

Hinckley and District Work-Link Project
Accounts
Year to 31st March 2022

Hinckley and District Work-Link Project
Year to 31st March 2022

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HINCKLEY AND DISTRICT WORK-LINK PROJECT

Trustee's Annual report for the Year to 31st March 2022

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 2021 and March 2022 the board was served by:-

| Name | Office |
|-----------------|---|
| Bron Witherford | Trustee |
| Martin Roe | Trustee (from 5 th October 2021) |
| John Moore | Trustee |
| Keith Griffiths | Trustee |
| Tim Render | Trustee and Chair |

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 2021

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 2022 (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, Leicester City 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 focused on providing benefit to the people most in need of support and routes into formal education and training, especially those 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 an average of 12 members of staff (3 full-time and 9 part-time) during 2021/22.

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.

Volunteers/Service Users attend one or two sessions per week, 43 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 and Electrical Collections

Work-Link collects donated furniture from residents of Leicester, Leicestershire. and beyond that are suitable for supply to others, or for sale. These items are then 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.

Collections of donated items decreased significantly during the pandemic, but have started to increase. Between April 2021 and March 2022 we still saved around 163 tonnes of furniture and electrical items from landfill.

Restoration and re-use

We have a dedicated restoration area where furniture can be restored, although this activity was reduced considerably during the pandemic, including the later stages that ran into 2021/22.

Retail sales

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.

Leicestershire and Rutland Re-use Network

Worklink was a founder member of the Leicester, Leicestershire Reuse Network. (LRRN) This was a County-wide vehicle for organising and planning extended re-use across Leicester and Leicestershire. This opened some new supply opportunities for us but also hosts the contract for Leicestershire Welfare Provision, and the Community Support Grant in Leicester. Worklink 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 Worklink's activities and income generation.

Between April 2021 and March 2022 we delivered furniture to over 1,232 homes in Leicester and Leicestershire.

Volunteering and training

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 36 years of serving the community of Hinckley and Bosworth.

Pre Covid, Work-Link provided 70 training places. We opened up our training opportunities in the Summer of 2021 and at March 2022 had 43 trainees.

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 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.

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 long-standing strategy to develop and thrive in a financially-sustainable way, without any significant grant support from public authorities. A Business Development Officer was employed during the year to progress this agenda, with financial support from a charitable trust. This will be a continuing “work 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, but opportunities for such funding have become more limited in recent years. We are increasingly using on-line channels for sale of good (e.g. Facebook and Worklink website).

Financial Review

The gross income for the year totalled £552,197 whilst the expenditure was £536,955 leaving a surplus of £15,242. Turnover was substantially increased during the year as Work-Link took on increased activity via LRRN due to the changes in LRRN membership described below.

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, (principally fulfilling contracts via LRRN for supply of furnishings and equipment to residents of Leicester City and Leicestershire County), rather than from public sector grants.

Major change in operations during the year

In the summer of 2021, the only other remaining charitable organisation than Work-Link 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 was that Work-Link is now 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.

Work-Link now has complete control over LRRN and is therefore responsible for its assets and liabilities. LRRN remains a separate company although Directors of both LRRN and Work-Link are continuing to assess what an appropriate organisational structure should be. The immediate impact of the changes in summer 2021 does not affect the accounts of Work-Link as presented with this directors' report.

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 £178,000 for 2021/22. The actual free reserves amounted to £259,000 at 31st March 2022.

Going concern

The Trustees have considered all the financial information in the accounts as well as budget and financial prospects for 2022/23. 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.



CMR

19/1/23

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 2022.

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 31.03.22

Income and Expenditure Account 31st March 2022

Income

| | <u>31.03.2022</u> | <u>31.03.2021</u> |
|---|-------------------|-------------------|
| Donations and legacies | 64 | 612 |
| Income from Charitable Activities: | | |
| Primary purpose and ancillary trading | 479,342 | 296,324 |
| Charitable income from funders: | | |
| Reuse credits/grant income | 17,974 | 2,665 |
| | 497,316 | 298,989 |
| Other trading activities: | | |
| Trading activities to raise funds for the charity | 53,066 | 26,549 |
| Other miscellaneous income | 1,751 | 71,264 |
| | 54,817 | 97,813 |
| Bank interest receivable | 0 | 6 |
| Total Income | 552,197 | 397,420 |

Expenditure

Expenditure on charitable activities: Direct spending

| | | |
|--|----------------|----------------|
| Gross wages and salaries | 152,473 | 125,959 |
| Employers NIC | 5,242 | 3,428 |
| Defined benefit pension costs | 2,047 | 1,640 |
| | 159,762 | 131,027 |
| Travel and subsistence - charitable activities | 6,299 | 4,079 |
| Recruitment expenses | 175 | 74 |
| Sub-contract wages | 2,007 | - |
| | 168,243 | 135,180 |

Expenditure on charitable activities: Charitable trading

| | | |
|---|----------------|----------------|
| Cost of goods for primary purpose trading | 3,080 | 1,308 |
| Movement in stock for goods made by beneficiaries | - | - |
| Costs of ancillary trading to benefit beneficiaries | 261,035 | 151,254 |
| Movement in stock for ancillary trading | (292) | (4,501) |
| Motor expenses | 15,827 | 9,140 |
| | 279,650 | 157,201 |

Support costs for charitable activities:

Premises expenses:

| | | |
|--|--------|--------|
| Rent payable under operating leases | 36,365 | 34,517 |
| Rates and water charges | 814 | 674 |
| Light, heat and power | 4,980 | 5,051 |
| Cleaning and waste management | 1,158 | 914 |
| Premises repairs, renewals and maintenance | 2,656 | 2,067 |
| Insurance | 6,336 | 6,031 |

| | | |
|--|----------------|----------------|
| Administrative overheads: | | |
| Telephone, fax and internet | 3,106 | 2,656 |
| Postage | 64 | 119 |
| Stationery and printing | 768 | 1,221 |
| Hire of equipment | 2,436 | 4,134 |
| Software licences and expenses | 3,351 | 1,146 |
| Advertising and marketing | - | 225 |
| Sundry expenses | 2,564 | 1,026 |
| Subscriptions | 75 | - |
| Professional fees paid to advisors other than auditors or examiner: | | |
| Other legal and professional | 180 | - |
| Payroll costs | 1,305 | 1,810 |
| Financial costs: | | |
| Bank charges | 941 | 582 |
| Depreciation | 2,993 | 3,569 |
| Provision for bad debt | 18,000 | - |
| Total support costs | 88,092 | 65,742 |
| Total charitable expenditure excluding depreciation | 532,992 | 354,554 |
| Depreciation | 2,993 | 3,569 |
| Governance costs | 970 | 900 |
| Loss on disposal of fixed assets | - | - |
| | 536,955 | 359,023 |
| Net surplus on ordinary activities | 15,242 | 38,397 |
| | 15,242 | 38,397 |
| Net funds b/fwd | 244,512 | 206,115 |
| Net funds c/fwd | 259,754 | 244,512 |

Hinckley and District Work-Link Project
Year to 31st March 2022

Balance Sheet at 31 March 2022

| | <u>31.03.2022</u> | <u>31.03.2021</u> |
|---|-------------------|-------------------|
| Tangible fixed assets | 4,440 | 6,359 |
| Current assets | | |
| Stock | 6,288 | 5,996 |
| Debtors | 219,876 | 227,220 |
| Cash at bank and in hand | 101,215 | 121,956 |
| | <u>327,379</u> | <u>355,172</u> |
| Creditors: Amounts falling due in 1 year | <u>(72,065)</u> | <u>(117,019)</u> |
| Net current assets | 255,314 | 238,153 |
| Total net assets | <u>£ 259,754</u> | <u>£ 244,512</u> |
| Unrestricted Revenue funds | 259,754 | 244,512 |
| Total charity funds | <u>£ 259,754</u> | <u>£ 244,512</u> |



19/1/23

Hinckley and District Work-Link Project**Notes to the accounts****Year to 31st March 2022**

| Tangible Fixed Assets | Office Equipment and Fittings | Motor Vehicles | Total |
|------------------------------|--|---------------------------|-----------------|
| Cost b/fwd | 43,901 | 17,800 | 61,702 |
| Additions | 1,074 | - | 1,074 |
| Disposals | - | - | - |
| Cost c/fwd | <u>£ 44,975</u> | <u>£ 17,800</u> | <u>£ 62,776</u> |
| Depn b/fwd | 43,375 | 11,967 | 55,342 |
| Charge in year | 493 | 2,500 | 2,993 |
| Elim on disposals | - | - | - |
| Depn c/fwd | <u>£ 43,868</u> | <u>£ 14,467</u> | <u>£ 58,335</u> |
| NBV 2022 | <u>£ 1,107</u> | <u>£ 3,333</u> | <u>£ 4,440</u> |
| NBV 2021 | <u>£ 526</u> | <u>£ 5,833</u> | <u>£ 6,359</u> |

2022**2021****Debtors**

| | | |
|--------------------------------|------------------|------------------|
| Trade debtors | 195,871 | 198,874 |
| Prepayments and accrued income | 8,311 | 10,514 |
| Other debtors | 15,694 | 17,832 |
| | <u>£ 219,876</u> | <u>£ 227,220</u> |

Creditors: Amounts falling due in 1 year

| | | |
|---------------------------------------|-----------------|------------------|
| Trade creditors | 13,471 | 3,309 |
| Accruals and deferred income | 23,190 | 49,143 |
| Other taxes and social security costs | 34,951 | 30,857 |
| Other creditors | 453 | 33,710 |
| | <u>£ 72,065</u> | <u>£ 117,019</u> |