



Financial Statements
Year ended 5th April 2021

Charity Number 1041574
Company Number 02576450

Reference and administrative details

Charity number 1041574
Company number 02576450
Registered Office The Old Boot Factory, 71 Townsend Road, Chesham, Bucks. HP5 2AA

Bankers HSBC Bank plc, 92 Sycamore Road, Amersham, Bucks. HP6 5EW
Virgin Money, Jubilee House Gosforth, Newcastle-upon-Tyne. NE3 4PL
Nationwide Building Society, P.O. Box3, 5-11 St. Georges Street, Douglas, IOM.
COIF Charity Funds, Senator House, 85 Queen Victoria Street, London, EC4 4ET

Solicitors: Blaser Mills, Chalfont Court, 5 Hill Avenue, Amersham, Bucks. HP6 5BD

Independent Examiner: James Foskett FCA DChA, Cansdales Audit LLP, Bourbon Court, Nightingales Corner, Little Chalfont, Bucks. HP7 9QS

Patrons

Sir William Castell LVO FMedSci
Lady Johnson
Mr Gary Grant
Mrs Sylvia Parrott MBE

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

Trustees and key management

The trustees who served during the year were as follows:

T N Bartlett FCMA (Chairman)
R Canham
M D Critchley
K G Wilcock
M Y Zaman

Chief Executive Officer: A S Hatch

Chairman's Report

When the year started, we knew that 2020/2021 would provide challenges to Workaid unlike any previously experienced. It was clear that COVID-19 was going to have an impact at all levels, from income generation through to drastically reduced operational capacity. Our workshop in Chesham was effectively closed for over five months of the year and during the periods in which we were able to open we had many fewer volunteers on site. In part this was a function of the requirements of social distancing and in part it was a function of understandable volunteer reluctance to return too soon (many are elderly or otherwise vulnerable). As such we have only been able to send to Africa about a quarter of the items we were expecting, which in turn means we have been able to help many fewer of our disadvantaged beneficiaries than we had hoped.

The unpredictability of the evolving pandemic meant that we concentrated on areas under our control, in order to ensure that Workaid was able to emerge from it in relatively good health. Focus upon income streams became a priority, our cost base was reduced and we took the opportunity of closure to improve and update the premises. As of 5th April, 2021 I am pleased to say that Workaid is financially secure and has maintained reserves in line with our reserving policy.

Although income reduced, our decisions to expand and re-organise our shop ensured we maximised sales during the periods when customers were allowed to visit. Increased focus on institutional fundraising also helped maintain income streams, and our eBay business started to contribute more significantly. We also welcomed support from the government's furlough scheme and from Buckinghamshire County Council. The support of all of our donors and supporters is so very much appreciated and not something we ever take for granted.

However, the relative financial success must not mask the reality that the pandemic meant that our ability to meet our charitable objectives in Africa was greatly reduced. Workaid's mission is to enable disadvantaged young people there to build sustainable livelihoods, largely through the shipment of refurbished tools to vocational training centres. We only shipped two containers during the year (one each to Kenya and Zambia) and a key objective in the year ahead will be to rebuild output and improve the quality of how we work in Africa through our partners.

In summary, the positive highlights of 2020-21 were as follows:

- Improvements to our method of operation in Africa. Although the pandemic caused operational activities to be drastically reduced, we started to develop improvements to our operating model. Most significant was that we developed a programme with Workaid's partner organisation in Zambia, the Vwila Foundation, to train trainers in sewing machine servicing and maintenance, for which they receive a nationally recognised qualification. The programme will be implemented in 2021 and will train technical staff in 10 Youth Resource Centres throughout Zambia. We also started discussions with another UK international development charity to support a sewing machine servicing and maintenance programme in Tanzania.
- Completion of a programme of refurbishment of the Chesham site. We used the periods of closure to volunteers to carry out property improvements and maintenance. These included; refurbishments of the canteen and wash room facilities (including reconfiguration to enable disabled access); construction of a new soakaway to resolve flooding issues; and installation of a new roof between two parts of the workshop to improve the working environment for volunteers.
- Completion of necessary work to keep people on site as safe as possible from COVID-19. This included; installation of clear protective screening at all work spaces and hand sanitising points throughout the building; reconfiguration of the upstairs canteen to allow for safe social distancing and creation of a new small canteen downstairs; implementation of a volunteer management system to allow volunteers to book in for available shifts and keep numbers at safe levels for each shift; change to entry process to enable temperature checks; and

Chairman's Report

implementation of a new process for donations of physical items to ensure that they can be appropriately quarantined.

Two of our volunteers – Allan Feather and Geoff Spalding – sadly died during the year. Our thoughts are with their families and friends.

I also wish to add my heartfelt thanks to all of our staff and volunteers. Our small team of employees worked tirelessly in difficult circumstances to ensure that the premises fully met COVID-19 health and safety protocols and were fit for purpose as volunteers returned. Together with the other improvements to the premises, these have made it a better environment in which to work as well as greatly enhancing our ability to return to pre-pandemic production in the future.

Unfortunately, our Chief Executive, Adrian Hatch, was unable to undertake his scheduled travel to Africa during the year due to the ongoing pandemic. He had planned to work closely with our Zambian partner to help in the recruitment of a monitoring and evaluation officer and to then review and revise systems to ensure we have the most appropriate parameters in place to monitor ongoing project success. Due to lockdowns in Africa, only limited monitoring and evaluation feedback was received. However, as the situation improves in the countries in which we work, more extensive monitoring and evaluation of projects will resume.

Plans for the year ahead

We have budgeted on the basis that there will be no further closures enforced by lockdowns during the 2021/2022 financial year. With this in mind, we anticipate shipping seven containers to Africa - three to Zambia, two to Tanzania, one to Uganda and one to Sierra Leone.

Adrian Hatch will make field visits to Zambia, Tanzania and Uganda in the fourth quarter of 2021, subject to COVID-19 travel restrictions. The visits will enable Workaid to strengthen systems in Zambia and to develop new partnerships in Tanzania and Uganda.

A communications strategy will be developed during the late summer of 2021. This will include a review of the Workaid brand, our messaging to customers and to the broader public about what we do in Africa, and a review and refresh of the Workaid website.

A review will be carried out in the Autumn of 2021 of progress against achieving the organisation's strategic aims. This will be initially undertaken by staff followed by a trustee review.

The ongoing programme of improving the working environment in Chesham for volunteers will continue though only minor items are planned. These include the upgrade of the lighting throughout the site, replacing fluorescent tubing with LED which is more economical, environmentally friendly and safe. The ironmongery section will be reconfigured and upgraded racking will be installed in the summer of 2021.

Summary

A year ago, I stated my belief and hope that Workaid would emerge from the COVID-19 pandemic ready to face the challenges ahead in helping young people in Africa out of poverty. With hard work and support from our donors, staff, volunteers and fellow trustees I am pleased to say that we are indeed well placed to once again strive towards achieving those objectives.

Note

As the Chairman was unable to attend the approval meeting, another trustee signed the report.

M Y Zaman
Trustee, Workaid

22 July 2021

Report of the directors and trustees for the year ended 5th April 2021

The Trustees are pleased to present their annual report and financial statements for the charity for the year ended 5th April 2021 which are also prepared to meet the requirements for a directors' report and financial statements for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Statement of Recommended Practice: Accounting and Reporting by Charities.

Workaid's Vision, Mission and Values

Our Vision

A world in which all young people are able to achieve full and productive employment.

Our Mission

Workaid enables disadvantaged young people in Africa to build sustainable livelihoods.

Our Values

We believe in...

- empowering young people to help themselves
- the re-use and re-cycling of the world's resources
- the benefits of volunteering
- non-discrimination, respect and equality of opportunity for all
- the importance of being accountable
- understanding and improving the impact of our work
- actively participating in the local community

The Three Core Elements of What We Do

1. Our Partnerships in Africa and the Work we Support there

- We will support work in Africa that is aligned to the UN's Sustainable Development Goals to reduce poverty and create decent work and economic growth. This will be achieved as follows:
 - We will work in partnership with organisations by listening, asking and not telling.
 - We will work with support institutions and organisations that develop the knowledge and skills young people need to access gainful employment or to establish their own businesses.
 - We will focus this support through vocational training institutions, correctional facilities and local organisations that provide good quality vocational training for young people.
 - We aim to enable these organisations to supply tools to their graduates so that they can gain employment or establish a business as a group.
 - We will build the capacity of our partner organisations who represent Workaid to assess, monitor and evaluate projects more effectively.
 - We will build the capacity of our partner organisations to provide business and entrepreneurial skills training to both institutions and the young people they train.
 - We will build the capacity of our partner organisations to improve the sharing of information and learning between the institutions and young people we support.

2. Our commitment to Volunteering in the UK

- We are committed to providing a safe, professional, enjoyable and fulfilling working environment for our volunteers.

Report of the directors and trustees for the year ended 5th April 2021

- We will continue to provide opportunities for volunteers to refurbish unwanted tools and equipment that are donated to us in the UK. In response to their requests, these items will then be sent to organisations (primarily vocational training centres) in Africa.
- We will provide charitable organisations local to Chesham with tools and equipment to support activities that help the local community.
- When possible, we will support groups with additional support needs either related to mental health or learning to access the Workaid site and carry out worthwhile voluntary work for us.

3. Our Commitment to Re-Cycling

- Where possible we will refurbish tools and equipment to be sent to Africa, or where these have a high value, or are unsuitable for vocational training centres, to sell in the Workaid shop or on-line.
- Items that have to be scrapped will be disposed of ethically and carefully sorted to minimise the amount going to general landfill.

Our purposes and activities

Purpose

The purpose of the charity is to provide practical assistance to vocational training centres and self-help schemes for young people in Africa and in UK. Workaid collects unwanted tools, sewing machines and knitting machines from around the UK, refurbishes them to a high standard and then ships them to some of the world's most disadvantaged communities in East Africa.

Activities

Collection of unwanted tools

Over the years, Workaid has developed a network of Area Organisers throughout the UK who act as local collection points for items of interest to the charity. Some of these volunteers are able to deliver the goods to the workshop in Chesham while others will arrange for one of the Workaid vans to make collections from them. At the workshop, the goods are sorted. Some will not be suitable for shipment to Africa but may be suitable for sale, helping to generate funds for the ever-increasing costs of shipment. As we become better known we are receiving more and more goods directly from the public at our Chesham site. This, along with new limitations in our ability to collect and process donations in light of the pandemic, means that we have reduced the number of Area Organisers, focusing on those who are more local and those that supply better quality items.

Refurbishment

Workaid has a series of properly equipped workshops to service electrical tools, sewing machines, knitting machines and general hand tools. These are staffed by an army of over 200 skilled volunteers. There are morning and afternoon shifts Monday to Friday. It is up to the individual volunteer how many shifts they do. Most do one or two per week but some do many more.

Selection of projects

The charity puts considerable effort into ensuring that equipment sent to Africa gets to a worthy cause and that it is then used for its intended purpose. To assist in this task, Workaid has a series of partners in country who undertake considerable work on the ground. These are:

- Republic of Kenya: The Catholic Diocese of Kisii - Education Secretary and YWCA; Nairobi - National General Society.
- Republic of Uganda: Interservice, Kampala.
- Republic of Tanzania: The Christian Council of Tanzania, Dar-es-Salaam.

Report of the directors and trustees for the year ended 5th April 2021

- Republic of Zambia: Mr Emmanuel Zulu, Director of the Vwila Foundation.

Packing and shipping

Based on the input from our partners, the Projects group decides what will be sent to a range of individual vocational training projects in the relevant country according to their needs and requests. For Zambia, where we have a more extensive and formal partnership, the only real input from the UK is an assessment of whether we have the requested items available. A packing list for a 20-foot container is produced. The packing section pack and label individual items, move them into the appropriate container, and arrange for pre-shipment inspection as appropriate. When full, the container is shipped to the relevant partner organisation which handles customs clearance and distribution to the local projects. Unfortunately, because of UK lockdowns due to the COVID-19 pandemic, the projects committee were unable to meet. However, two members were able to make several visits to Chesham between lockdowns to ensure that the Zambia container was completed.

Social Obligations

At Workaid we take our social obligations seriously. As well as protecting the environment by recycling unwanted tools, we also welcome several disabled and vulnerable people who work on the regular shifts under appropriate supervision. Additionally, we have a professionally supervised space, in which people with more serious disabilities are provided with supported work experience. Other volunteers arrive as a consequence of accidents and unemployment. The discipline of contributing on a regular basis is a great boost to self-esteem and we are delighted when this contributes to a successful return to paid employment. Many of our elderly volunteers are back on site and we expect that the other vulnerable groups will be back with us from mid-2021.

Fundraising activities

Fundraising in the midst of a global pandemic was extremely challenging, particularly for our shop which was required to close for long periods (approximately four months in total). However, when we did open the support from the public was outstanding. Even though we had to limit the number of customers to six customers at one time, the income for the year was close to achieving the previous year's record levels, and this without any forecourt or outside sales. What was particularly encouraging was the number of new customers frequenting the shop.

Our eBay function resumed and has been a success. The challenge for the year ahead will be to ensure we have sufficient volunteers to grow upon the positive results achieved since re-opening this section in March 2021.

Although grant income declined, it still held up remarkably well considering that many grant making bodies reduced their giving due to diminished investment returns, many were understandably focused specifically on causes directly addressing the pandemic, and competition for funds increased as the government reduced its level of international aid.

Public Benefit

Workaid contributes to the public good in two principal ways. Firstly, the charity makes good use of things that would otherwise end up in landfill. Anything that cannot be shipped to Africa is either sold to generate funds, passed to another charity or sorted and disposed of meticulously. Secondly, Workaid is a social organisation. People volunteer with Workaid because it provides an environment where there is a constructive job to do in the company of like-minded people.

Report of the directors and trustees for the year ended 5th April 2021

Achievements and performance

During the year Workaid considered new requests for support from groups and organisations in the four countries where we have partners, and additionally we supplied items to two other countries via other UK charities - to Malawi via Krizevac and to Sierra Leone via Home Leone. In its Chesham workshop Workaid refurbished and packed tools, machines and other equipment for 27 projects (compared to 186 last year).

The groups helped in these 27 projects fell into the following general categories:

• Women & other Self-Help Groups	11
• Vocational Training & Youth Polytechnics	4
• Community Projects (Urban & Rural)	5
• HIV/Aids Widows & Orphans Rehabilitation	1
• Prisons	4
• Church & Missionary Based Projects	2

A total of 492 groups of items comprising refurbished tool kits, machines, and other equipment were supplied. The biggest groupings of these were sewing machines (115) and accessories (61), carpentry kits (60), knitting machines (14) and typewriters (20). We also sent a variety of kits, comprising multiple pieces of equipment for carpentry, building/masonry, metalwork and engineering, motor mechanical, horticultural, plumbing, leatherwork/shoe-making and electrical training. We also sent many larger items of workshop equipment such as lathes, workshop benches and welding kits.

Consignments for 27 projects were loaded in two 20ft sea containers, a greatly reduced number from the previous year because of the workshop closing down for long periods due to COVID-19.

- 10 to Kenya in one container named Irene
- 12 to Zambia in one container named Simon

As well as supplying these 22 projects that we identified ourselves, we also sent items to 5 further projects in other organisations' containers, including various tools and equipment to Sierra Leone (via Home Leone) and four UK focussed organisations. The goals of these organisations are aligned with our own.

In summary, refurbished tools and equipment were sent to 27 projects. With an estimated average of 60 people benefiting from training at each project, approximately a further 1,611 disadvantaged people will be given the chance to learn a trade, giving them hope for the future and an opportunity to build better lives for themselves and their families. Since the charity's formation over 33 years ago, it is estimated that more than 150,000 people have benefited directly from the vital tools and equipment provided by Workaid.

Report of the directors and trustees for the year ended 5th April 2021

Financial Review

The total income for the financial year at £405,000 reflected an 8% reduction of £34,000 from the year ended 5th April 2020. However, this decline was greatly mitigated by the Government furlough scheme and welcome support from Buckinghamshire County Council which together totalled £78,000, without which our income would have declined by 25%. Other voluntary income streams (donations from Individuals, trust and corporate income) all showed declines but given the extraordinary challenges that were being faced these reductions were much smaller than originally feared. We also benefited from a one-off bequest of £20,000.

As mentioned in last year's report, we had identified the risk of external funding being impacted by events outside our control and had invested in our trading with particular emphasis on our shop activities. Even with extensive periods of COVID-19 lockdown closure, the Workaid shop still produced £107,000 of income in the year, which although a 13% decline compared to the prior year, provided an important boost to our financial performance.

Other areas of regular income were, however, greatly impacted. Craft & specialist sales, external events and other fund generation all require a fully functioning volunteer team and this was not available to us for large parts of the year due to the pandemic restrictions. This resulted in a reduction of income of £62,000 (79%) compared to 2019/2020.

Overall expenditure declined by £104,000 (24%) compared to the prior year. A strategic review of the operation was undertaken due to the anticipated impact of the pandemic together with the planned shift in emphasis to work more closely with third party partners in Africa. This resulted in a restructuring during the year which will improve our ability to meet our objectives in the year ahead.

Operational and project costs also showed year on year savings due to periods of the factory and office closure which meant that only two containers were shipped to Africa in the year. Workshop expenses, office costs and container costs were all lower as a result. The one exception was in workshop refurbishment where we took the opportunity to make improvements to the building infrastructure, details of which are covered in the Chairman's Statement.

Investment powers and policy

The trustees continue invest any surplus funds in deposit accounts held with their bankers, HSBC Bank, Virgin Money, Nationwide and with the COIF Charities Investment Fund. This policy is designed to minimise the associated risk of holding all our funds in just one banking institution.

Reserves policy

Cash reserves increased in the year to 5th April 2021 by £74,000 to £265,000. This meant that at year-end the reserves were £65,000 above our policy of six months' expenditure. This can be primarily attributed to our careful cost management, coupled with the unexpected furlough income. We anticipate that the surplus will diminish once container shipments begin to flow again. Some of the reduced expenditure in the year has merely been delayed and £39,000 of restricted donations have also been postponed into the 2021/2022 financial year during which period we have budgeted on the assumption that the charity will be able to operate without dealing with further closure, lockdown measures or uncertainty.

However, if the COVID-19 situation should deteriorate once again we not only have operational contingency plans in place, but also sufficient reserves to weather another pandemic storm. We thus have a reasonable safety net to financially protect Workaid against this risk.

Report of the directors and trustees for the year ended 5th April 2021

Structure, Governance and Management

Governing document

Workaid is a national charity started in 1986 by an ecumenical house group. The charity was incorporated as a company limited by guarantee on 24th January 1991 and is governed by its Memorandum and Articles of Association. Subject to the approval of the directors anyone over the age of 18 can become a member of the company, each one of whom agrees to contribute £1 in the event of the charity winding up in accordance with Clause 7 contained in the charity's Memorandum and Articles of Association.

Appointment and role of trustees

The Board may from time to time and at any time appoint any member of the Company as a trustee, either to fill a casual vacancy or by way of addition to the Board, provided that the prescribed maximum be not thereby exceeded. Any trustee so appointed shall hold office only until the next following Annual General Meeting and shall then be eligible for re-election but shall not be considered in determining the trustees who are to retire by rotation at such meetings.

New trustees are required to have a high level of commitment to Workaid and to be sympathetic to its aims and objectives. The Board also seeks to ensure that collectively the trustees have a suitable range of skills and experience so that they can help to constructively challenge and shape the strategy proposed by management and ensure good governance. We also seek to ensure that the trustee body is appropriately diverse so that a broad range of perspectives are brought to the discussions

Induction of Trustees

New appointees are provided with information about their role and responsibilities under charity law and also as company directors. From time to time, a formal course is organised to ensure that all trustees are up to date with the current standards and regulations.

Organisation

Planned trustee rotation was due to take place during the year, but the decision was made to keep outgoing trustees in place beyond their normal tenure to manage the COVID-19 challenges. Recruitment of new trustees is currently being undertaken with the aim to have these appointees in place during the 2021-22 financial year.

The Human Resources (HR) Committee and of the Health & Safety (H&S) Committee both meet regularly and report to the full trustee board every quarter to ensure that good governance is maintained and potential risks and problems are managed and resolved in a timely manner.

Monthly financial results are shared with the trustees in the form of management accounts including a financial and cash flow forecast which is prepared with input from senior operational management. Regular financial performance presentations form an integral part of quarterly trustee meetings. The trustee board is also appraised of all expenditure above the agreed threshold that can be approved by any of the employees, including the CEO.

Related Parties

None of the trustees receives remuneration. However, trustees may visit Africa for appraisals and negotiations with the partners for which their reasonable expenses are reimbursed.

Pay policy

Salaries are reviewed annually and adjusted for inflation and any change in responsibilities.

Report of the directors and trustees for the year ended 5th April 2021

Management of Risk

The charity trustees follow a risk management strategy comprising:

- a) As part of the regular trustee strategy meetings, principal risks and uncertainties that the charity may face are discussed together with the effectiveness of associated policies, systems and procedures that are in place to mitigate such risks.
- b) Where such risks currently exist, these are identified and highlighted in the annual review together with the procedures in place to minimise any potential impact on the charity.

Specific areas of risk are as follows:

- Financial sustainability – monthly reviews of available liquid funds and working capital (both for the immediate future and the year ahead) are undertaken to ensure that all current liabilities have adequate cash coverage.
- Building and third-party risks – these are reviewed and discussed both internally and with our insurers to ensure adequate insurance coverage is always in place and required remedial works are carried out in a timely manner and to the correct standard.
- Health and safety of volunteers and visitors – this is constantly under review so that all legislative requirements are met, and that accident risks are minimised.
- IT risks – the security of the IT system is controlled and supervised by an experienced IT executive.

Trustees' responsibilities in relation to the financial statements

Company law requires the trustees to prepare financial statements for each 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 the 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;
- 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 to the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, taking advantage of the small companies exemption in that Act. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the corporate and financial information included in 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.

Report of the directors and trustees for the year ended 5th April 2021

Statement as to disclosure to our Independent Examiner

In so far as the trustees are aware at the time of approving the annual report:

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

By order of the board of trustees

M Y Zaman
Trustee

22 July 2021

Independent Examiner's Report to the Trustees of Workaid for the year ended 5th April 2021

I report to the trustees on my examination of the financial statements of the charitable company for the year ended 5 April 2021 which are set out on pages 14 to 22.

Responsibilities and basis of report

As trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charitable company's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 financial statements to be reached.

Use of my report

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my Independent Examination, for this report, or for the opinions I have formed.

James Foskett FCA DChA
Cansdales Audit LLP
Bourbon Court
Nightingales Corner
Little Chalfont
Bucks
HP7 9QS

Date: 27 JULY 2021

Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the year ended 5th April 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income					
Donations and Legacies	2	190,905	48,530	239,435	221,943
Trading Activities	3	162,119	-	162,119	203,715
Value of Donated Goods		3,252	-	3,252	12,085
Investment Income	4	478	-	478	1,155
Sale of Fixed Assets		-	-	-	-
Total Income		<u>356,754</u>	<u>48,530</u>	<u>405,284</u>	<u>438,898</u>
Expenditure on					
Raising Funds	5	67,672	1,380	69,052	91,796
Charitable Activities	6	<u>286,189</u>	<u>8,150</u>	<u>294,339</u>	<u>363,964</u>
Total Expenditure		<u>353,861</u>	<u>9,530</u>	<u>363,391</u>	<u>455,760</u>
Net movement for the year		<u>2,893</u>	<u>39,000</u>	<u>41,893</u>	<u>(16,862)</u>
Transfer between funds	13	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation of Funds					
Total funds brought forward		849,162	-	849,162	866,024
Total Funds carried forward		<u>852,055</u>	<u>39,000</u>	<u>891,055</u>	<u>849,162</u>

Information regarding how much of the figures relate to restricted funds is included in notes 5, 6, 10 and 13.

The notes on pages 17-22 form part of these financial statements.

Balance Sheet at 5th April 2021

	Note	2021 £	2020 £
Fixed Assets			
Tangible assets	10	622,212	651,459
Total Fixed Assets		<u>622,212</u>	<u>651,459</u>
Current Assets			
Debtors	11	13,570	22,929
Cash at bank and in hand		265,140	191,372
Total Current Assets		<u>278,710</u>	<u>214,301</u>
Liabilities			
Creditors falling due within one Year	12	9,867	16,598
Net Current Assets		<u>268,843</u>	<u>197,703</u>
Net Assets		<u>891,055</u>	<u>849,162</u>
Represented by			
Restricted Funds	13	39,000	-
Unrestricted Funds	13		
General		29,843	(2,297)
Operational		200,000	200,000
Other designated		622,212	651,459
Total Funds		<u>891,055</u>	<u>849,162</u>

The trustees have prepared financial statements in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual financial statements required by the Companies Act 2006 and are for circulation to members of the company.

For the year ended 5th April 2021, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. Workaid's company number is 02576450.

Directors' responsibilities:

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The notes on pages 17-22 form part of these financial statements.

M Y Zaman

Trustee on behalf of the trustees

Approved by the trustees on 22 July 2021

Statement of Cash Flows for the year ended 5th April 2021

	Note	2021 £	2020 £
Cash flows from operations	15	73,290	(25,548)
Cash flows from investing	15	478	(59,328)
Increase/(decrease) in cash and cash equivalents		73,768	(84,876)
Cash and cash equivalents at the beginning of the year		191,372	276,248
Cash and cash equivalents at the end of the year		265,140	191,372

The notes on pages 17-22 form part of these financial statements.

Notes to the financial statements for the year ended 5th April 2021

1. Accounting Policies

Company information

Workaid is a private company limited by guarantee incorporated in England & Wales. The registered office address can be found on page 2, Reference and administrative details.

Accounting Conventions

The financial statements have been prepared on a going concern basis under the historical cost convention. The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follow:

Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements are prepared in Sterling, which is the functional currency of the charitable company, and rounded to the nearest £1.

Capitalisation policy, tangible fixed assets and depreciation

Purchases of assets in excess of £1,000 are considered for capitalisation by the Trustees. Tangible fixed assets are stated at cost less depreciation. Depreciation commences at the date the asset is acquired or ready for use. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

- Freehold Property - the trustees have not depreciated the premises at The Old Boot Factory
- Fixtures, fittings & equipment, and motor vehicles - 20% per annum, straight line.

Expenditure

Expenditure is accounted for on the accruals basis, net of VAT where this is recoverable. Governance costs relate to the costs of the Independent Examiner plus specialist advice on human resources and operational matters. These costs are included in full under expenditure on charitable activities as the trustees do not consider it appropriate or practical to allocate any of these costs to the costs of the charity's trading activities.

Income

Income from donations and tax recovered is accounted for on a received basis. Income from trading activities is also accounted for on a received basis. No value is placed on donated tools and equipment received until they are shipped or are sold by the charity.

Restricted funds

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

Pensions

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

Notes to the financial statements for the year ended 5th April 2021

2 Income from Donations and Legacies

	2021	2020
	£	£
Individuals	67,886	54,224
Trusts	90,855	107,973
Churches and Organisations	75,611	54,513
Gift aid	5,083	5,233
	<u>239,435</u>	<u>221,943</u>

In the current period there were five restricted donations totalling £48,530 (2020- three donations totalling £68,000).

3 Trading Activities

	2021	2020
	£	£
Workaid Shop & Sales Stands	107,221	126,662
eBay & Auctions	9,470	33,783
Non-Shop Sales	2,198	14,790
Sale of Scrap	2,959	8,881
Supervised Work Experience	1,320	7,410
Craft & Sundry Activities	193	9,589
COVID-19 JRS Grant	38,758	2,600
	<u>162,119</u>	<u>203,715</u>

4 Investment Income

	2021	2020
	£	£
Bank Interest	<u>478</u>	<u>1,155</u>

5 Expenditure on Raising Funds

	2021	2020
	£	£
Fund Raising and Publicity	2,538	6,383
Staff Costs	50,229	53,672
Shop & Development Activities	16,285	24,175
Special Needs Workshop Supervision	-	7,566
	<u>69,052</u>	<u>91,796</u>

Special needs workshop supervision and development activities were funded by £1,380 restricted funds in the current year (2020 - £27,000).

Notes to the financial statements for the year ended 5th April 2021

6 Expenditure on Charitable Activities

	2021	2020
	£	£
Project Costs	39,281	101,042
Staff Costs	131,217	119,968
Workshop	32,392	58,702
Building Maintenance	36,292	19,633
Office	16,504	34,689
Governance	9,406	12,050
Depreciation	29,247	17,880
	<u>294,339</u>	<u>363,964</u>

Building maintenance was funded by £8,150 restricted funds in the current year (2020 - £nil). Office costs were funded by £nil restricted funds in the current year (2020 - £3,000). Governance costs include £2,850 for independent examination and £2,677 for other financial services (2020- £2,775 and £2,355).

7 Staff

	2021	2020
	£	£
Total Staff Costs	167,030	159,765
Employers pension cost	4,027	3,907
Employers National Insurance	10,389	9,968
	<u>181,446</u>	<u>173,640</u>
Average Staff Numbers	7	7
Full Time Equivalent	5.4	4.6

In the current year, total staff costs included £9,383 redundancy costs (2020- £15,172). For the year to 5th April 2021, there were two full time employees (2020 – one). No employee earned £60,000 p.a. or more. Trustees were not remunerated.

The key management of the charity was considered to be the full trustee body, the Chief Executive Officer, and the Volunteer and IT Co-ordinator. The total remuneration of key management in the year was £89,554 (2020 - £96,654).

8 Related Party Transactions

No trustee received expenses in the current year (2020 - £607).

9 Taxation

As a charity, Workaid is able to recover tax on donations received related to Gift Aid. The charity is registered for VAT and is exempt from corporation tax on its charitable activities.

Notes to the financial statements for the year ended 5th April 2021

10 Tangible Fixed Assets

	Freehold Property £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost				
At 6 April 2020	535,000	138,404	28,700	702,104
Additions	-	-	-	-
Disposals	-	-	-	-
At 5 April 2021	<u>535,000</u>	<u>138,404</u>	<u>28,700</u>	<u>702,104</u>
Depreciation				
At 6 April 2019	-	31,385	19,260	50,645
On disposals	-	-	-	-
Charge for the year	-	<u>24,237</u>	<u>5,010</u>	<u>29,247</u>
At 5 April 2020	-	<u>55,622</u>	<u>24,270</u>	<u>79,892</u>
Net book value				
At 5 April 2020	<u>535,000</u>	<u>107,019</u>	<u>9,440</u>	<u>651,459</u>
At 5 April 2021	<u>535,000</u>	<u>82,782</u>	<u>4,430</u>	<u>622,212</u>

No capital expenditure in the current year was funded by restricted donations (2020 - £38,000).

11 Debtors

	2021 £	2020 £
VAT refund	5,487	14,896
Gift Aid	5,083	5,233
Prepayment	-	-
Receivables	<u>3,000</u>	<u>2,800</u>
	<u>13,570</u>	<u>22,929</u>

12 Creditors

	2021 £	2020 £
Supplier invoices	5,822	7,123
Accruals	<u>4,045</u>	<u>9,475</u>
	<u>9,867</u>	<u>16,598</u>

Notes to the financial statements for the year ended 5th April 2021

13 Funds

	Opening Balance £	Income £	Expenditure £	Transfers £	Closing Balance £
Restricted	-	48,530	(9,530)	-	39,000
Designated					
Operational	200,000	-	-	-	200,000
Fixed Assets	651,459	-	(29,247)	-	622,212
Total Designated	851,459	-	(29,247)	-	822,212
Unrestricted	(2,297)	356,754	(324,614)	-	29,843
Total Funds	849,162	405,284	(363,391)	-	891,055

The restricted fund is to cover certain travel costs, salary costs and freight costs. The fixed asset fund represents the net book value of the fixed assets owned by the charity. The operational fund is to cover six months day-to-day running costs.

14 Analysis of Net Assets

	Restricted £	Designated Fixed Assets £	Designated Operational £	Unrestricted £	2021 Total £
Fixed Assets	-	622,212	-	-	622,212
Current Assets	-	-	200,000	78,710	278,710
Current Liabilities	-	-	-	(9,867)	(9,867)
	-	622,212	200,000	(2,297)	891,055

Notes to the financial statements for the year ended 5th April 2021

15 Notes to the Statement of Cash Flows

	2021 £	2020 £
Cash Flows from operations		
Net movement of funds	41,893	(16,862)
Add back depreciation	29,247	17,880
Deduct interest income	(478)	(1,155)
Debtors	9,359	(8,322)
Creditors	(6,731)	(17,089)
	<hr/> 73,290	<hr/> (25,548)
Cash flows from investing		
Interest income	478	1,155
Purchase of fixed assets	-	(60,483)
Sale of fixed asset	-	-
	<hr/> 478	<hr/> (59,328)

