 4 Persons of appropriate experience and of good standing within the community, 2 from Voluntary/Statutory sectors and 2 "Work-Link" volunteers (service users). Additionally, the Committee has the power to co-opt an additional 3 members who do not have voting rights. Co-opted members may be re-co-opted or seek election to the Trustee Board. Officers are nominated prior to AGM and, if necessary, a vote is then taken at the AGM.

The Trustee Board continues to endeavour to widen and strengthen its membership in the past year, and is considering succession arrangements for Trustees.

Trustee Board members are given an induction and Training in their roles and responsibilities.

A Manager is appointed by the Trustee Board to manage the day-to-day operations of the Charity.

The Charity has a working relationship with various statutory agencies including the County Council and Hinckley and Bosworth Borough Council. The Trustee Board regularly reviews its risk management strategy. Health and Safety risk assessment using government guidelines are in place in all areas, with particular attention to the fire risk inherent in running the furniture recycling operation.

Work-Link has adopted a Safeguarding Adults Policy and works closely with referrers to ensure risk assessment and risk management strategies are in place for individuals within the client group.

There is also a policy concerning the level of financial reserves and this too is regularly reviewed.

Objectives and activities

The work of the charity is entirely focussed on providing benefit to the people most in need of support and routes into formal education and training, especially who have a learning disability, who otherwise would be at risk of long term unemployment and exclusion from everyday economic activities, and thus very likely to be living in poverty. The practical work and training activities that Work-Link provides provide essential preparation for work or further study as well as being “real” businesses that help to make the organisation sustainable.

The Charity employed 10 members of staff (2 full- time and eight part-time) during 2020/21.

Work-Link has referrals from the voluntary and statutory sectors. Activities continued to be impacted by Covid during the year, and only a limited number of trainees could be engaged as Work-Link observed Covid restrictions, in the interests of the health and safety of service users.

Pre Covid, volunteers/Service Users attend on one or two sessions per week , 70 individuals attending each week. Training opportunities, support and supervision are provided by the staff team on a daily basis in the Service Users' chosen area(s) of activity. Work-Link activities listed below provide meaningful work place opportunities and training in the following areas:-

Furniture - Electrical Collections

Work-Link collects donated furniture from residents of Leicester, Leicestershire. and beyond. These items are either sold in our dedicated shop or used to fulfil orders that Leicester City Council or Leicestershire County Council, have sent that are then delivered to vulnerable adults and families. To achieve this we have a dedicated team of staff and volunteers, two vans to collect and distribute goods and a large warehouse and workshop space at our premises in Hinckley. Volunteers/Service Users are taught customer service, distribution, manual handling, risk assessment and data input.

Restoration

We have a dedicated restoration area where furniture is restored, and in particular as “shabby chic” for which there is an increasing demand. To achieve this we have a dedicated staff member and service users who use their skills to upcycle.

Town centre retail premises have been used since December 2011. Work-Link has a leased shop close to the centre of retail and commercial activity in Hinckley, to sell its furniture and electricals. Volunteers get real work experience within the shop and learn all aspects of customer service.

Because of lockdown collections of donated items decreased significantly. Between April 2020 and March 2021 we saved approximately 104 tonnes of furniture and electrical items from landfill. Still noteworthy amount.

Leicestershire and Rutland Re-use Network

Work-Link is one of the re-use Charities in the County who are part of Leicestershire Reuse Network, (LRRN) This is a County-wide vehicle for organising and planning extended re-use across Leicester and Leicestershire. This has opened some new supply opportunities for us but also hosts the contract for Leicestershire Welfare Provision, and the Community Support Grant in Leicester. Work - Link provides furniture and electrical appliances to those in need who have been referred by Leicestershire District Councils, and a similar welfare provision contract within Leicester City Council. This work has become an increasingly important element of Work-Link's activities and income generation.

Achievements and Performance

Work-Link Project provides meaningful volunteering and training opportunities for people with mental ill health and other disabilities based around the re-use of furniture and electrical appliances. This year Work-Link completed 35 years of serving the community of Hinckley and Bosworth.

Pre Covid Work-Link provides 70 training places. Unfortunately, we had no new starters due to Covid. We hope to open up our training opportunities in the Summer of 2021.

Through out the Pandemic we have kept in touch with our Service Users and volunteers via telephone and online. We hope to open-up fully in the Summer of 2021.

We usually receive referrals for our Service from Community mental health teams, Assertive Outreach, Early Intervention, the inclusion Support Service employment services and voluntary agencies. After an initial assessment and risk assessment and a settling in period, service users look at short term goals and long term goals. Volunteers all have individual development plans (IDPs) and work towards their own goals. We hope referrals will start up again in the Summer.

We give our service users lots of opportunities to tell us how they experience the project. We hold daily informal meetings with service users over lunch where we pass on information and seek their ideas and input. Service users have regular individual reviews and we have volunteer meetings. Leavers and Referral agencies are given feedback forms so we can continually monitor and improve the service we offer. Work-Link actively encourages and supports our employees to gain the skills and qualifications that meet the needs of our service users. We also issue a Service User questionnaire every six months to get feedback on our performance.

We ensure that staff continually update and extend their skills through support, supervision and staff training. Staff continue to update their training in Safeguarding Adults, First Aid and Health and Safety.

Between April 2020 and March 2021 we delivered furniture to over 1530 homes in Leicester and Leicestershire. This re-use activity created an income during the year amounting to £397,419.00. This includes funding we managed to get via Covid support.

Business development

The loss of public sector grants five years ago left a significant financial challenge for Work-Link, although the availability of free reserve funds has continued to give Work-Link time to adjust to the new situation.

Business planning arrangements were again reviewed during the year to update the strategy for Work-Link agreed in 2017 to develop and thrive in a financially-sustainable way, without any significant grant support from public authorities. The need to do this was heightened by the restrictions on our work stemming from the Pandemic. This work is still in progress as the financial and operating environment becomes clearer as the pandemic progresses.

Work-Link continues to develop its re-use activities that both provide training opportunities for volunteers, and generate a net income to support the organisation. We continue to seek available charitable grant funding that supports our aims for Service Users. We are increasingly using on-line channels for sale of goods, such as Facebook and a website for shabby chic.

Financial Review

The gross income for the year totalled £397,420 whilst the expenditure was £359,023 leaving a surplus of £38,397. This surplus was mainly due to the fact of receiving grant funding due to Covid.

The balance of our income has substantially changed in the past three years, with the vast majority of our income now arising from our own work and activities, rather than from public sector grants, apart from Covid funding.

Reserves Policy

The charity maintains reserves to cover the costs of operating the organisation for at least four months. That minimum reserve would equate to £120,000 for 2019/20. The actual free reserves amounted to £244,000 at 31st March 2021.

Covid 19

The national lockdown due to the Covid 19 pandemic commenced in mid-March 2020. There was an immediate impact on activity for Work-Link as for all businesses and Charities. However, the impact on Work-Link finances for 2019/20 financial year was limited.

More significant impacts arose in the early part of 2020/21 when the operations of the Charity were more or less completely curtailed. Staff were placed on furlough and various business and other grants were secured to maintain the organisation in the early part of the financial year. However the financial impacts of much reduced orders (which only started to pick up after May 2020), the enforced closure of the shop until late summer, and the need to maintain payments for overheads have contributed to continuing financial pressures.

Trustees have closely monitored financial performance in 2020/21 and it is pleasing to record that Work-Link has delivered a surplus for the year. Trustees are working on proposals to ensure the organisation is sustainable from 2021 onwards as some one-off grant funding (mainly related to the pandemic) ceases.

Going concern

The Trustees have considered all the financial information in the accounts as well as budget and financial prospects for 2021/22 and 2022/23 as set out above. They are satisfied that the accounts should be prepared on a "going concern" basis, as the organisation will have funds available to meet costs as they become due for at least the next twelve months (as required by accounting practice) from the date of signing the accounts.

Post balance sheet event

In the summer of 2021, the remaining charitable organisation that was a member of LRRN (through which much of Work-Link's trading activity takes place) resigned from that company, and ceased to be a supplier to LRRN. The effect of this is that Work-Link is the only member of LRRN. The remaining director of LRRN appointed Mandy Chapman, Manager of Work-Link, as a second director of LRRN to facilitate continued operation of LRRN, as contracts with City and County Councils are held in the name of LRRN.

In due course, it is expected that Work-Link will change the status of LRRN (over which it now has complete control and therefore is responsible for its assets and liabilities) so that it becomes a subsidiary of Work-Link or is merged within it. The immediate impact of this change does not affect the accounts of Work-Link as presented with this directors' report.


19/1/22

Hinckley and District Work-Link Project

Independent Examiner's Report to the Trustees of 'Hinckley & District Work-Link Project'.

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31st March 2021.

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mrs K L Wright FCCA
Integra Accounting Limited
Chartered Certified Accountants
5 Station Road
Hinckley
LE10 1AW

Hinckley and District Work-Link Project
Financial accounts for the year to 31.03.2021

Income and Expenditure Account 31st March 2021

	<u>31.03.2021</u>	<u>31.03.2020</u>
<u>Income</u>		
Donations and legacies	612	3,076
Income from Charitable Activities:		
Primary purpose and ancillary trading	296,324	180,575
Charitable income from funders:		
Reuse credits	2,665	3,829
	298,989	184,404
Other trading activities:		
Trading activities to raise funds for the charity	26,549	59,605
Other miscellaneous income	71,264	55
	97,813	59,660
Bank interest receivable	6	90
Total Income	397,420	247,230
<u>Expenditure</u>		
Expenditure on charitable activities: Direct spending		
Gross wages and salaries	125,959	139,420
Employers NIC	3,428	5,659
Defined benefit pension costs	1,640	1,937
	131,027	147,016
Travel and subsistence - charitable activities	4,079	3,723
Recruitment expenses	74	-
	135,180	150,739
Expenditure on charitable activities: Charitable trading		
Cost of goods for primary purpose trading	1,308	1,784
Movement in stock for goods made by beneficiaries	-	-
Costs of ancillary trading to benefit beneficiaries	151,254	70,645
Movement in stock for ancillary trading	(4,501)	5,580
Motor expenses	9,140	10,895
	157,201	88,904
<u>Support costs for charitable activities:</u>		
Premises expenses:		
Rent payable under operating leases	34,517	35,792
Rates and water charges	674	1,230
Light, heat and power	5,051	7,157
Cleaning and waste management	914	1,715
Premises repairs, renewals and maintenance	2,067	3,025
Insurance	6,031	5,553

Administrative overheads:

Telephone, fax and internet	2,656	2,734
Postage	119	237
Stationery and printing	1,221	987
Hire of equipment	4,134	4,098
Software licences and expenses	1,146	1,593
Advertising and marketing	225	587
Sundry expenses	1,026	1,667

Professional fees paid to advisors other than auditors or examiner:

Other legal and professional	-	1,275
Payroll costs	1,810	1,950
Financial costs:		
Bank charges	582	612
Depreciation	3,569	5,208

Total support costs	65,742	75,421
Total charitable expenditure excluding depreciation	354,554	309,856
Depreciation	3,569	5,208
Governance costs	900	900
Loss on disposal of fixed assets	-	-
	359,023	315,964
Net surplus/deficit on ordinary activities	38,397	(68,734)
	38,397	(68,734)
Net funds b/fwd	206,115	274,849
Net funds c/fwd	244,512	206,115

Hinckley and District Work-Link Project
Year to 31 March 2021

Balance Sheet at 31 March 2021

	<u>31.03.2021</u>	<u>31.03.2020</u>
Tangible fixed assets	6,359	9,928
Current assets		
Stock	5,996	1,495
Debtors	227,220	180,876
Cash at bank and in hand	121,956	83,857
	<u>355,172</u>	<u>266,228</u>
Creditors: Amounts falling due in 1 year	<u>(117,019)</u>	<u>(70,041)</u>
Net current assets	238,153	196,187
Total net assets	<u>£ 244,512</u>	<u>£ 206,115</u>
 Unrestricted Revenue funds	 244,512	 206,115
 Total charity funds	 <u>£ 244,512</u>	 <u>£ 206,115</u>

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Hinckley and District Work-Link Project**Notes to the accounts****Year to 31st March 2021**

Tangible Fixed Assets	<u>Office Equipment and Fittings</u>	<u>Motor Vehicles</u>	<u>Total</u>
Cost b/fwd	43,901	17,800	61,701
Additions	-	-	-
Disposals	-	-	-
Cost c/fwd	<u>£ 43,901</u>	<u>£ 17,800</u>	<u>£ 61,701</u>
Depn b/fwd	42,306	9,467	51,773
Charge in year	1,069	2,500	3,569
Elim on disposals	-	-	-
Depn c/fwd	<u>£ 43,375</u>	<u>£ 11,967</u>	<u>£ 55,342</u>
NBV 2021	<u>£ 526</u>	<u>£ 5,833</u>	<u>£ 6,359</u>
NBV 2020	<u>£ 1,595</u>	<u>£ 9,114</u>	<u>£ 9,928</u>

2021**2020****Debtors**

Trade debtors	198,873	127,240
Amounts owed to group undertakings	0	29,224
Prepayments and accrued income	10,514	8,756
Other debtors	17,832	15,656
	<u>£ 227,220</u>	<u>£ 180,876</u>

Creditors: Amounts falling due in 1 year

Trade creditors	3,309	1,356
Accruals and deferred income	49,143	47,894
Other taxes and social security costs	30,857	20,388
Other creditors	33,710	403
	<u>£ 117,019</u>	<u>£ 70,041</u>