

**RAW Workshop
(Previously named 'The Pathway Workshop')**

Limited by Guarantee

Company Number: 02745625

Charity Number: 1014416

Financial Statements

for the year ended

31st March 2021

Wenn Townsend

Chartered Accountants

Oxford

RAW Workshop

Reference and Administrative Details

Directors/Trustees:	J McLaughlin (Chair)
	P L Agulnik
	G S Ballantyne
	R L Berry
	J Z Gibson
	L Smith
Registered Office:	30 St Giles Oxford OX1 3LE
Bankers:	Barclays Bank Cowley Branch Oxford
Auditor:	G L Cole FCA Wenn Townsend Chartered accountants 30 St Giles' Oxford

RAW Workshop

Report of the Trustees for the year ended 31st March 2021

Foreword

The Trustees of RAW Workshop (the Charity) present their annual report together with the audited financial statements for the charity for the year ended 31st March 2021.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The Trustees and officers of the Charity

The directors of the charitable company are its trustees for the purposes of charity law. The Trustees who have served during the year and since the year end were as follows:

Mr J McLaughlin (Chairman)
Dr P L Agulnik
Mr G S Ballantyne
Mr R Berry
Mrs J Z Gibson
Ms L Smith

Objectives and Activities

In the face of challenges presented by Covid, RAW continued to deliver on its core strategic aims and social purpose. Although an incredibly tough year, and despite severe operational pressures in key markets (eg housebuilders), our enterprises still generated positive social impact and trading income. Key customer partnerships were built upon and new consultancy/project income streams underpinned RAW's stability.

As the longer term impacts of Covid became evident, it was clear that young people were going to be hard hit. Mental health, lack of educational opportunity and confidence in future employment were all factors that saw a big upsurge in the number of young people needing support. In reaction, we accelerated our plans for the expansion of RAW Potential which will deliver more capacity for young people in 21/22.

As a result of the pandemic, many more corporations are exploring UK based suppliers who also deliver social value. Towards the end of the year, RAW had already been involved in positive dialogue with several organisations looking to expand their UK sourcing and social value options. We're hopeful that as restrictions lift, we will be able to work with these customers going forwards.

We believe that the increased focus on social value will help us recover well from Covid and our enterprises will continue to create unique opportunities for people – young and old - who have walked some of life's most challenging paths.

Despite the lockdowns and associated operational limitations, we continued to stay true to our mission and create significant social & sustainability value. In the year we:

- Generated 15,678 hours of social impact
- Repurposed 122 tonnes of waste into product
- Reduced local CO2 emissions by 93,980 Kgs
- Recycled 727 tonnes of waste wood

RAW and COVID 19

Like many other organisations we continued to implement our plan in light of the imminent threat of the Global Pandemic, Covid 19. All our services were risk assessed and we instigated a visitor restriction protocol. All staff who could work from home were supported to do so.

As we prepare for the future, we must accept that Covid 19 may be a risk for a time to come. We will continue to build on our learnings from the last year and maintain ways of working that continue to protect the health and wellbeing of staff. All our staff employed in January were vaccinated. Since then all new starters have either been fully vaccinated or are in the process of achieving full vaccination. We are encouraging all staff to be vaccinated but are not making it a requirement for employment.

We are actively testing strategies that enable us to maintain our income levels whilst protecting all staff and associated parties. An increased focus towards online sales is in development as are plans to secure key commercial partnerships on a longer-term, strategic basis.

RAW Workshop

Report of the Trustees (continued) for the year ended 31st March 2021

Fundraising Standards Information

- Members of the fundraising department organise fundraising events and co-ordinate the activities of our supporters on behalf of the Charity. The Workshop has used the services of a professional fundraiser during the period. There have been no complaints about fundraising activity this year.
- The fundraising department has signed up to the Fundraising Regulator's Code of Fundraising Practice. As a result, internal fundraising guidance and working practices have been updated so that they are compliant. All fundraisers are now given a briefing before they raise funds for the Charity and will also be given annual updates/reminders.
- All direct marketing is undertaken by the fundraising department to ensure that it is not unreasonably intrusive or persistent. Contact is made through direct marketing a maximum of three times a year but usually annually. All marketing material contains clear instructions on how a person can be removed from mailing lists.

Public Benefit Statement

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

Achievements and Performance

The charity's sales from the workshop during the period amounted to £391,574 (2020: £445,967). The charitable expenditure amounted to £623,738 (2020: £630,394) including governance costs of £9,051 (2020: £8,498). After these costs the charity's deficit was £232,164 (2020: £184,427). However other income of £348,395 (2020: £352,311) resulted in an overall surplus of £45,903 (2020: £85,469) after fundraising, marketing and development costs of £70,328 (2020: £87,211).

Financial Review

The unrestricted reserves of the charity, which are not tied up in fixed assets or represented by long term liabilities (free reserves) were £61,253 at 31st March 2021 (2020: £29,391). We are grateful for the support of our donors throughout the year and the trend towards unrestricted than restricted donations.

The principal funding sources are sales income and many trusts and grant making bodies.

Plans for Future Periods

- To adapt in response to Covid-19 and maximise our opportunities to generate social impact, environmental sustainability and trading income
- Expansion of RAW Potential
- Explore full e-commerce/direct to consumer social enterprise opportunities
- Expand strategic commercial and third-sector partnership opportunities

Structure, Governance and Management

RAW Workshop is a charitable company limited by guarantee and was set up on 1st October 1992. It is governed by a Memorandum and Articles of Association.

The Chair of the Board of Trustees undertakes the recruitment of Trustees, after consultation with Management and the Board of Trustees. The appointed secretary of the Trustees advises the board of appropriate training courses available to them at their quarterly meetings.

Many people and organisations provided substantial help and assistance throughout the period which is very much appreciated by all staff, Management and Trustees. The Management and Trustees are continually grateful to all the individuals and organisations that have contributed to the charity over the past eighteen months.

Key Management Personnel Remuneration

The Trustees consider the Board of Trustees and the General Manager as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 7 to the accounts.

Trustees are required to disclose all relevant interests and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises.

RAW Workshop

Report of the Trustees (continued) for the year ended 31st March 2021

Key Management Personnel Remuneration (continued)

The pay of the General Manager is reviewed annually and is normally increased in accordance with average earnings. The remuneration is reviewed to ensure that it is fair and not out of line with similar roles.

Risk Management

The Trustees continue to review the financial risks facing the Charity with a view to mitigating these in the light of future plans.

The principal risks and uncertainties faced by the charity are to ensure that continuity of funding is maintained.

Trustees' Responsibilities Statement

The trustees (who are also directors of RAW Workshop 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, which 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.

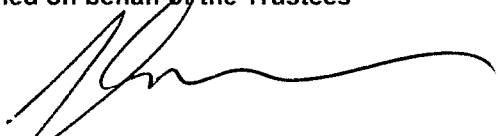
In so far as the trustees are aware:

- 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared having taken advantage of the small companies exemption in the Companies Act 2006.

Signed on behalf of the Trustees



J McLaughlin
Chairman
RAW Workshop

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RAW Workshop

Independent Auditor's Report to the Members of RAW Workshop

Opinion

We have audited the financial statements of RAW Workshop (the 'charitable company') for the year ended 31st March 2021 which comprise the Statement of Financial Activities, the Balance Sheet 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 charitable company's affairs as at 31st March 2021, and of its 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 for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material 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 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the 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.

RAW Workshop

Independent Auditor's Report to the Members of RAW Workshop (continued)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 3, 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 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 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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 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 members as a body, for our audit work, for this report, or for the opinions we have formed



Mr Graham Cole BA FCA (Senior Statutory Auditor)
For and on behalf of Wenn Townsend Chartered Accountants, (Statutory Auditor)
30 St Giles
Oxford
OX1 3LE



7th January 2022

RAW Workshop

Statement of Financial Activities (including income and expenditure account) for the year ended 31st March 2021

	Note	General funds	Restricted funds	Total 2021	General funds	Restricted funds	Total 2020
Income from:							
Donations	2	57,022	149,200	206,222	158,284	133,862	292,146
Government grants receivable	3	74,280	-	74,280	4,796	-	4,796
Grants		31,893	-	31,893	24,165	-	24,165
Investments: rent received		36,000	-	36,000	36,000	-	36,000
Charitable activities: workshop sales		391,574	-	391,574	445,967	-	445,967
Total income		590,769	149,200	739,969	669,212	133,862	803,074
Expenditure on:							
Fundraising, marketing and development	4	70,328	-	70,328	87,211	-	87,211
Charitable activities	4	491,900	131,838	623,738	475,481	154,913	630,394
Total expenditure		562,228	131,838	694,066	562,692	154,913	717,605
Net income / (expenditure)		28,541	17,362	45,903	106,520	(21,051)	85,469
Transfer between funds		(785)	785	-	-	-	-
Net movement in funds		27,756	18,147	45,903	106,520	(21,051)	85,469
Fund balances brought forward at 1st April 2020		66,208	200,431	266,639	(40,312)	221,482	181,170
Fund balances carried forward at 31st March 2021		93,964	218,578	312,542	66,208	200,431	266,639

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

RAW Workshop

Balance Sheet 31st March 2021

	Note	2021	2020
Fixed assets			
Tangible assets	10	69,790	78,905
Current assets			
Stock	11	7,554	-
Debtors	12	38,568	90,318
Cash at bank and in hand		305,696	194,305
		<u>351,818</u>	<u>284,623</u>
Creditors: Amounts falling due within one year	13	(109,066)	(96,889)
		<u>242,752</u>	<u>187,734</u>
Net current assets			
Net assets		<u>£ 312,542</u>	<u>£ 266,639</u>
Funds			
General funds		93,964	66,208
Restricted funds	14	218,578	200,431
Total funds		<u>£ 312,542</u>	<u>£ 266,639</u>

The financial statements are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board


J McLaughlin
Director / Trustee

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Registered company number: 02745625

RAW Workshop

Statement of Cash Flows For the year ended 31st March 2021

		2021	2020
Net cash flow from operating activities	16	117,310	60,789
Cash flows from investing activities:			
Purchase of fixed assets		(5,919)	(32,797)
Net cash flow from investing activities		<u>(5,919)</u>	<u>(32,797)</u>
Change in cash and cash equivalents in the year		<u>111,391</u>	<u>27,992</u>
Cash and cash equivalents brought forward at 1st April 2020		<u>194,305</u>	<u>166,313</u>
Cash and cash equivalents carried forward at 31st March 2021		<u><u>£ 305,696</u></u>	<u><u>£ 194,305</u></u>

RAW Workshop

Notes to the Accounts for the year ended 31st March 2021

1 Summary of significant accounting policies

General information and basis of preparation

RAW Workshop is a charitable company limited by guarantee in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information in these financial statements. The nature of the charity's operations and principal activities are included in the Trustees' Report.

The charity constitutes a public benefit entity as defined by FRS 102. These accounts have been prepared on an accruals basis and include income and expenditure as they are earned or incurred, rather than as cash is received or paid. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Funds

Unrestricted 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 other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

RAW Workshop

Notes to the Accounts (continued) for the year ended 31st March 2021

1. Summary of significant accounting policies (continued)

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 4.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Office equipment	-	33 1/3% reducing balance
Plant and machinery	-	15% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	25% reducing balance
Improvements to leasehold property	-	over the term of the lease

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements, including a revision of expectations for the potential impact of COVID-19 on the charity. They have concluded that the budgeted income and expenditure is sufficient with the level of reserves held for the charity to be able to continue as a going concern.

Stocks

Stocks are stated at the lower of cost and fair value less costs to sell. In general, cost is determined on a first in first out basis.

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Notes to the Accounts (continued) for the year ended 31st March 2021

2. Income from donations

	2021	2020
Cash donations receivable	£ 206,222	£ 292,146

In 2021, £149,200 of donations were attributable to restricted funds (2020: £133,862).

3. Government grants receivable

During the period there was £74,280 (2020: £4,796) of Government grants relating to the Coronavirus Job Retention Scheme.

4. Analysis of expenditure

	Staff Costs	Other (including support costs)	Total 2021	Total 2020
<i>Fundraising, marketing and development costs:</i>				
Direct costs	-	42,488	42,488	55,299
Support costs (see note 5)	12,256	15,584	27,840	31,912
	<u>£ 12,256</u>	<u>£ 58,072</u>	<u>£ 70,328</u>	<u>£ 87,211</u>
 <i>Charitable activities:</i>				
Workshop labour costs	312,863	77,390	390,253	346,100
Purchase of workshop materials	-	68,252	68,252	79,078
Workshop maintenance	-	8,564	8,564	25,215
Support costs (see note 5)	64,378	92,291	156,669	180,001
	<u>£ 377,241</u>	<u>£ 246,497</u>	<u>£ 623,738</u>	<u>£ 630,394</u>

In 2021, £131,838 expenditure from charitable activities was attributable to restricted funds (2020: £154,913).

RAW Workshop

Notes to the Accounts (continued) for the year ended 31st March 2021

5. Allocation of support costs

	Charitable	Fundraising, marketing & development	2021 Total	2020 Total
Office salaries (including pensions)	60,546	12,256	72,802	85,786
Printing, postage and stationery	2,651	468	3,119	6,497
Rent and rates	9,478	1,672	11,150	13,758
Heating and lighting	10,192	1,798	11,990	14,128
Travel and motor costs	20,006	6,404	26,410	20,747
Depreciation	15,034	-	15,034	13,952
Insurance	15,691	2,766	18,457	18,312
Advertising	857	153	1,010	2,045
Telephone	2,331	410	2,741	2,900
Sundries and training	9,636	1,702	11,338	15,015
Legal and professional fees	1,196	211	1,407	10,275
Governance costs (see note 6)	9,051	-	9,051	8,498
	<u>£ 156,669</u>	<u>£ 27,840</u>	<u>£ 184,509</u>	<u>£ 211,913</u>

Support costs have been allocated on the basis of resources used.

6. Governance costs

	2021	2020
Office salaries	3,832	4,515
Auditor's fees	3,084	2,940
Other	2,135	1,043
	<u>£ 9,051</u>	<u>£ 8,498</u>

RAW Workshop

Notes to the Accounts (continued) for the year ended 31st March 2021

7. Net income

	2021	2020
Net income is stated after charging:		
Auditor's/Examiner's remuneration - audit	£ 2,200	£ 2,100
- other work	£ 884	£ 840
	<u>£ 15,034</u>	<u>£ 13,952</u>
Depreciation of tangible fixed assets (note 10)	£ 15,034	£ 13,952
	<u>£ 15,034</u>	<u>£ 13,952</u>

8. Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2020: £Nil).

The total amount of employee benefits received by key management personnel is £Nil (2020: £Nil).
The trustees consider its key management personnel comprise the trustees and the general manager.

No (2020: None) trustees are accruing pension arrangements.

The trustees did not have any expenses reimbursed during the year (2020: £Nil).

9. Staff costs and employee benefits

	2021	2020
Gross salaries	357,071	298,575
Social security costs	24,561	19,005
Pension contributions	7,865	4,838
	<u>389,497</u>	<u>£ 322,418</u>
Average number of employees	<u>21</u>	<u>20</u>
Average number of full time equivalent employees	<u>16</u>	<u>14</u>

No employee received remuneration of more than £60,000 per annum during the current or preceding period.

The charitable company operates a defined contribution pension scheme. £7,865 of contributions were outstanding at the period end (2020: £8,709).

RAW Workshop

Notes to the Accounts (continued) for the year ended 31st March 2021

10. Tangible fixed assets

	Improvements to leasehold property	Vehicles, plant and machinery	Total
Cost			
At 1st April 2020	48,251	157,856	206,107
Additions	-	5,919	5,919
	<u>48,251</u>	<u>163,775</u>	<u>212,026</u>
At 31st March 2021	48,251	163,775	212,026
Depreciation			
At 1st April 2020	27,415	99,787	127,202
Charge for year	1,660	13,374	15,034
	<u>29,075</u>	<u>113,161</u>	<u>142,236</u>
At 31st March 2021	29,075	113,161	142,236
Net book value			
At 31st March 2021	£ 19,176	£ 50,614	£ 69,790
At 31st March 2020	£ 20,836	£ 58,069	£ 78,905

11. Stock

	2021	2020
Raw materials	7,554	-
	<u>£7,554</u>	<u>£ -</u>

12. Debtors

	2021	2020
Trade debtors	38,568	89,187
Prepayments and other debtors	-	1,131
	<u>£ 38,568</u>	<u>£ 90,318</u>

13. Creditors: amounts falling due within one year

	2021	2020
Trade creditors	20,271	21,415
Other creditors	23,562	8,709
Accruals and deferred income	43,332	47,097
Taxation and social security	11,251	19,668
Loan from Response	10,650	-
	<u>£ 109,066</u>	<u>£ 96,889</u>

RAW Workshop

Notes to the Accounts (continued) for the year ended 31st March 2021

14. Restricted funds

The restricted funds of the charity are as follows:

	At 1st April 2020	Donations received in year	Expenditure in year	Depreciation in year on capital items	Transfers	At 31st March 2021
Workers Capital	3,360	-	-	(504)	-	2,856
Emergency Appeal	1,694	-	-	(412)	-	1,282
New Equipment	30,880	-	(1,511)	(669)	-	28,700
Barn	24,660	-	(16)	(1,401)	-	23,243
Specific Equipment	47,497	-	(1,135)	(1,621)	-	44,741
Staff Salaries	7,920	30,000	(30,000)	-	-	7,920
Staff Training	4,750	-	(2,717)	-	-	2,033
Raw Potential	22,994	77,200	(33,086)	-	-	67,108
Raw Store	7,812	-	-	-	-	7,812
Offenders Program	17,253	7,000	(19,729)	-	-	4,524
Transport	9,853	-	(6,952)	(2,570)	-	331
Learning Needs	1,725	-	-	-	-	1,725
NEETS	3,606	-	(4,391)	-	785	-
Trainees	9,000	-	-	-	-	9,000
Wood Recycling	2,233	-	-	-	-	2,233
Biomass	3,750	-	-	-	-	3,750
Grounds maintenance	1,444	35,000	(25,124)	-	-	11,320
	<u>£ 200,431</u>	<u>£ 149,200</u>	<u>£ (124,661)</u>	<u>£ (7,177)</u>	<u>£ 785</u>	<u>£ 218,578</u>

	At 1st April 2019	Donations received in year	Expenditure in year	Depreciation in year on capital items	Transfers	At 31st March 2020
Workers Capital	3,952	-	-	(592)	-	3,360
Emergency Appeal	2,178	-	-	(484)	-	1,694
New Equipment	34,112	2,000	(4,444)	(788)	-	30,880
Barn	33,374	-	(7,313)	(1,401)	-	24,660
Specific Equipment	49,404	-	-	(1,907)	-	47,497
Staff Salaries	14,368	-	(6,448)	-	-	7,920
Staff Training	10,000	1,000	(6,250)	-	-	4,750
Raw Potential	-	44,550	(21,556)	-	-	22,994
Raw Store	-	7,812	-	-	-	7,812
Offenders Program	8,446	17,500	(8,693)	-	-	17,253
Transport	11,574	18,500	(16,794)	(3,427)	-	9,853
Learning Needs	1,725	-	-	-	-	1,725
NEETS	15,610	-	(12,004)	-	-	3,606
Trainees	10,000	-	(1,000)	-	-	9,000
Wood Recycling	10,398	1,000	(9,165)	-	-	2,233
Biomass	3,750	-	-	-	-	3,750
Grounds maintenance	12,591	41,500	(52,647)	-	-	1,444
	<u>£ 221,482</u>	<u>£ 133,862</u>	<u>£ (146,314)</u>	<u>£ (8,599)</u>	<u>£ -</u>	<u>£ 200,431</u>

- The Workers Capital fund is represented by fixed assets, which will be written off via depreciation over the useful life of the purchased assets.
- The Emergency Appeal fund represents amounts received for the repair and replacement of machinery/vehicles and the introduction of an online sales system.

RAW Workshop

Notes to the Accounts (continued) for the year ended 31st March 2021

14. Restricted funds (continued)

- The New Equipment fund represents funds raised specifically for new equipment in 2014, which will be written off via depreciation.
- The Barn fund is to be spent in the barn renovation so it can be used to reach more people and also generate more income.
- Specific Equipment fund is to be spent on equipment, tools and machinery to be used in the workshop.
- Staff Salaries fund is to help pay for the salary of trainees/adults with learning disability and on the salary for the managers.
- Staff Training fund is to be spent on training adults with learning disability.
- Offenders Program fund is to be spent on employing and training offenders near the end of their sentence.
- Transport fund is to be spent on the acquisition of a van to be used in the workshop.
- Learning Needs fund is to be spent on training and employment support in carpentry, woodwork and other skills for individuals with learning disability.
- NEETS fund is to be spent on increasing the number of young trainees "Not in Education, Employment or Training".
- Trainees fund to be spent on training and development for all individuals. Funding is not restricted to age or disability.
- Wood Recycling fund is to be used towards the wood recycling training scheme and any other costs related to running the project.
- Biomass fund is to be used for a new Biomass plant.
- Grounds maintenance fund is to be used for grounds maintenance equipment.

15. Analysis of net assets between funds

Fund balances at 31st March 2021 are represented by:

	Restricted funds	General funds	Total
Tangible fixed assets	36,294	33,496	69,790
Net current assets	182,284	60,468	242,752
	<u>£ 218,578</u>	<u>£ 93,964</u>	<u>£ 312,542</u>

Fund balances at 31st March 2020 are represented by:

	Restricted funds	General funds	Total
Tangible fixed assets	42,088	36,817	78,905
Net current assets	158,343	29,391	187,734
	<u>£ 200,431</u>	<u>£ 66,208</u>	<u>£ 266,639</u>

RAW Workshop

Notes to the Accounts (continued) for the year ended 31st March 2021

16. Reconciliation of net income to net cash flow from operating activities

	2021	2020
Net income for year	45,903	85,469
Depreciation charge	15,034	13,952
(Increase) in stock	(7,554)	-
Decrease/(Increase) in debtors	51,750	(47,577)
Increase in creditors	12,177	8,945
Net cash flow from operating activities	<u>£ 117,310</u>	<u>£ 60,789</u>

17. Related party transactions

Response Organisation lent the charity funds during the period, of which £10,650 was outstanding for repayment at the period end (2020: £Nil).

There were no repayments of loans to trustees during the year (2020: £nil)

18. Parent charity

Response Organisation's (registered charity no: 1014416; registered company no: 02745625) principal purpose and activities are to benefit the public by supporting and providing healthcare and support services to people with enduring mental health problems.

Consolidated accounts for the group are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.