

SMART WORKS CHARITY

England & Wales · Charity number 1080609

Details

Other names	DRESS FOR SUCCESS (LONDON), DRESS FOR SUCCESS LONDON
Status	Registered
Legal form	Charitable company
Company number	03870671
Registered	2000-05-08
Register	View on the Charity Commission register

Contact

Address	Smart Works Charity Unit 1 Canonbury Yard 202-208 New North Road London N1 7BJ
Phone	0207 2881770
Email	london@smartworks.org.uk
Website	www.smartworks.org.uk

Activities

Objects: THE CHARITY'S OBJECTS (THE "OBJECTS") ARE THE RELIEF OF FINANCIAL HARDSHIP AND THE RELIEF OF UNEMPLOYMENT FOR THE PUBLIC BENEFIT THROUGH THE PROMOTION OF ECONOMIC INDEPENDENCE AMONG WOMEN IN SUCH WAYS AS MAY BE THOUGHT FIT, INCLUDING (BUT WITHOUT LIMITING THE GENERALITY OF THE FOREGOING) BY PROVIDING WORK APPROPRIATE CLOTHING FOR INDIVIDUALS SEEKING EMPLOYMENT AND / OR EDUCATIONAL OPPORTUNITIES, PROVIDING JOB-SEEKING ADVICE, TRAINING AND EDUCATION AND PROVIDING SUPPORT SERVICES FOR THOSE WHO SUCCESSFULLY PROCURE EMPLOYMENT OR AN EDUCATIONAL OPPORTUNITY, AND PROVIDED THAT SUCH BENEFITS MAY BE PROVIDED TO MEN WHERE IT IS DEEMED APPROPRIATE, IN THE DISCRETION OF THE TRUSTEES, IN THE COURSE OF ADVANCING THE OVERALL OBJECTS OF THE CHARITY.

Activities: We help women on low incomes get back to work by dressing them in a complete outfit of smart clothes to wear to their interview and by giving them one-to-one interview training. A professional outfit followed by careful interview preparation transforms our clients' self-confidence and gives them a far greater

chance of succeeding.

Classification

- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, Economic/community Development/employment
- **Who:** Children/young People, Other Defined Groups, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£4,727,852	£5,020,929	£2,350,718	80
2024-03-31	£3,858,585	£4,057,869	£2,643,795	72
2023-03-31	£3,118,791	£3,019,062	£2,843,079	57
2022-03-31	£2,804,934	£1,777,209	£2,743,350	40
2021-03-31	£1,744,788	£1,398,979	£1,715,625	27

Trustees

Name	Role	Appointed
Julietta Dexter	Chair	2021-04-29
Jane Elizabeth Shepherdson		2019-08-05
Juliet Lia Brown		2026-02-11
Melanie Johanne Prater		2025-11-05
Rachel Atkins		2021-10-28
Ruth Eleanor Redding		2026-02-11
Shen Chen		2025-01-10
Simongnette Maria Theresa Scavazza		2022-04-28
Sophie Amanda Hedley		2026-02-11

SMART WORKS CHARITY

England & Wales - Charity number 1080609

Accounts

Smart Works Charity

Registered Charity No. 1080609

Registered Company No. 03870671

Annual Report and Financial Statements

For the Year Ended 31 March 2025

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Annual Report of the Board of Trustees for the Year Ended 31 March 2025

The Trustees, who are also the directors of the charity for the purposes of the Companies Act, present their annual report together with the accounts of Smart Works Charity in the year ended 31 March 2025.

The accounts have been prepared in accordance with the accounting policies set out on pages 20 to 21 and comply with the charity's governing document, applicable laws and the requirements of Statement of Recommended Practice on 'Accounting and Reporting by Charities' issued in 2019.

1. Objectives and Activities

Smart Works Charity provides both career coaching and interview coaching, we well as high quality interview clothes and styling advice to unemployed women. We give women the confidence, self-belief and practical tools they require to succeed at interview and start a new chapter of their life.

The charity's objectives are the relief of financial hardship and the relief of unemployment for the public benefit through the promotion of economic independence among women in the UK. To deliver this, Smart Works Charity was incorporated in 2013 with a clear mission and vision to help more women back into the workplace by giving them the clothes and the confidence they need to succeed at job interview. Smart Works Charity is part of a network of 12 centres, including six subsidiary charities, that deliver the Smart Works Charity service in their area.

At the core of our service is a two-hour Interview Dressing and Preparation appointment, during which each woman receives a complete outfit of high-quality clothes and accessories (theirs to keep) and tailored interview coaching. This deceptively simple, short intervention has a significant impact as our clients start believing in their own ability to succeed. Once they get the job, we offer clients a Second Dressing for more clothing, to provide a working wardrobe to see them through to their first pay cheque.

In addition to the core service, for unemployed women who have not yet secured a job interview, we deliver career coaching sessions to offer support and skills to gain interviews. This may be around CV preparation, job application and/or sector/roles that match their skills. This aspect of our service has seen high growth in recent years as the job market has become more difficult.

As part of the Smart Works Group, our strategic focus is to deliver our core dressing and interview coaching service to the best possible standard across the UK and to take the service to more locations so that any woman who needs our support can come to Smart Works. In the face of the cost-of-living crisis, the value of securing a job has never been greater. Our support is needed now more than ever. This year

we completed our three-year plan, which set a target of reaching 10,000 women per year, as well as enhancing other aspects of our service delivery. Key impact data is as follows:

- Over 10,680 women supported in 2024/25 alone
- 12 centres delivering services across the UK
- 67% of clients secure a job within one month of their appointment
- 95% report increased confidence after engaging with Smart Works
- 56% of our clients are from an ethnic minority background
- 16% of our clients have a disability
- 49% of our clients are parents
- 24% of our clients are aged 25 and under

Our key performance indicators are the number of women that we help, and the proportion of those women who secure employment after their visit to a Smart Works centre.

2. Achievements and Performance

Highlights

Smart Works Charity is incredibly proud of what has been achieved in its 12th year. Overall, Smart Works Charity has:

- ✓ Helped 10,683 unique beneficiaries on their journey to employment; and delivered 13,759 total appointments.
- ✓ Delivered 7,083 Interview Dressing & Preparation appointments to unemployed women with secured job interviews
- ✓ Delivered 4,065 career coaching appointments to unemployed women to help them make tangible steps towards securing an interview
- ✓ Been grateful for the support of over 800 volunteers in delivering the service.
- ✓ 67% of the women we helped before a job interview secured employment within a month of their visit
- ✓ Continued to reach women who face significant barriers to securing employment. Smart Works clients are mostly long-term unemployed and have experienced repeated rejections from multiple jobs:
 - ✓ 21% have been rejected from over 20 jobs, 27% have been rejected from over 50 jobs,
 - ✓ 27% have been unemployed for over a year and 15% have been unemployed for over 5 years.

The majority are from communities facing multiple barriers to gaining employment:

- 29% are lone parents,
- 16% have a disability and
- 56% are from an ethnic minority

Leadership and Employees:

2024/25 saw significant changes in the leadership of the charity, with the departure of our long-term CEO and a thorough recruitment process for a new CEO. In addition, a new Director of People was recruited, as well as new Director of Communications, and we recruited an internal candidate to the Director of Programmes and Operations role. The new CEO, Anna Hemmings, joined in January 2025.

This year saw significant progress in building the foundations for a stronger employee experience at Smart Works. The appointment of a Director of People and Culture strengthened strategic leadership for People processes and practices. We launched Simply Health, providing enhanced wellbeing support, and overhauled key policies including sickness absence, flexible working, and sexual harassment. A successful day-to-day flexibility pilot led to a new organisational policy for London and Group staff, while a focus on best practice recruitment and people-first HR initiatives created a more consistent and supportive environment for staff. These developments lay vital groundwork for future improvements in pay, progression, and organisational culture.

Service Delivery:

2024/25 was a milestone year for the service where collectively, Smart Works supported the most ever clients in a 12-month period, comfortably surpassing our target of 10,000 women and doubling the number of clients supported at the start of the Three-Year Plan. As well as this, the organisation's Job Success Rate (the percentage of women who secure a job within four weeks of their Smart Works appointment) also increased to 67% nationally, demonstrating growth in both reach and impact. Significant progress was also made with the opening of the newest Smart Works centre in Bristol, moving the charity closer to being able to offer an in-person service to women in the South-West for the very first time.

Funding:

Smart Works continues to receive valuable long-term funding from a range of Trusts and Foundations and are extremely grateful for the generous support of new and existing corporate partners this year. We delivered a number of very successful pop-up shops and fashion sales including a fourth year working collaboratively with Bicester Village and a partnership with The Telegraph at Somerset House. In

November, we launched an exciting major donor programme with associated engagement events and in March delivered a new walking challenge 'Step up for Smart Works' for the first time across the Group.

Marketing and Communications:

The Communications and Marketing team has continued to deliver innovation and nationwide impact, as well as effective support to Partnerships, Outreach, local centres and Programmes. This work included the launch of a new website, a revamped newsletter, and the delivery of major campaigns – including the Smart Works Unemployment Index, Aspire magazine, and International Women's Day – which received record engagement and standout press coverage.

3. Financial Review Results for the year

Total income for the period was £4,727,852, made up substantially from donations and grants (£3.4M) and Fundraising and events (£1M) and total expenditure was £5,020,929 resulting in net deficit of £293,077.

There is a 23% increase in overall income which includes unrestricted income of £3.3M and restricted income of £1.4M. In terms of income breakdown, 44% of income was from centres outside London, up from 37% last year.

Grants and donations provide 78% of our total income and fundraising events and fashion sales raised 21% of our income.

We continue our long-term strategy to diversify our sources of income. This remains a key focus, especially in the increasingly difficult economic environment. The continued generosity and ongoing commitment of our existing and new supporters has continued to drive our success. We are grateful to the many individuals and organisations who have stood by us throughout this year and continue to support us in the future.

Total expenditure for the period was £5.0M, which is a 24% increase from last year.

Our costs are mainly for staff, premises and direct client service costs which together make up 88% of our overall costs. The increase in expenditure is due to increased staff numbers across the group with an increase in Local centre staff of 31%, London Service Delivery of 30% and Group staff of 15%. In addition the opening of a New Centre in Bristol increased our costs.

Management have carried out an assessment and concluded that there are no material uncertainties to disclose. Consequently, the accounts have been prepared on a going concern basis.

Investment Policy

The Trustees, having regard to the liquidity requirements of operating the Charity and to the reserves policy, have operated a policy keeping available funds in interest-bearing deposit accounts.

Reserves Policy

The Trustees have considered the requirement for free reserves, i.e. those unrestricted funds not designated for specific purpose or otherwise committed. It has been determined that, given the nature of the charity's work, the level of free reserves should be equivalent to 3 to 6 months of annual expenditure. This provides sufficient flexibility to cover any temporary shortfall in income and will allow the charity to cope and respond immediately to a reasonable range of unforeseen adverse circumstances prior to specific remedial plans being implemented. The free reserves of £883,763 meets this requirement.

4. Structure, Governance and Management Governance

Smart Works Charity and its Trustees are bound by the Memorandum and Articles of Association. The names of the Trustees who served during the period are set out in the reference and administrative section on page 36.

Recruitment and Appointment of new Trustees

Regular reviews are undertaken to assess the skills of the current Trustees and identify any areas for strengthening. New Trustees are appointed by the existing Trustees and their appointment is approved by the Smart Works Charity Board.

Induction and Training of new Trustees

New Trustees are provided with an induction to familiarise themselves with the charity and the not-for-profit sector. They are briefed on their responsibilities by the existing Trustees. New Trustees are also referred to the Charity Commission's guide 'The Essential Trustee'. Smart Works Charity shares a Trustee Welcome Pack with all Smart Works Trustees when they join the charity, setting out roles, responsibilities and the structure of Smart Works both locally and nationally. These resources are available under the dedicated Trustee section of our internal portal for tools and resources along with other useful guides and videos. Trustees also undertake training as part of their role, including on Equity Diversity and Inclusion.

Organisational Structure and Decision-Making

The Trustees review and approve all policies, and follow an annual business plan, in line with the wider strategy set by Smart Works Charity. The Trustees meet at least quarterly throughout the year and will have an annual session to update and revise the strategy.

Management

The day-to-day management of Smart Works Charity is delegated by the board to the Chief Executive Officer, Anna Hemmings and overseen by the Chair and Board of Trustees. The CEO is supported by a Senior Leadership Team who cover key areas of delivery including Finance, People, Partnerships, Programmes and Operations and Marketing and Communications.

Pay Policy for Key Management Personnel

All Trustees give their time freely and no Trustee received remuneration in the year.

The pay of staff is reviewed annually. The Trustees benchmark pay against pay levels in other similarly sized charities and other Smart Works centres.

Risk Management

The Trustees regularly review the major risks to which the charity is exposed, in particular those relating to governance, operations, finance, HR, compliance and external factors. The centre maintains a risk register that is reviewed by the board on a regular basis.

Relationships with Related Parties

Smart Works Charity is the sole member of the six Smart Works regional subsidiary charities.

Policies

Policies for all relevant areas are maintained by Smart Works Charity, including Safeguarding Vulnerable Adults, Safeguarding Children, Anti-Bribery and Fraud, Anti-Harassment & Bullying, Compassionate Leave, Complaints, Conflict of Interest, Data Protection, Disciplinary, Environmental, Equality, Flexible Working, Grievance, Health & Safety, Lone Working, Maternity, Paternity, Parental Leave, Privacy, Redundancy, Risk Management, Shared Parental Leave, Sickness Absence & Capability, Travel & Expenses and Whistleblowing. A Staff Handbook is made available to staff and includes a summary of all these policies.

Volunteers

The Trustees are grateful for the invaluable contribution of those who give their time voluntarily to deliver across roles in dressing, coaching, wardrobe management and administration. We have over 800 active volunteers with a very high retention rate and an ongoing recruitment process to bolster numbers. Our volunteers are one of our greatest assets, they are all totally dedicated and play an enormous role in delivering our dressing and coaching services.

Public Benefit

The Trustees have read and complied with the guidance contained in the Charity Commission's general guidance on public benefits when reviewing our aims and objectives and in planning our future activities. Our achievements above demonstrate how we have fulfilled this requirement during the year. In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

5. Future Plans

Delivering our Three-Year Plan by 2025

On the 1st April 2022, Smart Works Charity began the first year of an ambitious Three- Plan in response to a significant increase in need for the service we provide. This plan is now complete, and extensive consultation has supported the development of the new five-year plan, which will be launched in 2025, building on the success of our impactful model.

The cost-of-living crisis has had a devastating impact on the women we serve, and the expansion of our service has never been more urgent. Alongside this, the job market is also becoming more competitive, with our clients applying for an average of 38 roles without success, up from 22 in 2022.

The new strategic plan is focused on the following five ambitions:

Strategic Priority	Aim
Reach more women	We aspire to ensure every woman who could benefit from Smart Works can access our service.
A trusted, 'go to' service	We aim to be nationally recognised as the leading service for unemployed women.
For every woman, at any stage	We recognise that women need different kinds of support at different points in their working lives.
Raise our voice	We will use our voice to influence public discourse and policy around women's unemployment.
Strengthen our foundations	We will build the infrastructure, culture, and funding model needed for sustainable growth, grounded in equitable practices and continuous improvement.

To achieve these aims in our area, we will:

1. *Reach more women*

To reach more women, Smart Works will expand both its physical and virtual presence across the UK, testing new outreach models in underserved areas. The charity will enhance its data and insights to better understand client needs and evolve the Career Coaching offer to help women at all career stages. Digital delivery methods will be explored to make the service accessible regardless of location, while

partnerships and community engagement will help identify and support women who have yet to access Smart Works' services.

2. A trusted, 'go to' service

Smart Works will strengthen its position as the leading service for unemployed women by ensuring consistency and quality across all centres. This includes reviewing ways of working, improving quality assurance, and developing a client-led self-referral pathway. Awareness will be built through local outreach, social media, and partner referrals. Over time, the organisation will grow its alumni network, foster peer learning between centres, and secure funding to expand visibility nationally.

3. For every woman, at any stage

Recognising that women's needs evolve throughout their working lives, Smart Works will review and tailor its delivery model to be inclusive, seamless, and responsive. A new volunteer management framework will strengthen the impact of its support network, while investment in technology will enhance follow-up care and digital community building. The organisation will monitor and adapt its model in line with changes in the job market and fashion industry, ensuring all women receive relevant, empowering support.

4. Raise our voice

To raise its voice, Smart Works will leverage client stories and data from its Unemployment Index to shape public and policy conversations around women's employment. The charity will build evidence-based advocacy campaigns rooted in lived experience, working with partners to influence policy and employer practice. Over time, Smart Works aims to be a recognised authority driving national dialogue and tangible change in gender equality and workplace inclusion.

5. Strengthen our foundations

Smart Works will invest in the infrastructure, culture, and resources needed for sustainable growth. This involves mapping and improving organisational culture, supporting staff development, and creating equitable pay and progression systems. Operational investments will increase capacity and sustainability, while efforts to diversify income and build reserves will ensure long-term stability. Continuous learning and data-driven decision-making will help the charity evolve as a model employer and resilient organisation.

Equity, Diversity & Inclusion

In June 2023, Smart Works launched a new group-wide Equity, Diversity & Inclusion strategy. The strategy set-out a framework for how all Smart Works centres will nurture a culture of diversity and inclusivity. Over the last year, Smart Works has delivered important initiatives to progress this work. This includes training for staff,

trustees and volunteers, demographic data collection across our internal community, and the launch of a Client Champion programme where former clients become ambassadors for the charity.

We want Smart Works to be a place where everyone feels accepted, valued and able to thrive - whether they are staff, volunteers, trustees, partners, supporters, or our clients. Smart Works Charity is committed on implementing this strategy locally and creating a more inclusive and equitable future for every member of the Smart Works community.

19/12/2025

This report was approved by the Board onand signed on its behalf by:

.....*Julietta Tennant*.....

Julietta Tennant

Chair

Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable company for that period. In preparing 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 2019 (FRS 102);
- make judgments 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.

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

OPINION

We have audited the financial statements of Smart Works Charity (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise of the Consolidated statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2025, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern.

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 Smart Works Charity's ability to continue as a going concern for a period of at least 12 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 other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has [have] been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statement

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.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors/trustees and other management, and from our commercial knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including legislation such as the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates [set out in [Note 1]] were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

USE OF OUR REPORTS

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.



Katherine Wilkes FCA (Senior Statutory Auditor)

For and on behalf of
Gravita Audit Oxford LLP, Statutory Auditor
First Floor, Park Central
40-41 Park End Street
Oxford
OX1 1JD

23 December 2025

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2025 (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)

	Notes	Unrestricted Funds £	Restricted Funds £	2025 Total £	2024 Total £
Income from:					
Donations	2				
Donations and grants		2,246,108	1,094,279	3,340,387	2,648,512
Donations of dressing stock		-	345,730	345,730	273,963
		<u>2,246,108</u>	<u>1,440,009</u>	<u>3,686,117</u>	<u>2,922,475</u>
Other trading activities	3	1,023,792	-	1,023,792	914,259
Investments		<u>17,943</u>	<u>-</u>	<u>17,943</u>	<u>21,851</u>
Total Income		<u>3,287,843</u>	<u>1,440,009</u>	<u>4,727,852</u>	<u>3,858,585</u>
Expenditure on:					
Raising funds	4	(554,239)	(6,808)	(561,047)	(520,988)
Charitable activities	4	(3,436,948)	(1,022,934)	(4,459,882)	(3,536,881)
Total expenditure		<u>(3,991,187)</u>	<u>(1,029,742)</u>	<u>(5,020,929)</u>	<u>(4,057,869)</u>
Net Income/(expenditure)		<u>(703,344)</u>	<u>410,267</u>	<u>(293,077)</u>	<u>(199,284)</u>
Transfers between funds		4,479	(4,479)	-	-
Net movement in funds		<u>(698,865)</u>	<u>405,788</u>	<u>(293,077)</u>	<u>(199,284)</u>
Reconciliation of funds					
Total funds brought forward		<u>2,373,192</u>	<u>270,603</u>	<u>2,643,795</u>	<u>2,843,079</u>
Total funds carried forward		<u>1,674,327</u>	<u>676,391</u>	<u>2,350,718</u>	<u>2,643,795</u>

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

Company number: 03870671

CONSOLIDATED CHARITY AND GROUP BALANCE SHEETS FOR THE YEAR ENDED 31 MARCH 2025

		2025		2024	
	Notes	Group	Charity	Group	Charity
Fixed assets					
Tangible assets	9	140,845	52,522	89,185	51,629
Intangible assets		7,525	7,525	-	-
Investments	10	-	2	-	2
		<u>148,370</u>	<u>60,049</u>	<u>89,185</u>	<u>51,631</u>
Current assets					
Stock	11	201,169	65,605	193,407	63,853
Debtors	12	337,059	156,454	581,331	441,175
Cash at bank and in hand		2,102,847	1,093,722	2,305,113	1,430,622
		<u>2,641,075</u>	<u>1,315,780</u>	<u>3,079,851</u>	<u>1,935,650</u>
Creditors	13	<u>(418,727)</u>	<u>(293,157)</u>	<u>(525,241)</u>	<u>(390,353)</u>
Net current assets		2,222,348	1,022,623	2,554,610	1,545,297
Provision for other liabilities		(20,000)	-	-	-
Total net assets		<u>2,350,718</u>	<u>1,082,672</u>	<u>2,643,795</u>	<u>1,596,928</u>
Funds					
Designated funds	16, 17	85,000	-	338,935	218,842
General funds		1,589,327	883,763	2,034,257	1,314,239
Total unrestricted funds		<u>1,674,327</u>	<u>883,763</u>	<u>2,373,192</u>	<u>1,533,081</u>
Restricted funds	14, 15	<u>676,391</u>	<u>198,909</u>	<u>270,603</u>	<u>63,847</u>
Total funds		<u>2,350,718</u>	<u>1,082,672</u>	<u>2,643,795</u>	<u>1,596,928</u>

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of accounts. The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime. The accounts were approved by the Board of Trustees on 19/12/2025 and signed on their behalf by:

Julietta Tennant
Julietta Tennant

Chair

The notes from 1 to 22 form part of these accounts

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

Group	2025 Total £	2024 Total £
Cash flows from operating activities:		
Deficit for the financial year	(293,074)	(199,284)
Adjustments for:		
Depreciation of tangible assets	28,899	30,964
Investment income	-	-
Decrease/(increase) in debtors	244,272	(37,203)
Increase in stock	(7,760)	(5,613)
(Decrease)/increase in creditors	(86,517)	53,204
Interest paid	-	-
Net cash generated from operating activities	<u>(114,180)</u>	<u>(157,932)</u>
Cash flows from investing activities		
Income from investments	-	-
Purchase of tangible assets	(88,086)	(42,195)
Net cash from investing activities	<u>(88,086)</u>	<u>(42,195)</u>
Net decrease in cash and cash equivalents	(202,266)	(200,127)
Cash and cash equivalents at the beginning of the year	2,305,113	2,505,240
Cash equivalents at the end of the year	<u>2,102,847</u>	<u>2,305,113</u>
Cash and cash equivalents at the end of the year comprise:		
Cash at bank and in hand	<u>2,102,847</u>	<u>2,305,113</u>

NOTES TO THE FINANCIAL ACCOUNTS

1. ACCOUNTING POLICIES

A) BASIS OF PREPARATION AND CONSOLIDATION

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The Presentation currency used is British Pounds Sterling. The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

B) INCOME

Income is recognised where there is entitlement, where the receipt of income is probable and the amount can be measured with sufficient reliability. Grants and donations are recognised once entitlement and value have been confirmed in writing. Investment Income is included in the accounts when receivable. This is received in the form of interest income from standard bank accounts. Donated gifts in kind of stock for dressing clients are included at fair value and recognised as income when they are distributed to clients. Gifts donated for resale are included as income when they are sold.

C) EXPENDITURE

Expenditure is included in the statement of financial activities on an accruals basis and includes attributable VAT which cannot be recovered. All expenditure is allocated to the particular activity where the cost relates directly to that activity. Premises costs are allocated to charitable activities, fundraising and support costs based on floorspace allocation. Support costs are allocated using an apportionment in proportion to staff time.

D) TAX RECLAIMS ON DONATIONS AND GIFTS

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

E) VOLUNTEERS AND DONATED SERVICES

The value of services provided by volunteers is not incorporated in these financial statements. The trustees consider it impractical to measure the value of volunteer help and consequently, as permitted by the SORP, their value is not recognised in the financial statements but is described in the trustees' annual report. Smart Works had an average of over 800 volunteers during the year.

F) TAXATION

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2025. Smart Works Trading Limited had a nil surplus after gift aid donation to the parent company giving rise to zero corporation tax.

G) TANGIBLE FIXED ASSETS

Assets are capitalised if they can be used for more than one year and cost at least £1,000. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment 3 years straight line,
Office fixtures and fittings 5 years straight line.

H) INVESTMENTS

Smart Works' investment in its subsidiaries is stated at cost.

I) STOCKS

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

J) SIGNIFICANT ACCOUNTING ESTIMATES

The trustees make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Significant estimates include depreciation, estimated on the assets estimated useful life, amounts to accrue for payments relating to the period and fair valuation of stock. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

K) DEBTORS

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

L) CREDITORS

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

M) FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments with the exception of stocks which are shown at their value to the charity. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Trade and other debtors are recognised at the settlement value before any trade discounts due. Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds

to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts.

N) FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for specific purposes. Designated funds are unrestricted funds which have been set up by the trustees to hold funds for specific purposes. The aim and use of each designated fund is set out in the notes to the accounts. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. The aim and use of each restricted fund is set out in the notes to the accounts.

O) CASH AT BANK IN HAND

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

P) PENSION

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

Q) OPERATING LEASE AGREEMENTS

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

R) GOING CONCERN

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees believe that the forecast results and good level of cash flow of the charity together with the measures taken to date will enable the charity to continue as a going concern and, as a result, do not include any adjustments that would result if the charity was not able to continue as a going concern.

2. DONATIONS

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £
Grants and individual donations	1,117,469	987,665	2,105,134
Corporate donations	1,128,638	106,615	1,235,253
	<u>2,246,107</u>	<u>1,094,280</u>	<u>3,340,387</u>
Donations of dressing stock	-	345,730	345,730
	<u>2,246,107</u>	<u>1,440,010</u>	<u>3,686,117</u>
Prior year	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £
Grants and individual donations	954,475	637,646	1,592,121
Corporate donations	1,056,391	-	1,056,391
	<u>2,010,866</u>	<u>637,646</u>	<u>2,648,512</u>
Donations of dressing stock	-	273,963	273,963
	<u>2,010,866</u>	<u>911,609</u>	<u>2,922,475</u>

Total income for the group includes £345,730 (2024: £273,963) of income which is received in the form of donations of clothing and accessories. The income represents a fair value estimate of these stock donations, the clothes are given to the beneficiaries of the charity.

3. OTHER TRADING ACTIVITES

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £
Current year			
Fundraising events and other trading activities	1,023,792	-	1,023,792
	<u>1,023,792</u>	<u>-</u>	<u>1,023,792</u>

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £
Prior year			
Fundraising events and other trading activities	914,259	-	914,259
	<u>914,259</u>	<u>-</u>	<u>914,259</u>

4. OPERATING EXPENDITURE

	Staff	Non staff	Support	2025
Current year				
	Costs	Costs	Costs	Total Funds
	£	£	£	£
Fundraising costs	229,955	229,223	101,869	561,047
Costs of charitable activities				
Core service delivery	1,830,850	1,183,830	674,352	3,689,032
National delivery, support and growth	320,271	310,621	139,958	770,850
Total operating expenditure	2,381,076	1,723,674	916,179	5,020,929
Prior year	Staff costs	Non staff	Support	2024
	Costs	Costs	Costs	Total Funds
	£	£		£
Fundraising costs	212,261	209,416	99,311	520,988
Costs of charitable activities				
Core service delivery	1,357,855	1,177,149	435,962	2,970,966
National delivery, support and growth	398,309	66,181	101,425	565,915
Total operating expenditure	1,968,425	1,452,746	636,698	4,057,869

5. SUPPORT COSTS

	2025 Total Funds £	2024 Total Funds £
Management and facilities	145,521	100,557
Finance and compliance (excluding governance)	20,613	28,330
Human Resources	608,523	437,277
Information Technology	109,382	42,212
Governance costs	32,140	28,322
	916,179	636,698

Governance costs consist of audit and independent examination fees.

6. NET INCOME IS STATED AFTER CHARGING

	2025 £	2024 £
Depreciation of owned fixed assets	48,458	13,652
Operating lease payments	467,734	403,075
Auditor's remuneration	27,101	23,620
Independent Examiner's remuneration	5,040	4,680

7. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	2,604,689	2,134,157
Employer's National Insurance	254,702	194,949
Employer's pension contributions	60,597	49,754
	2,919,988	2,378,860

Numbers of employees with emoluments in the following bands

£110,000 - £120,000	1	-
£100,000 - £109,999	-	1
£90,000 -£99,999	1	-
£80,000 -£89,999	-	-
£70,000 - £79,999	2	2
£60,000-£69,999	2	1

The employer's pension contributions made in relation to the employees above were £5,321 (2024: £4,843)

Average number of employees during the year	80	72
Average number of full-time equivalent employees during the year	73	62

The key management personnel comprised of: CEO, Directors of: Programmes & Operations, Communications, Finance, Partnerships and Fundraising.

The total amount of employee benefits (including employer pension and National Insurance contributions) received by the key management personnel for their services to the charity group was £509,688 (2024: £312,242).

8. TRUSTEE EXPENSES

No trustees received any remuneration from the charity in relation to the performance of their duties as trustees.

No trustee expenses (2024: nil) were paid to trustees during the year.

9. TANGIBLE FIXED ASSETS

Fixtures and fittings	Group £	Charity £
Cost		
Brought forward	178,992	103,974
Additions	80,644	3,594
Carried forward	259,636	107,568
Depreciation		
Brought forward	89,892	52,345
Charge for the year	28,899	2,701
Carried forward	118,791	55,046
Net book value		
As at 31 March 2025	140,845	52,522
As at 31 March 2024	89,185	51,629

10. INVESTMENTS

	Shared held Class	% of Voting Rights	Charity Number	Company Number
Smart Works Birmingham	Company limited by guarantee	100%	1168264	10098116
Smart Works Leeds	Company limited by guarantee	100%	1184676	12059540
Smart Works Greater Manchester	Company limited by guarantee	100%	1163594	9425123
Smart Works Newcastle	Company limited by guarantee	100%	1176547	11115960
Smart Works Reading	Company limited by guarantee	100%	1164723	9626510
Smart Works Scotland	Scottish Charitable Incorporate Organisation	67%	SC044520	n/a
Smart Works Trading	Ordinary	100%	n/a	09061869
Smart Works Bristol	Company limited by guarantee	100%	16303111	1213105

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

	Smart Works Birmingham	Smart Works Scotland	Smart Works Leeds	Smart Works (Greater Manchester)	Smart Works Newcastle	Smart Works Reading	Smart Works Trading Limited	Total 31 March
Current year								2025
Gross income	187,941	480,044	507,265	380,481	298,888	244,538	81,166	2,180,323
Expenditure	(217,430)	(488,591)	(321,982)	(375,814)	(263,226)	(227,287)	(64,812)	(1,959,142)
Surplus/(Deficit) for year	(29,489)	(8,547)	185,283	4,667	35,662	17,251	16,354	221,181
Fixed assets	13,372	44,168	1,070	13,939	7,582	8,192	-	88,323
Current assets	113,859	254,515	317,068	251,404	211,500	134,119	70,445	1,352,910
Creditors	(21,760)	(39,141)	(32,953)	(22,490)	(13,717)	(11,455)	(31,668)	(173,184)
Net assets	105,471	259,542	285,185	242,853	205,365	130,856	38,777	1,268,049
Unrestricted funds	89,509	155,990	52,285	191,045	177,617	85,350	38,777	790,573
Restricted funds	15,962	103,552	232,900	51,808	27,748	45,506	-	477,476
Net funds	105,471	259,542	285,185	242,853	205,365	130,856	38,777	1,268,049
	Smart Works Birmingham	Smart Works Scotland	Smart Works Leeds	Smart Works (Greater Manchester)	Smart Works Newcastle	Smart Works Reading	Smart Works Trading Limited	Total 31 March
Prior year								2024
Gross income	185,884	489,738	249,274	288,347	205,889	160,596	142,616	1,722,344
Expenditure	(154,165)	(401,982)	(254,262)	(327,812)	(188,477)	(192,473)	(40,608)	(1,559,779)
Surplus/(Deficit) for year	31,719	87,756	(4,988)	(39,465)	17,412	31,877	102,008	162,565
Fixed assets	-	-	4,549	18,586	-	14,336	-	37,471
Current assets	162,945	303,611	102,784	267,647	174,972	103,369	62,106	1,177,434
Creditors	(27,985)	(35,522)	(7,431)	(48,047)	(5,269)	(4,100)	(39,683)	(168,037)
Net assets	134,960	268,089	99,902	238,186	169,703	113,605	22,423	1,046,868
Unrestricted funds	97,018	204,811	81,824	194,277	151,340	88,476	22,423	840,119
Restricted funds	37,942	63,278	18,078	43,959	18,363	25,129	-	206,749
Net funds	134,960	268,089	99,902	238,186	169,703	113,605	22,423	1,046,868

11. STOCK

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Dressing stock	201,169	65,605	193,407	63,853

As detailed in note 1, the group's donated stock for beneficiaries is valued at fair value of £40 per outfit and the stock held at 31 March 2025 was counted and valued.

12. DEBTORS

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Trade debtors	89,124	53,807	191,387	145,295
Accrued income	206,684	49,251	202,172	197,917
Other debtors	41,251	25,780	187,772	63,862
Amounts owed to group undertaking	-	27,616	-	34,102
	337,059	156,454	581,331	441,175

13. CREDITORS

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Trade creditors	51,050	17,208	114,419	101,953
Other taxation and social security	38,891	9,356	63,842	47,047
Other creditors	22,852	14,036	35,420	1,153
Accruals	213,457	180,517	176,468	161,553
Deferred income	92,477	72,040	135,092	78,647
	418,727	293,157	525,241	390,353

Deferred income comprises restricted grants received in advance:

Balance brought forward	135,092	78,647	214,163	84,063
Amounts utilised in the year	(135,092)	(78,647)	(214,163)	(84,063)
Current year income deferred	92,477	72,040	135,092	78,647
Balance carried forward	92,477	72,040	135,092	78,647

14. RESTRICTED FUNDS - GROUP

Current year	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2025 £
Staff related expenditure	-	573,149	(347,203)	-	225,946
Dressing stock	193,407	345,732	(337,970)	-	201,169
Develop and broaden Smart Works Reach	77,196	521,128	(344,569)	(4,479)	249,276
	270,603	1,440,009	(1,029,742)	(4,479)	676,391

The purposes of each restricted fund are as follows:

Staff related expenditure

This represents all grants and funds received for related staff costs.

Develop and broaden Smart Works Reach

This includes funds primarily for premises, other office expenditure and career coaching.

Dressing stock

This is for the purpose of providing beneficiaries with interview clothing.

Prior year	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2024 £
Staff related expenditure	(49,062)	455,034	(436,317)	30,345	-
Dressing stock	187,794	273,963	(268,350)	-	193,407
Develop and broaden Smart Works Reach	135,013	182,612	(210,084)	(30,345)	77,196
	273,745	911,609	(914,751)	-	270,603

15. RESTRICTED FUNDS - CHARITY

Current year	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2025 £
Staff related expenditure	-	235,718	(194,063)	-	41,655
Dressing stock	63,847	180,352	(178,600)	-	65,599
Other smaller donations	-	171,374	(79,719)	-	91,655
	63,847	587,444	(452,383)	-	198,909
Prior year	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2024 £
Staff related expenditure	-	215,162	(215,162)	-	-
Dressing stock	45,984	160,383	(142,520)	-	63,847
Other smaller donations	-	22,431	(22,431)	-	-
	45,984	397,976	(380,113)	-	63,847

16. DESIGNATED FUNDS - GROUP

Current year	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2025 £
Designated funds	338,935	-	(105,200)	(148,735)	85,000
	338,935	-	(105,200)	(148,735)	85,000

Designated Funds mainly relates to Three Year Plan and some funds were designated to leasehold improvements and other office equipment purchased as part of an office move.

Prior year	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2024 £
Designated fund	604,686	-	-	(265,751)	338,935
	604,686	-	-	(265,751)	338,935

17. DESIGNATED FUNDS - CHARITY

Current year	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2025 £
Designated fund	218,842	-	-	(218,842)	-
	218,842	-	-	218,842	-
Prior year	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2024 £
Designated fund	378,342	-	-	(159,500)	218,842
	378,342	-	-	(159,500)	218,842

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP

Current year	Restricted Funds 2025 £	Unrestricted Funds 2025 £	Total Funds 2025 £
Tangible and intangible fixed assets	-	148,370	148,370
Current assets	676,391	1,964,684	2,641,075
Creditors due within one year	-	(438,727)	(438,727)
	676,391	1,694,327	2,370,718
Prior year	Restricted Funds 2024 £	Unrestricted Funds 2024 £	Total Funds 2024 £
Tangible fixed assets	-	89,185	89,185
Current assets	270,603	2,809,248	3,079,851
Creditors due within one year	-	(525,241)	(525,241)
	270,603	2,373,192	2,643,795

19. PENSION COMMITMENTS

The company and its subsidiaries operate separate defined contribution pension schemes. The assets of the schemes are held separately from those of each company in independently administered funds. The pension costs charge represents contributions payable by the companies to the funds and amounted to £60,596 (2024: £49,321). Contributions totalling £13,120 (2024: £11,557) were payable to the fund at the balance sheet date and are included in creditors.

20. OTHER FINANCIAL COMMITMENTS – GROUP

Land and buildings	
2025	2024
£	£

At the year end the company had annual commitments under non-cancellable operating leases as set out below:

Operating leases:		
within one year	401,975	258,214
within two to five years	748,315	150,566
	<u>1,150,290</u>	<u>408,780</u>

21. MEMBERS LIABILITIES

The company is limited by guarantee. Every member of the company undertakes to contribute to the assets of the company, in the event of the same being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the company contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up such amount as may be required not exceeding £1. At the balance sheet date there were 11 members (2024: 10 members).

22. RELATED PARTY TRANSACTIONS

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

	2025 £	2024 £
Smart Works Birmingham	10,000	10,000
Smart Works Scotland	10,000	25,000
Smart Works Leeds	10,000	10,000
Smart Works (Greater Manchester)	10,000	10,000
Smart Works Newcastle	10,000	10,000
Smart Works Reading	10,000	10,000
	<u>60,000</u>	<u>75,000</u>

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

	-	10,000
Smart Works Scotland		
	<u>-</u>	<u>10,000</u>

Smart Works received a gift aid payment from Smart Works Trading subsidiary company totalling £21,772 in the year (2024: £102,008).

There were no other related party transactions in the year (2024: £nil).

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered name	Smart Works Charity
Charity registration number	1080609
Company registration number	03870671
Corporate status	The Company is limited by guarantee
Registered office	Unit 1, Canonbury Yard, 202-208 New North Road, London N1 7BJ
Telephone	020 7288 1770
Website	www.smartworks.org.uk
Trustees	Julietta Tennant (Chair) Ewa Kerin (resigned 1 March 2025) Natalie Abou-Alwan (resigned 4 April 2025) Rachel Atkins Philippa Charles Shen Chen (appointed 10 January 2025) Simongnette Scavazza Jane Shepherdson CBE
Company Secretary	Anna Hemmings
Patrons	The Duchess of Sussex Emma Barnett Betty Jackson CBE Jennifer Saunders Jane Shepherdson CBE
Honorary President	Lady Juliet Hughes-Hallett
Statutory Auditors	Gravita Audit Oxford LLP First Floor, Park Central 40-41 Park End Street Oxford OX1 1JD
Bankers	CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Mailing Kent, ME19 4JQ

SMART WORKS CHARITY

England & Wales - Charity number 1080609

Accounts

Smart Works Charity

Annual Report
2023/24

SMART
WORKS



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The Trustees, who are also the directors of the charity for the purposes of the Companies Act, present their annual report together with the accounts of Smart Works for the year ended 31 March 2024.

The accounts have been prepared in accordance with the accounting practice set out on pages 24-39 and comply with the charity's governing document, applicable laws and the requirements of Statement of Recommended Practice on 'Accounting and Reporting by Charities' issued in 2019.



Julietta Dexter

Introduction from our Chair of the Board of Trustees

We are proud to present our most recent Smart Works Annual Report.

It has been a fulfilling 12 months for the charity. On 1 April 2023, Smart Works began the second year of an ambitious Three-Year Plan to double in size by March 2025. Our commitment to this objective has been driven by the considerable needs of the client community we serve; rising in the face of the employment and the cost-of-living crises. As you will see in the pages of this report, Smart Works is on track to help 10,000 women a year by 2025, serving 8,221 women in this year. We are delighted that we are on course to hit the goals we set out in our Three-Year Plan.

This year we also celebrated our 10th birthday, an important mark of our sustainable and careful growth, that has allowed us to keep building centres across the UK, opening our 11th centre in April in Manchester city centre. Meanwhile, we continue to operate our virtual dressing service to ensure we can reach any woman in need, anywhere in the UK. As our client numbers continue to steadily increase, we maintain intense focus on sustaining our exceptional job success rate: 63% of our clients find employment within a month of accessing our service.

In 2023 we launched our ED&I strategy that sets out our mission to continuously better reflect the client base we serve, as well as to look after our staff. A significant component of this strategy has been in placing our clients at the heart of our decision-making. Our Client Advisory Group is now an essential stakeholder group in all our consultation.

We have made important progress in raising awareness of Smart Works nationwide. Our goal is to become a nationally recognised brand, ensuring that all potential clients know that we are here to help them, when they need us.

Our 10th birthday celebrations saw the launch of a podcast, and the creation of a Smart Works capsule collection in conjunction with well-known high street retailers such as Jigsaw and ME+EM. A celebratory event at Sotheby's in London allowed us to bring our community together and gave us the opportunity to thank many clients, staff, volunteers, trustees and all our vital donors and supporters, as well as gaining national news coverage for Smart Works.

Our second Smart Works Unemployment Index was launched with our Smart Works Ambassador, Baroness Meron, once again at the House of Lords. The report demonstrates our depth of insight, knowledge and data, as

well as valuable anecdotal experience from our clients that we can use to consistently improve our service. Our service is increasingly data driven and we are currently working on even more significant datasets for launch in 2025. Our Index went on to win the "Most Powerful Insight Using Research" award at the Chartered Institute of Fundraising Awards, of which we are very proud.

At the end of this year, our longstanding CEO, Kate Stephens stepped down after ten years of steering the charity to growth. We are so grateful for the enormous contribution Kate made to Smart Works during her tenure. An Interim CEO, Tiffanie Darke, was appointed to give the Board of Trustees appropriate time to find the next transformative leader for the charity.

We want to pay particular thanks to all our funders and supporters for making the last year possible, and for helping us to build such a robust platform for growth.

We also want to thank the Chairs of each local centre outside of London and all the trustee, staff, volunteer and client advisory teams across the UK. We can only achieve everything we do if we do it together. Smart Works is an extraordinary collective of skills and talent, and only together can we deliver our service, with such impact, to as many women we can reach.

Together, we have been able to respond to the real and growing need in our community. Our clients get into employment, enjoying vital independence and the ability to look after themselves and their families. We are proud to be delivering a service that offers women such a high chance of succeeding at job interview. We hope you enjoy reading the report and that you will join us in our mission to inspire and empower all women who need help getting into work.

Together, we can make this happen.

Kindest wishes,

Julietta Dexter
Chair

Objectives & activities

Smart Works is a UK service delivery charity that dresses and coaches unemployed women for interview and job success. The charity's objects are the relief of financial hardship and the relief of unemployment for the public benefit through the promotion of economic independence among women. It is our purpose to inspire and empower all women who need help getting into work.

To deliver this, Smart Works was created in September 2013 to help women in disadvantaged circumstances with the clothes, coaching and confidence they need to succeed at their job interview and start a new chapter of their life. Women are referred to our service from Job Centres, homeless and women's shelters, mental health charities, the prison service, youth organisations and other charities and organisations supporting women into employment. Each woman is gifted a high-quality interview outfit (free and hers to keep), followed by a one-to-one interview coaching session. When she gets the job, she is welcomed back for a second dressing service to receive a capsule working wardrobe to last until her first pay cheque. Where possible, she is also invited

to join our Network, a professional networking group to help women advance in the workplace.

Smart Works retains an efficient, volunteer-powered model. Our dressing and interview coaching service is delivered nationwide by a team of nearly 800 skilled and trained volunteers. Our wardrobe is stocked with high-quality clothes donated by individuals and retailers.

Our strategic focus is to empower all women who need help getting into the workplace. To achieve this, we deliver our core dressing and interview coaching service to the best possible standard across the UK, operate a virtual service and plan to open more centres in new locations, so that any woman who needs our support can come to Smart Works. For those who have yet to secure an interview, we also offer a one to one career coaching service. Crucially, we listen to our clients and seek to understand the barriers they face in securing employment. Our two key performance indicators are the number of women that we help, and the proportion of those women who secure employment after their visit to Smart Works.

Achievements & performance



Dressing volunteers,
Chloe and Patricia,
North London

This report covers the second year of our ambitious Three Year Plan, in what has been a successful period of growth, innovation and expansion across all of the charity's activities. The sense of purpose is palpable across our community, brought to life by the significant increase in the number of women helped.

Continued to reach women who face significant barriers to securing employment. 16% of clients considered themselves to have a disability, 57% were from an ethnic minority, 32% were lone parents, 40% had been unemployed for over a year (with 14% unemployed for over 5 years) and 43% had unsuccessfully applied for over 20 jobs.

2767

Career Coaching
Appointments delivered.

5443

Delivered a mix of virtual and in-person appointments, with more clients visiting our centres in-person than in the previous year: 82% of all appointments were delivered in-person, compared to 74% in 22/23. For those who cannot travel to our centres, our virtual service continues to provide an important and accessible alternative.

Smart Works Greater Manchester opened a second centre in the city centre of Manchester, in addition to the existing Stockport centre. Smart Works now has 11 centres across the UK.

8221

63%

of the women we helped
before a job interview
secured employment within
a month of their visit

Across the UK our centres have never been more active as we focused on broadening our outreach and maximising our capacity.

Most notably, our core Interview Dressing & Preparation service grew by 73% in Scotland, following the successful establishment of our Glasgow centre which opened in autumn 2022. Following the opening of our Manchester city centre, Smart Works Greater Manchester saw their appointments grow by 23%.

Our second Smart Works Unemployment Index shared data and insight gathered from 3,784 of our clients across the UK. In that report we found women are on average now applying for 33 jobs before finding work - up from 28 the year before. The majority applied for lower paid and lower skilled work citing feelings of 'desperation' due to the cost of living crisis and pressure to secure 'any job'. After experiencing the job market, 56% of our clients reported feeling less confident. Launched once again with the help of our ambassador Baroness Gillian Merron in the House of Lords, this year our report contained recommendations to employers, which included notification to all applicants of the outcome of their interview and an effort to advertise all jobs where all women might find them.

In November, to celebrate ten years of supporting women into work, we hosted our first Client Forum, where all former clients were invited to a virtual in-conversation event with Michelle Ackerley, Smart Works Greater Manchester Ambassador. The event served as a powerful moment of connection and inspiration. We heard from clients across our 11 centres about what Smart Works meant to them, and Michelle shared stories from her successful television career, highlighting the power of openness, self-belief and finding the positive in each day. Behind the scenes we have continued to invest in Group functions to provide the essential infrastructure needed for sustainable growth, with robust teams in place for People, Finance, Marketing and Communications, Operations and Programmes and Partnerships. Extra investment in our Programmes function has shown considerable success in driving client referrals. Investing in our capability to identify and analyse data, we began using the data visualisation software Power BI across the organisation, a powerful analytics tool set up to allow all centres to gain insight into our client data, referral partners and wardrobe.

Smart Works also took part in a Data Dive weekend with the charity Data Kind, in a project supported by Bank

of America. Assisted by volunteers with high-level data experience, Smart Works produced a report identifying areas and demographic groups particularly in need of the Smart Works service across the UK. One finding in the report was that there was scope for Smart Works to work further with women in the 16-24 age group.

None of this would have been possible without the generous support of our funders. Trusts and Foundations continue to provide much needed long-term funding, and we are grateful to have renewed our partnership with the Garfield Weston Foundation, and to continue to deliver grants from the Oak Foundation, The National Lottery Community Fund (England and Scotland), the Kensington + Chelsea Foundation, and the Grove Trust, amongst others. The certainty that this funding provides enables all our centres to grow and support more women.

We had a busy and productive year with our events portfolio. We hosted a pop-up shop in Bicester Village, our third collaboration with the retail outlet, generating £77,000 in income; we also delivered a successful weekend fundraiser in partnership with The Telegraph and Somerset House, raising over £123,000 in two days. In March 2024, we continued to grow our annual cycling challenge, Cycle for Smart Works, bringing in over £172,000 across the Group. A vibrant calendar of fundraising events and celebrations across the Smart Works community has helped drive our fundraising target, and we remain grateful to all our supporters for their continued engagement.

The Smart Works and Bobbi Brown Cosmetics partnership continued to flourish. Now in its tenth year, the Pretty Powerful partnership has raised an astounding £1 million and is a cornerstone partnership for the charity. In 2024, we were shortlisted for a Business Charity Award for Best Partnership in the Fashion & Retail Sector. We remain ever grateful for the shared values that drive our relationship with Bobbi Brown Cosmetics.

We are proud to have developed existing relationships and established new partnerships with corporates, allowing us to diversify our income. These include AJ Bell Futures Foundation, Bank of America, Clearpay, Norton Rose Fulbright, Starling Bank, Dr Martens, Blackstone, and Russell Reynolds Associates.

The quality and quantity of clothing donations from supporters has been excellent. We are grateful to all our retail partners, particularly Hobbs, Radley London, Nobody's Child, Aligne, Phase Eight, The Fold, Fiorelli, Russell & Bromley, Hush, and Hugo Boss, for helping us to ensure that every woman who comes to Smart Works has a selection of high-quality and well-designed clothes and accessories to choose from.

We continue to be proud of the growth of our reach and impact in numerous areas - from in person events and press, to social media and stakeholder engagement. Across all social media platforms, we saw an increase of 12% in our followers. And with more than 230 pieces of coverage; from broadcast features on the BBC, print success in the Telegraph and the Times, to digital spreads in SheerLuxe, we were able to reach thousands of women, supporters and partners.

Key moments included unveiling the second edition of the Smart Works Unemployment Index at the House of Lords. With support from Baroness Merron and the attendance of key

parliamentarians, the event helped to position Smart Works as an expert on women's unemployment issues, while also taking our cause directly to the people who can effect change.

We were also delighted to launch our inaugural Client Champion programme, where over 20 former clients became ambassadors for the charity. In their roles, they shared their stories and first-hand experiences of our service, playing a vital part in spreading the word and helping us reach more women.

Our ambassadors continued to make a splash for Smart Works throughout the year, with Michelle Ackerley hosting our first ever UK-wide client forum in November. Alexandra Burke joining us in our North London centre to dress our clients, and Isabel Spearman unveiling the Smart Works Capsule Collection in celebration of our tenth birthday. All this work has allowed Smart Works to reach more women in need and reach those in society who can strengthen the links to support them.



This is Sophia's story

At the beginning of 2024, Sophia wasn't in a good place. She was homeless, living in temporary accommodation, and her mental health was suffering severely. She'd originally had an appointment with Smart Works over eight years ago, so when she received an email about an upcoming Women Into Work jobs fair, she decided to stop by.

After speaking with members of the staff team at the jobs fair, Sophia booked a career coaching session to help her restructure her CV and work on her confidence.

Not long after, she received an incredible five interview offers. "After I got the interview offers, I came back to Smart Works for my dressing and coaching, where I met the most amazingly kind people, including my dresser.

She turned up in this absolutely dynamite purple outfit. And I thought oh, my word. I want her to be my dresser – and she was.



Lives we can't. Honestly, clothes are so powerful. I think people just don't know it. I would say to anyone that is thinking of doing this, just do it. Regardless of who you are, regardless of what you're doing, get yourself a referral. Because it's changed my life.

I'd never believed that I was capable, confident or good at anything. And then that level of confidence I was given changed everything. And now people meet me, and as much as negative things are still happening in my life, I really try and be as positive as possible.

And, yeah, I think the confidence comes from within, but that support that Smart Works gave was very special. I felt safe and connected in a way that I hadn't felt probably ever in my life."



Sophia with dressing volunteer, Sophia

"I would not have gotten the job without the support from Smart Works. I can guarantee it, because my confidence was at rock bottom. Things were really bad, but then that appointment just changed everything."

I realised immediately that she also had a chronic illness, and we ended up getting on like a house on fire. She was just so kind, and really understood that I would get tired and flare up as a result, so she gave me extra time for the dressing. She just understood me in a way that a lot of people don't. And she really saw me, saw that I loved colour, and just found the most amazing, bright, colourful outfits.

When I think of my journey, my dresser was such an important part, in that sense of support and community. There was so much understanding – even though she didn't know me, she really got to know me in that appointment.

I then had one of the best interviews I've ever had. They told me it wasn't even a contest, that I performed better than everyone else. And none of this would have been possible without the confidence Smart Works gave me. Absolutely none of it, because I genuinely had given up. The day before my appointment, I was just done. I was about to cancel, but a part of me was like just go. Just go, you probably won't get the job, but just go.

And just like that, everything changed. My friends asked me, what switched? And it was this appointment. When I think back, when I remember how bad I was and how negative I was about the world, about everything, it was this that changed it.

Suddenly, I started reaching out and looking at my creative work again, and that developed, and so did everything else. All of this was as a result of the confidence, support and new perspective I was given from Smart Works. Ever since then, things have just been kind of taking off, which I never thought would happen. I had decided I would never have a stable career.

And now I'm being told by everyone I meet – the board, the council, people in parliament – all these people are saying I'm good at my job, and I've never been told that before.

Since Smart Works, I've become a Client Champion, and it's been one of the greatest experiences. As a Client Champion, I feel like I can be disabled representation for others. As much as being chronically ill can be really hard sometimes, I like to show that disabled joy. Disabled people are the most fashionable people ever, and fashion constitutes an important part of our lives, as it's one of the things we can control when there's a lot in our

Financial Review

Results for the year

The financial performance for Smart Works Charity for the year ended 31 March 2024 was in line with expectations and continued to focus on our growth agenda and specifically on delivering Year 2 of the Three Year Plan.

Management have carried out an assessment and concluded that there are no material uncertainties to disclose. Consequently, the accounts have been prepared on a going concern basis.

Total income for the year was £3.9m, an increase of 24% over the previous year. Of this, £274k represents the fair value of dressing stock donations (2023: £267k), making the total income less stock donations, £3.58m (2023: £2.85m) an increase of 26%.

Our strategy to diversify our sources of income has remained a key focus, especially in the increasingly difficult economic environment. Grants and individual donations were £1.59m (2023: £1.05m), corporate giving income was £1.06m (2023: £856k) and fundraising events generated £914k (2023: £937k).

Approximately 37% of the total income was generated by the centres outside London, which is an increase of 3% from last year.

Unrestricted income of £2.95m represents 76% of overall total income and allows us to continue our investment initiatives to deliver the final year of the Three Year Plan. Note that restricted income of £912k includes £274k of dressing stock.

Expenditure for the year increased by 34% to £4.06m, in line with the growth strategy. Costs have been analysed into two key categories in line with SORP disclosures: "Core service delivery" and "National delivery support and growth". Total costs

Investment policy

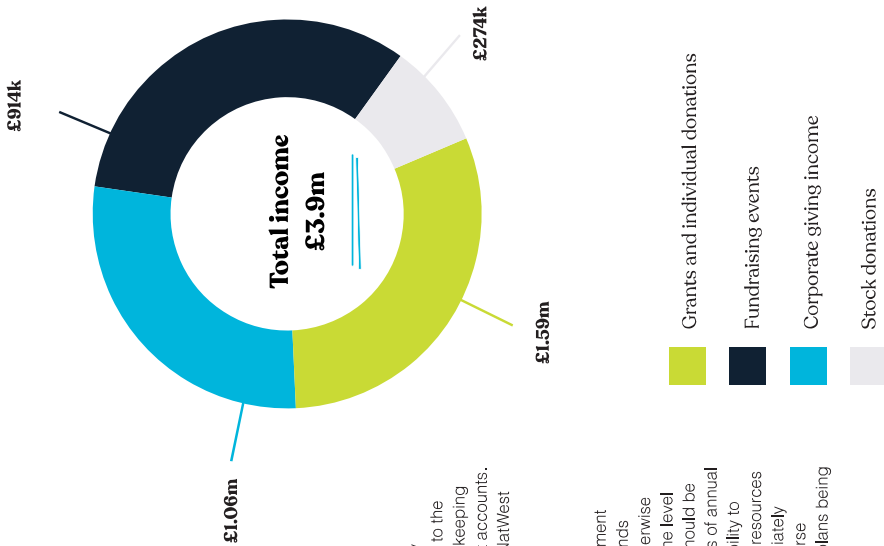
The Trustees having regard to the liquidity requirements of operating the Charity and to the reserves policy have operated a policy of keeping available funds in interest-bearing deposit accounts. These are currently held with CAF Bank, NatWest and HSBC.

Reserves policy

The Trustees have considered the requirement for free reserves, i.e. those unrestricted funds not designated for specific purpose or otherwise committed. The reserves policy requires the level of free reserves for Smart Works Charity should be equivalent to between six and nine months of annual expenditure. This provides sufficient flexibility to cover any temporary shortfall of incoming resources and to allow the charity to respond immediately to a reasonable range of unforeseen adverse circumstances prior to specific remedial plans being implemented.

Forecast annual expenditure for next year is expected to continue to grow as we invest in the remaining elements of the Three Year Plan and free reserves of £2m, which represent approximately 6 months of forecast annual expenditure, is in line with this policy.

As part of our annual review cycle, the Trustees will look to ensure that the policy continues to reflect the Charity's risk appetite, supporting both short term and long term strategic priorities, resilience and financial position. As we continue to grow and in the context of an increasingly challenging economic environment, we therefore envisage that a more sophisticated approach to determining the level of free reserves will be applied for future periods.



for these categories were £2.97m (increase of 36%) and £566k (increase of 37%) respectively (2023: £2.18m and £414k).

The increase in total expenditure was largely driven by the full year costs of two new centres in Croydon and Glasgow which opened during the previous financial year, a new centre opened in Manchester city centre and investment in staff across the group.

Staff costs remain the most significant expense at £2.38m (2023: £1.69m). This represents an increase across the group in the average number of employees from 57 to 72, the annualised impact of new hires made partway through the last financial year and moderate pay awards for eligible staff.

The total group deficit for the year was £199.2k (2023: surplus of £99.7k) resulting in total funds of £2.64m of which £271k is restricted and £2.37m is unrestricted funding (2023: £274k and £2.57m respectively). This small deficit was anticipated as we purposefully invest to deliver in line with our growth plans.

The Board of Trustees has committed to a three year growth plan to increase the number of women we help to 10,000 women per year by 2025 and has £219k remaining in designated funding in direct support of this, which will be utilised in the next financial year.

The generosity and ongoing commitment of our existing and new supporters has continued to drive our success and growth. It has been our long-term strategy to ensure that our income comes from a wide range of sources, and we are grateful to the many individuals and organisations who have stood by us throughout this year.

Plans for the future

Ambition runs through the heart of every community that Smart Works encompasses, demonstrated in our effort and alignment to serve 10,000 women in the year 24/25. We are on track to reach this goal and our objectives for the future are clear:

Data Driven

Data will continue to drive our decision making, to identify and target areas of need. We will continue to source and expand our use of internal and external data and apply it across the group.

Increase our job success rate

As the employment landscape continues to worsen (the UK unemployment rate is the highest since September 2021, ONS), this makes us more determined to deliver success for our clients, with a focus on maintaining and evolving the quality of our service.

Sustainable Growth

We will open two new centres, first in Bristol and then in Liverpool, areas we have identified by economic need. Increasing our footprint will go hand in hand with a focus on our culture, people and service. Our clients' experience remains our priority, and the wellbeing of our own staff and volunteers is central to that.

Focus on young people

A growing need amongst our clients in the 16-24 age bracket will inform a young women's programme.

Evolve our virtual service

In line with our renewed focus on our job success rate, we plan to improve the client experience of the virtual service with better technology and delivery.

We are proud of our mission, the success of our service and our ambition to help more women find employment. We do not plan to pause or stand still: the experience of our clients remains our number one priority, ensuring we deliver the best possible chance for them to succeed in the world of employment.



(Main image) Mya and Sophia (volunteer), South London - Mya attended an appointment with Smart Works, secured an internship, and later received an extension. She has since recommended Smart Works to friends.

(Small image) Kathryn, North London - Referred to Smart Works by the Job Centre, Kathryn went on to secure employment after her appointment.

Structure, government and management

Governance

Smart Works and its Trustees are bound by the Memorandum and Articles of Association. The names of the Trustees who served on the Smart Works Charity Board during the year are set out in the reference and administrative information on page 39.

In legal terms, Smart Works Charity is the sole member of each English Smart Works centre and a majority member of Smart Works Scotland. This structure ensures that the governance, objectives and legal structure of each local Smart Works is aligned with those of Smart Works Charity. Financial statements from each local Smart Works charity are consolidated in this report. All Smart Works charities are also companies limited by guarantee.

Smart Works Trading is a wholly owned trading subsidiary of Smart Works Charity.

Recruitment and appointment of new Trustees

Regular reviews are undertaken to assess the skills of the current Trustees and identify any areas for strengthening. For Smart Works Charity, new Trustee positions are advertised widely and are appointed by existing Trustees, with their appointment approved by the members. For Smart Works centres outside of London, who are their own charity, new Trustees are appointed by the existing centre Trustees and their appointment is approved by Smart Works Charity.

Induction and training of new Trustees

All Trustees for the Group Board and for Local Boards are provided with an

induction to familiarise themselves with the charity and the not-for-profit sector. They are briefed on their responsibilities by the existing Trustees, and they are also given a Smart Works Trustee Welcome Pack (reviewed annually), which sets out the legal responsibilities and the specifics of the Smart Works Group structure. New Trustees are also referred to the Charity Commission guide 'The Essential Trustee'. Day-to-day responsibility for operating the charity is delegated to the CEO.

Management

Kate Stephens, our CEO since 2013, left Smart Works in April 2024. Tiffanie Darke took over as Interim CEO in April 2024. The search process for our new CEO is currently under way. Tiffanie Darke leads the senior management team which, as of 31 March 2024, comprised of a Chief Operating Officer, a Director of Partnerships, a Director of Communications and Marketing, a Director of Finance and a Head of People.

Organisational structure and decision making

The Trustees review and approve all policies and follow a Three Year Plan. The Trustees meet quarterly throughout the year and have an annual session to update and revise the strategy. The current strategic plan for 1 April 2022 to 31 March 2025 was launched in January 2022.

Environmental, Social and Governance (ESG)

There are three central activities within our ESG strategy:

Pay Policy

All Trustees give their time freely and no Trustee received remuneration in the year.

As a fast-growing and dynamic charity, Smart Works believes that its staff are key to delivering its objectives. The charity is committed to having a competitive remuneration policy designed to attract and retain the best people, and in the interests of equity and fairness, the charity is committed to taking action to ensure that it provides equal pay for equivalent work. The charity aspires to pay its staff around the median market pay level for comparable jobs in similar sized organisations and with similar operating models, using an external salary benchmarking service to monitor this. The charity launched a national Pay Policy in September 2023, which is fair and transparent, providing sustainable pay bands for all staff roles as well as clear processes for pay reviews and pay progression. The charity's pay bands are reviewed annually, using an external salary benchmarking service, and they are approved by the Board.

Smart Works reviews salary levels annually, coming into effect on 1 April each year.

Risk management

The Board of Trustees continue to review and assess risks faced by the charity every six months. The Chief Executive updates the Board of Trustees at these meetings and highlights current risks facing the charity. This covers governance, financial, operational, physical, external and reputational, legal and compliance risks. The four most significant risks for the charity have been identified as:

1. Impact on performance from loss of key staff and changes to operational structure.

2. Significant data breach following a cyber-attack, with the risk being amplified due to the collection of sensitive data as part of EDI work.

3. Insufficient fundraising to deliver growth plans.

4. Adverse publicity and damage to reputation arising from Smart Works Charity, or local centre comments, activities or publications.

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

Policies

Policies for all relevant areas are maintained, including Safeguarding Adults at Risk, Safeguarding Children, Anti-Bribery, Anti-Harassment & Bullying, Compassionate Leave, Complaints, Conflict of Interest, Data Protection, Disciplinary, Equality, Flexible Working, Grievance, Maternity, Privacy and Whistleblowing. The Staff Handbook is made available to all staff and includes a summary of all policies, and a Trustee Welcome Pack does the same for Trustees. These packs are shared with new Staff and Trustees of Smart Works Charity and of local Smart Works centres.

Volunteers

The Trustees are grateful for the invaluable contribution of those who give their time voluntarily to deliver the dressing service, interview preparation, career coaching and wardrobe

management for our clients. One of the greatest assets that Smart Works has is the significant role played by its dedicated volunteers. The number of active volunteers across the UK on 31 March 2024 was 770.

Public benefit

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

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

Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (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.

This report was approved by the Board on 30th October 2024 and signed on its behalf by:



Julietta Dexter

Chair



Ewa Kerin

Trustee

Independent Auditor's Report to the members and trustees of Smart Works Charity

Opinion

We have audited the financial statements of Smart Works Charity (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise of the Consolidated statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2024, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 Smart Works Charity's ability to continue as a going concern for a period of at least 12 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 other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has [have] been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statement

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.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors/trustees and other management, and from our commercial knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial

statements or the operations of the charity, including legislation such as the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- To address the risk of fraud through management bias and override of controls, we:
- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates [set out in [Note 1]] were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Use of our reports

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.



Katherine Wilkes FCA (Senior Statutory Auditor)
DATE 15/11/24

For and on behalf of Critchleys Audit LLP Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

Consolidated statement of financial activities for the year ended 31 March 2024 (Incorporating income and expenditure account)

	Notes	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Income from					
Donations	2				
Donations and grants		2,010,866	637,646	2,648,512	1,904,851
Donations of dressing stock		—	273,963	273,963	267,143
		<u>2,010,866</u>	<u>911,609</u>	<u>2,922,475</u>	<u>2,171,994</u>
Other trading activities	3	914,259	—	914,259	937,176
Investments		21,851	—	21,851	9,621
		<u>2,946,976</u>	<u>911,609</u>	<u>3,858,585</u>	<u>3,118,791</u>
Total income					
Expenditure on					
Raising funds	5	(520,289)	(699)	(520,988)	(421,042)
Charitable activities	4	(2,622,829)	(914,052)	(3,536,881)	(2,598,020)
		<u>(3,143,118)</u>	<u>(914,751)</u>	<u>(4,057,869)</u>	<u>(3,019,062)</u>
Total expenditure					
Net income		(196,142)	(3,142)	(199,284)	99,729
Transfers between funds		—	—	—	—
Net movement in funds		(196,142)	(3,142)	(199,284)	99,729
Reconciliation of funds					
Total funds brought forward		2,569,334	273,745	2,843,079	2,743,350
Total funds carried forward		<u>2,373,192</u>	<u>270,603</u>	<u>2,643,795</u>	<u>2,843,079</u>

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

The accounts have been prepared in accordance with the exemptions permitted under s408 Companies Act 2006 applicable to companies subject to the small companies' regime, to not disclose individual profit and loss account in the group accounts.

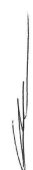
Consolidated charity and group balance sheets for the year ended 31 March 2024

	Notes	2024		2023	
		Group	Charity	Group	Charity
Fixed assets					
Tangible assets	10	89,185	51,629	77,954	48,771
Investments	11	—	2	—	2
		<u>89,185</u>	<u>51,631</u>	<u>77,954</u>	<u>48,773</u>
Current assets					
Stock	12	193,407	63,853	187,794	59,178
Debtors	13	581,331	441,175	544,128	463,624
Cash at bank and in hand		2,305,113	1,430,622	2,505,240	1,586,745
		<u>3,079,851</u>	<u>1,935,650</u>	<u>3,237,162</u>	<u>2,109,547</u>
Creditors	14	(525,241)	(390,353)	(472,037)	(301,924)
Net current assets		2,554,610	1,545,297	2,765,125	1,807,623
Net assets		<u>2,643,795</u>	<u>1,596,928</u>	<u>2,843,079</u>	<u>1,856,396</u>
Funds					
Designated funds	17, 18	338,935	218,842	604,686	378,342
General funds		2,034,257	1,314,239	1,964,648	1,432,070
Total unrestricted funds		<u>2,373,192</u>	<u>1,533,081</u>	<u>2,569,334</u>	<u>1,810,412</u>
Restricted funds	15, 16	270,603	63,847	273,745	45,984
Total funds		<u>2,643,795</u>	<u>1,596,928</u>	<u>2,843,079</u>	<u>1,856,396</u>

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

The accounts were approved by the Board of Trustees on 30 October 2024 and signed on their behalf by:


Julietta Dexter
Chair


Eva Kerin
Trustee

The notes on pages 24-38 form part of these accounts

Consolidated cash flow statement for the year ended 31 March 2024

Group	2024 Total £	2023 Total £
Cash flows from operating activities:		
Surplus/(deficit) for the financial year	(199,284)	99,728
Adjustments for:		
Depreciation of tangible assets	30,964	18,513
Investment income	—	(9,621)
(Increase)/decrease in debtors	(37,203)	(301,500)
(Increase)/decrease in stock	(5,613)	(33,709)
Increase/(decrease) in creditors	53,204	302,169
Interest paid	—	(482)
Net cash generated from operating activities	<u>(157,932)</u>	<u>75,098</u>
Cash flows from investing activities		
Income from investments	—	9,261
Purchase of tangible assets	(42,195)	(36,974)
Net cash from investing activities	<u>(42,195)</u>	<u>(27,713)</u>
Net (decrease)/increase in cash and cash equivalents	(200,127)	48,349
Cash and cash equivalents at the beginning of the year	2,505,240	2,457,012
Cash equivalents at the end of the year	<u>2,305,113</u>	<u>2,505,240</u>
Cash and cash equivalents at the end of the year comprise:		
Cash at bank and in hand	<u>2,305,113</u>	<u>2,505,240</u>

Notes to the financial accounts

1. Accounting policies

A) Basis of preparation and consolidation

Smart Works Charity is a charitable company limited by guarantee and incorporated in England and Wales. The registered office is Unit 1, Canonbury Yard, 202-208 New North Road, London, N1 7BJ. 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 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The Presentation currency used is British Pounds Sterling. The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

B) Income

Income is recognised where there is entitlement, where the receipt of income is probable and the amount can be measured with sufficient reliability. Grants and donations are recognised once entitlement and value have been confirmed in writing. Investment Income is included in the accounts when receivable. This is received in the form of interest income from standard bank accounts. Donated gifts in kind of stock for dressing clients are included at fair value and recognised as income when they are distributed to clients. Gifts donated for resale are included as income when they are sold.

C) Expenditure

Expenditure is included in the statement of financial activities on an accruals basis and includes attributable VAT which cannot be recovered. All expenditure is allocated to the particular activity where the cost relates directly to that activity. Premises costs are allocated to charitable activities, fundraising and support costs based on floorspace allocation. Support costs are allocated using an apportionment in proportion to staff time.

D) Tax reclaims on donations and gifts

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

E) Volunteers and donated services

The value of services provided by volunteers is not incorporated in these financial statements. The trustees consider it impractical to measure the value of volunteer help and consequently, as permitted by the SORP, their value is not recognised in the financial statements but is described in the trustees' annual report. Smart Works had an average of 565 volunteers during the year.

F) Taxation

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2024. Smart Works Trading Limited had a nil surplus after gift aid donation to the parent company giving rise to zero corporation tax.

G) Tangible fixed assets

Assets are capitalised if they can be used for more than one year and cost at least £1,000. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows: Computer equipment 3 years straight line, Office fixtures and fittings 5 years straight line.

H) Investments

Smart Works' investment in its subsidiaries is stated at cost.

I) Stocks

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

J) Significant accounting estimates

The trustees make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Significant estimates include depreciation, estimated on the assets estimated useful life, amounts to accrue for payments relating to the period and fair valuation of stock. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

K) Debtors

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

L) Creditors

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

M) Financial instruments

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

N) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for specific purposes. Designated funds are unrestricted funds which have been set up by the trustees to hold funds for specific purposes. The aim and use of each designated fund is set out in the notes to the accounts. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. The aim and use of each restricted fund is set out in the notes to the accounts.

O) Cash at bank and in hand

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

P) Pension

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

Q) Operating lease agreements

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

R) Going concern

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

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

S) Judgments and key sources of estimation uncertainty

In the application of the charities accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Management Charge

The management charge is calculated based upon time spent by employees of Smart Works Charity on the management of Smart Works Trading Limited. The days are charged based on the employee's gross pay and on costs.

Depreciation

The depreciation charge is calculated on the useful life of assets and calculated based on depreciation rates described in accounting policy (G).

Valuation of stock

Stock is valued at £40 per outfit, which is fair value. As items of clothing are donated, this is based on the best estimate of value.

2. Donations

	Unrestricted Funds	Restricted Funds	2024 Total Funds
	£	£	£
Grants and individual donations	954,475	637,646	1,592,121
Corporate donations	1,056,391	—	1,056,391
	2,010,866	637,646	2,648,512
Donations of dressing stock	—	273,963	273,963
	2,010,866	911,609	2,922,475
Prior year			
	Unrestricted Funds	Restricted Funds	2023 Total Funds
	£	£	£
Grants and individual donations	618,247	430,989	1,049,236
Corporate donations	855,616	—	855,616
	1,473,862	430,989	1,904,851
Donations of dressing stock	—	267,143	267,143
	1,473,862	698,132	2,171,994

Total income for the group includes £273,963 (2023: £267,143) of income which is received in the form of donations of clothing and accessories. The income represents a fair value estimate of these stock donations, the clothes are given to the beneficiaries of the charity.

4. Charitable activities

Current year	Staff Costs £	Non staff Costs £	Support Costs £	2024 Total Funds
Unrestricted funds				
Core service delivery	1,017,204	722,441	433,285	2,172,930
National delivery, support and growth	282,293	66,181	101,425	449,899
Total unrestricted	1,299,497	788,622	534,710	2,622,829
Restricted funds:				
Core service delivery	340,651	454,708	2,677	798,036
National delivery, support and growth	116,016	—	—	116,016
Total restricted	456,667	454,708	2,677	914,052
	1,756,164	1,243,330	537,387	3,536,881

3. Other trading activities

Current year	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £
Fundraising events	914,259	—	914,259
	<u>914,259</u>	<u>—</u>	<u>914,259</u>
Prior year	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £
Fundraising events	937,176	—	937,176
	<u>937,176</u>	<u>—</u>	<u>937,176</u>

5. Activities for raising funds

Current year	Staff Costs	Non staff Costs	Support Costs	2024 Total Funds
Unrestricted funds: Events and other costs	£ 212,261	£ 208,717	£ 99,311	£ 520,289
Total unrestricted:	212,261	208,717	99,311	520,289
Restricted funds: Events and other costs	—	699	—	699
Total restricted:	—	699	—	699
	212,261	209,416	99,311	520,988
Prior year	Staff Costs	Non staff Costs	Support Costs	2023 Total Funds
Unrestricted funds: Events and other costs	£ 177,016	£ 180,464	£ 61,359	£ 418,840
Total unrestricted:	177,016	180,464	61,359	418,840
Restricted funds: Events and other costs	—	2,202	—	2,202
Total restricted:	—	2,202	—	2,202
	177,016	182,666	61,359	421,042

Support costs within raising funds are related to staff and fundraising costs incurred.

6. Support costs

	2024 Total Funds	2023 Total Funds
Support staff costs and related expenditure	437,277	351,660
Property and related costs	50,657	20,840
Office expenses	49,900	50,384
Legal, professional and accountancy	28,330	18,677
IT costs	42,212	30,991
Governance costs	28,322	27,319
	636,698	499,871

Governance costs consist of audit and independent examination fees.

7. Net income is stated after charging

	2024	2023
	£	£
Depreciation of owned fixed assets	13,652	18,513
Operating lease payments	403,075	256,107
Auditor's remuneration	14,800	13,925
Independent Examiner's remuneration	4,680	3,630

8. Staff costs

	2024	2023
	£	£
Wages and salaries	2,134,157	1,550,936
Employer's National Insurance	194,949	105,159
Employer's pension contributions	49,754	35,062
	<u>2,378,860</u>	<u>1,691,157</u>

Numbers of employees with emoluments in the following bands

£100,000 - £109,000	1
£90,000 - £99,999	—
£80,000 - £89,999	1
£70,000 - £79,999	1
£60,000 - £69,999	—
The employer's pension contributions made in relation to the employees above were £4,843 (2023: £6,164)	

Average number of employees during the year

Average number of full-time equivalent employees during the year

The key management personnel comprised of: CEO, Director of Service Delivery and Group Operations, Director of Partnerships and Director of Finance.

The total amount of employee benefits (including employer pension and National Insurance contributions) received by the key management personnel for their services to the charity group was £312,242 (2023: £323,126).

9. Trustee expenses

No trustees received any remuneration from the charity in relation to the performance of their duties as trustees.

No trustee expenses (2023: nil) were paid to trustees during the year.

10. Tangible fixed assets

Fixtures and fittings & Computer Equipment		Charity
	Group	£
Cost		
Brought forward	136,926	85,097
Additions	42,195	18,877
	179,121	103,974
Depreciation		
Brought forward	58,972	36,325
Charge for the year	30,964	16,020
	89,936	52,345
Net book value		
As at 31 March 2024	89,185	51,629
As at 31 March 2023	77,954	48,771

11. Investments

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

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

13. Debtors

Current year	Smart Works Birmingham	Smart Works Scotland	Smart Works Leeds	Smart Works (Greater Manchester)	Smart Works Newcastle	Smart Works Reading	Smart Works Trading Limited	Total 31 March 2024
Gross income	185,884	489,738	249,274	288,347	205,889	160,596	142,616	1,722,344
Expenditure	(154,165)	(401,982)	(254,262)	(327,812)	(188,477)	(192,473)	(40,608)	(1,559,779)
Surplus/(Deficit) for year	31,719	87,756	(4,988)	(39,465)	17,412	(31,877)	102,008	162,565
Fixed assets	—	—	4,549	18,586	—	14,336	—	37,471
Current assets	162,945	303,611	102,784	267,647	174,972	103,369	62,106	1,177,434
Creditors	(27,985)	(35,522)	(7,431)	(48,047)	(5,269)	(4,100)	(39,683)	(168,037)
Net assets	134,960	268,089	99,902	238,186	169,703	113,605	22,423	1,046,868
Unrestricted funds	97,018	204,811	81,824	194,227	151,340	88,476	22,423	840,119
Restricted funds	37,942	63,278	18,078	43,959	18,363	25,129	—	206,749
Net funds	134,960	268,089	99,902	238,186	169,703	113,605	22,423	1,046,868
Prior year	Smart Works Birmingham	Smart Works Scotland	Smart Works Leeds	Smart Works (Greater Manchester)	Smart Works Newcastle	Smart Works Reading	Smart Works Trading Limited	Total 31 March 2023
Gross income	142,939	281,658	188,072	270,106	154,652	124,404	148,257	1,290,088
Expenditure	(123,223)	(222,987)	(153,202)	(201,814)	(175,051)	(174,596)	(29,169)	(1,080,042)
Surplus/(Deficit)	19,716	58,671	14,870	68,292	(20,399)	(50,192)	119,088	210,046
Fixed assets	—	—	8,704	—	—	20,480	—	29,184
Current assets	110,610	270,269	151,732	285,478	153,744	125,599	61,429	1,158,861
Creditors	(7,369)	(89,936)	(55,546)	(7,827)	(1,453)	(597)	(39,006)	(201,734)
Net assets	103,241	180,333	104,890	277,651	152,291	145,482	22,423	986,311
Unrestricted funds	79,769	131,082	83,874	188,973	136,971	128,653	22,423	771,745
Restricted funds	23,472	49,251	21,016	88,678	15,320	16,829	—	214,566
Net funds	103,241	180,333	104,890	277,651	152,291	145,482	22,423	986,311

12. Stock

Dressing stock	Group 2024	Charity 2024	Group 2023	Charity 2023
	£	£	£	£
	193,407	63,853	187,794	59,178

As detailed in note 1, the group's donated stock for beneficiaries is valued at fair value of £40 per outfit and the stock held at 31 March 2024 was counted and valued.

Trade debtors
Accrued income
Other debtors
Amounts owed to group undertaking

14. Creditors

	Group 2024	Charity 2024	Group 2023	Charity 2023
Trade creditors	114,419	101,963	61,618	61,007
Other taxation and social security	63,842	47,047	70,804	52,292
Other creditors	35,420	1,153	6,672	1,084
Accruals	176,468	161,553	118,779	103,476
Deferred income	135,092	78,647	214,163	84,063
	525,241	390,353	472,037	301,924
Deferred income compromises restricted grants received in advance:				
Balance bought forward	214,163	84,063	90,173	90,173
Amounts utilised in the year	(214,163)	(84,063)	(90,173)	(90,173)
Current year income deferred	135,092	78,647	214,163	84,063
Balance carried forward	135,092	78,647	214,163	84,063

15. Restricted funds – Group

Current year	Balance at 1 April 2023	Income	Expenditure	Transfers	Balance at 31 March 2024
	£	£	£	£	£
Staff related expenditure	(49,062)	455,034	(436,317)	30,345	—
Dressing stock	187,794	273,963	(268,350)	—	193,407
Develop and broaden Smart Works Reach	135,013	182,612	(210,084)	(30,345)	77,196
	273,745	911,609	(914,751)	—	270,603
Prior year	Balance at 1 April 2022	Income	Expenditure	Transfers	Balance at 31 March 2023
	£	£	£	£	£
Staff related expenditure	2,636	277,340	(318,942)	(10,096)	(49,062)
Dressing stock	154,066	267,143	(232,385)	(1,050)	187,794
Develop and broaden Smart Works Reach	88,084	153,649	(138,336)	31,616	135,013
	244,806	698,132	(689,663)	20,470	273,745

The purposes of each restricted fund are as follows:

Staff related expenditure

This represents for all grants and funds received for staff related costs.

Develop & Broaden Smart Works Reach

This includes costs primarily for premises, other office expenditure and career coaching.

Dressing Stock

This is for the purpose of providing beneficiaries with interview clothing.

16. Restricted funds – Charity

Current year	Balance at 1 April 2023	Income	Expenditure	Transfers	Balance at 31 March 2024
	£	£	£	£	£
Staff related expenditure	—	215,162	(215,162)	—	—
Dressing stock	45,984	160,383	(142,520)	—	63,847
Other smaller donations	—	22,431	(22,431)	—	—
	45,984	397,976	(380,113)	—	63,847
Prior year	Balance at 1 April 2022	Income	Expenditure	Transfers	Balance at 31 March 2023
	£	£	£	£	£
Staff related expenditure	—	132,894	(132,894)	—	—
Dressing stock	48,871	134,747	(137,634)	—	45,984
Other smaller donations	130,949	11,342	(193,536)	51,245	—
	179,820	278,983	(464,064)	51,245	45,984

The purposes of each restricted fund are as set out in note 15

17. Designated funds – Group

Current year	Balance at 1 April 2023	Income	Expenditure	Transfers	Balance at 31 March 2024
	£	£	£	£	£
Designated funds	604,686	—	—	(265,751)	338,935
	604,686	—	—	(265,751)	338,935

Designated Funds mainly relates to Three Year Plan and some funds were designated to leasehold improvements and other office equipment purchased as part of an office move.

Prior year	Balance at 1 April 2022	Income	Expenditure	Transfers	Balance at 31 March 2023
	£	£	£	£	£
Designated fund	600,656	—	—	4,030	604,686
	600,656	—	—	4,030	604,686

18. Designated funds – Charity

Current year	Balance at 1 April 2023	Income	Expenditure	Transfers	Balance at 31 March 2024
	£	£	£	£	£
Designated fund	378,342	—	—	(159,500)	218,842
	378,342	—	—	(159,500)	218,842
Prior year	Balance at 1 April 2022	Income	Expenditure	Transfers	Balance at 31 March 2023
	£	£	£	£	£
Designated fund	417,152	—	—	(38,810)	378,342
	417,152	—	—	(38,810)	378,342

19. Analysis of net assets between funds – Group

Current year	Restricted Funds	Unrestricted Funds	Total Funds
	2024	2024	2024
	£	£	£
Tangible fixed assets	—	89,185	89,185
Current assets	270,603	2,809,248	3,079,851
Creditors due within one year	—	(525,241)	(525,241)
	270,603	2,373,192	2,643,795
Prior year			
	Restricted Funds	Unrestricted Funds	Total Funds
	2023	2023	2023
	£	£	£
Tangible fixed assets	—	77,954	77,954
Current assets	273,745	2,963,417	3,237,162
Creditors due within one year	—	(472,037)	(472,037)
	273,745	2,569,334	2,843,079

20. Pension commitments

The company and its subsidiaries operate separate defined contribution pension schemes. The assets of the schemes are held separately from those of each company in independently administered funds. The pension costs charge represents contributions payable by the companies to the funds and amounted to £30,501 (2023: £21,887). Contributions totalling £6,400 (2023: £4,899) were payable to the fund at the balance sheet date and are included in creditors.

21. Other financial commitments – Group

	Land and buildings	
	2024	2023
	£	£
Operating leases:		
within one year	258,214	265,062
within two to five years	150,566	379,115
	408,780	644,177

The total of payments made to operating leases in the year was £403,075 (2023: £256,107).

22. Members liabilities

The company is limited by guarantee. Every member of the company undertakes to contribute to the assets of the company, in the event of the same being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the company contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up such amount as may be required not exceeding £1. At the balance sheet date there were 10 members (2023: 10 members).

23. Related party transactions

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

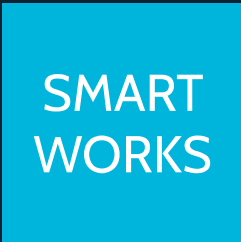
	2024	2023
	£	£
Smart Works Birmingham	10,000	11,706
Smart Works Scotland	25,000	28,411
Smart Works Leeds	10,000	12,843
Smart Works (Greater Manchester)	10,000	22,843
Smart Works Newcastle	10,000	12,274
Smart Works Reading	10,000	11,706
	75,000	99,783
The following amounts were due to be paid to the subsidiaries at the year end.		
Smart Works Birmingham	—	—
Smart Works Scotland	10,000	—
Smart Works Leeds	—	—
Smart Works (Greater Manchester)	—	—
Smart Works Newcastle	—	—
Smart Works Reading	—	—
Smart Works Trading Ltd	—	—
	10,000	—

Smart Works received a gift aid payment from Smart Works Trading subsidiary company totalling £102,008 in the year (2023: £120,452).

There were no other related party transactions in the year (2023: £nil).

Reference and administrative information

Registered name	Smart Works Charity
Charity registration number	1080609
Company registration number	03870671
Corporate status	The Company is limited by guarantee
Registered office	Unit 1, Canonbury Yard, 202 208 New North Road, London N1 7BU
Telephone	020 7288 1770
Website	www.smartworks.org.uk
Trustees	Julietta Tennant (Chair) Ewa Kerin (Honorary Treasurer) Natalie Abou-Alwan Rachel Atkins Philippa Charles Tiffanie Darke (resigned 02 February 2024) Simognette Scavazza Jane Shepherdson CBE Claire Spencer-Churchill (resigned 02 February 2024)
Company Secretary	Natalie Abou-Alwan
Patrons	The Duchess of Sussex Emma Barnett Betty Jackson CBE Jennifer Saunders Jane Shepherdson CBE
Honorary President	Lady Juliet Hughes-Hallett
Statutory Auditors	Critchleys Audit LLP Beaver House 23 – 38 Hythe Bridge Street Oxford OX1 2EP
Bankers	CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling Kent, ME19 4JQ



SMART
WORKS

smartworks.org.uk
@smartworkscharity

Charity No: 1080609

SMART WORKS CHARITY

England & Wales - Charity number 1080609

Accounts

SMART WORKS CHARITY

ANNUAL
REPORT
2022/23

SMART
WORKS





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WELCOME TO SMART WORKS

We are a UK charity that exists to empower all women who need help getting into work. We use the power of high quality clothing and one-to-one coaching to help unemployed women fulfil their potential, get the job and transform their lives.

We are driven by the need. We will double in size by 2025 to help 10,000 women a year succeed across the UK.



**Every piece donated from
retailers or individuals**



10 centres
across the UK

X Target City

● Smart Works Centre

69%

Get the job within a month of their appointment

6,500

Helped in the last 12 months, a 39% YOY growth

32,000

Helped since 2013. We will help 10,000 a year by 2025

33,000

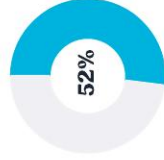
Items of clothes and accessories gifted to our clients each year

15,000

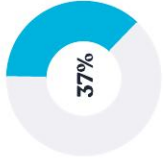
volunteer hours to dress and coach our clients



age range of our clients



are from ethnic minority groups



are lone parents



have a disability



have applied to over 20 jobs

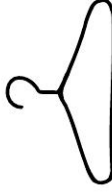


have been unemployed for over a year



Career Coaching

An hour of one-to-one personalised coaching, equipping clients with the practical skills they need to secure an interview.



Interview Dressing & Preparation Service

Each client has a personalised dressing and one-to-one interview preparation appointment.

Second Dressing

Once a client is successful at interview, they are welcomed back for a second dressing to build a capsule work wardrobe.

The Smart Works Network

When our clients get the job, they can join The Smart Works Network for further professional development opportunities.

INTRODUCTION FROM OUR CHAIR OF TRUSTEES AND CEO

We are proud to present the Smart Works Annual Report for the year ended 31 March 2023.

It has been an important 12 months for the charity. On 1st April 2022, Smart Works began the first year of an ambitious Three Year Plan to double in size by March 2025. In committing to this, we have been driven by responding to the considerable need in the client community we serve, in the face of the combined impact of the pandemic and the cost-of-living crisis. Our Three Year Plan could not be more timely or important.

As you will see in the pages of this report, Smart Works has had a strong year, and is well on track to help 10,000 women a year by 2025. Driven by the data, we have significantly increased the number of women we reach by almost 40% and opened two entirely new centres. We have also made important progress in establishing a greater understanding of Smart Works so that our clients know that we are here to help them. The launch of the Smart Works Female Unemployment Index was a crucial moment in taking the voices and experiences of our clients and bringing them to the attention of the people with the means and authority to make a difference.

Running through all this is the magic of our dressing and interview preparation service. We both take the time to dress and coach our clients, and to see the service in action at our centres around the UK. It is impossible not to be inspired by the incredible impact that looking and feeling great has on a woman's confidence.



Julietta Dexter
Chair

It goes to the heart of one of our key mantras of Fashion as a Force for Good. We want to pay particular thanks to all our supporters and funders for making the last year possible, and for helping us build such a robust platform for growth. We also want to say thank you for the trust, support and advice given to us by our Honorary Treasurer Ewa Kerin, by the Chairs of each local centre outside of London and by the entire trustee, staff and volunteer teams across the UK.

Together we have been able to respond to the need in our community and show what we can achieve when we work together with a common purpose.

At this time of unprecedented need, it is not just our mission, it is our duty to take this charity to every woman who needs us across the UK. We hope you enjoy reading the report and join us in our mission to inspire and empower all women who need help getting into work.

Together, we can make this happen.



Kate Stephens
CEO

Together we have been able to respond to the need in our community and show what we can achieve when we work together with a common purpose.



The Trustees, who are also the directors of the charity for the purposes of the Companies Act, present their annual report together with the accounts of Smart Works for the year ended 31 March 2023.

The accounts have been prepared in accordance with the accounting practice set out on page 27 and comply with the charity's governing document, applicable laws and the requirements of Statement of Recommended Practice on 'Accounting and Reporting by Charities' issued in 2019.

OBJECTIVES & ACTIVITIES

Smart Works is a female employment charity that dresses and coaches unemployed women for interview and job success. The charity's objects are the relief of financial hardship and the relief of unemployment for the public benefit through the promotion of economic independence among women. It is our purpose to inspire and empower all women who need help getting into work.

To deliver this, Smart Works was created in September 2013 to help some of the most vulnerable women in society with the clothes, coaching and confidence they need to succeed at their job interview and start a new chapter of their life. Women are referred to our service from Job Centres, mental health charities, the prison service, youth organisations and other charities and organisations supporting women into employment. Each woman is gifted a complete outfit of high-quality clothing, chosen by her and hers to keep, followed by bespoke interview coaching. When she gets the job, she is welcomed back for our second dressing service to receive a capsule working wardrobe that will see her through to her first pay cheque. Where possible, she is also invited to join our Network, a professional networking group to help women advance in the workplace.

Smart Works retains an efficient, volunteer-powered model. Our dressing and interview coaching service is delivered nationwide by a team of 500+ skilled and trained volunteers. Our wardrobe is stocked with high-quality clothes donated by individuals and retailers.

Our strategic focus is to empower all women who need help getting into the workplace. To do this, we deliver our core dressing and interview coaching service to the best possible standard across the UK and are working to take it to more locations so that any woman who needs our support can come to Smart Works. We also listen to our clients and seek to understand the barriers to female unemployment. Our two key performance indicators are the number of women that we help, and the proportion of those women who secure employment after their visit to a Smart Works centre.



ACHIEVEMENTS & PERFORMANCE

This Annual Report covers the first year of our ambitious Three Year Plan and has seen a successful period of growth, innovation and expansion across all of the charity's activities. The sense of purpose is palpable across our community, brought to life in the significant increase in the number of women we have been able to help and the two new centres we have opened.

Overall the charity has:

Helped 6,489 unique beneficiaries on their journey to employment; and delivered 8,498 appointments across our eight UK centres. This represents a year-on-year growth of 39% and is 103% of our Year 1 target.

Delivered 4,558 Interview Dressing & Preparation appointments, where a client receives a high-quality outfit and interview preparation ahead of an upcoming interview.

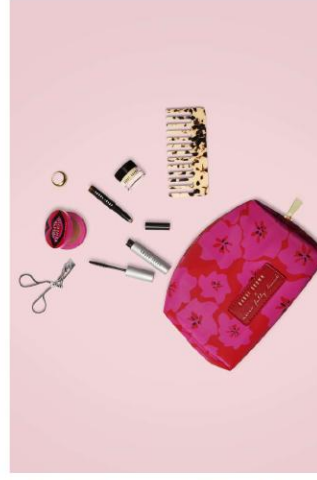
69% of the women we helped before a job interview secured employment within a month of their visit, ahead of our target of 65%.

Further embedded our Career Coaching service that helps unemployed women to secure an interview. 1,841 Career Coaching appointments were delivered, 50% more than 21/22.

Delivered a mix of virtual and in-person appointments, with more of our clients visiting our centres for an in-person appointment than in the previous year. This year 74% of all appointments were delivered in-person, compared to 58% in 21/22. For those who cannot travel to our centres, the virtual service continues to provide an important alternative.

Continued to reach women who face significant barriers to securing employment. 16% of clients considered themselves to have a disability, 52% were from an ethnic minority, 37% were lone parents, 44% had been unemployed for over a year (with 17% unemployed for over 5 years) and 35% had unsuccessfully applied for over 20 jobs.

Opened two entirely new centres in Croydon, South London and Glasgow, with a third centre planned for opening in Manchester in April 2023.



Overall, our centres have never been more active. Of particular note, our core dressing and interview preparation service grew by 89% in the West London centre, 88% in Newcastle, 73% in Edinburgh, 55% in Leeds, 42% in Manchester and London by 33%. Our new centres in Croydon and Glasgow, areas of particularly high female unemployment where the Smart Works service is most needed, are fully open and together poised to help over 2000 women in the next 12 months. The opening of the centre in Croydon in the Centrale Shopping Centre is a moment of strategic importance to the Group. We are directly in the community we seek to serve, in a space that is fit for purpose and at a minimal rent thanks to the generosity of Hammerson PLC in 2022.

We have amplified our client voices across all areas of our activity. The successful launch of the Smart Works Female Unemployment Index at the House of Lords in January 2023 for the first time saw the charity taking our client experiences and data to highlight the challenges faced by women seeking to return to work. We have also embedded a UK-wide Client Advisory Board that meets prior to every Board meeting, and will be launching a Client Champions programme and a new Equity, Diversity and Inclusion strategy in Spring 2023.

Alongside this, new and innovative means of generating our own income have continued to be developed. Pop-up shops were launched in central London and in Manchester, with clear opportunity to do more in future years. We were also able to run our most successful weekend fundraiser in partnership with The Telegraph and Somerset House, raising over £120,000 in two days. In March 2023, we continued to grow our annual cycling challenge, Cycle for Smart Works, bringing in £257,558 across the Group. More widely, a return to in-person events has seen a vibrant calendar of fundraising events and celebrations across the Smart Works community, and we are grateful to all our supporters for their continued engagement. The Smart Works and Bobbi Brown partnership continued to flourish, and in its ninth year is within touching distance of what will be an incredible £1 million, 10 year milestone.

We are proud to be able to continue our long-term Pretty Powerful partnership with the team at Bobbi Brown Cosmetics. We are also proud to have established important new partnerships with major corporate partners, which have allowed us to reach major fundraising moments. These include AJ Bell, Clearpay, Close Brothers, Findlay Park, Norton Rose Fulbright and Starling Bank.

International Women's Day was our most high-profile and compelling week of activities working with over 20 prestige brands. We have also shaped important plans for our 10th birthday in September 2023, with plans for a Capsule Collection, curated by our Ambassador Isabel Spearman and our 10th birthday party at the end of September, for everyone in our community.

Behind the scenes we have also invested in Group functions to provide the essential infrastructure needed for sustainable growth, including the creation of a People Team, and investment in a Group Financial Review to ensure we have the systems in place for the next stage of our growth.

None of this would have been possible without the generous support of our funders. Trusts and Foundations continue to provide our cornerstone funding, and we are grateful to the backing of the Garfield Weston Foundation, The Oak Foundation, The National Lottery Community Fund (England and Scotland), Clore Duffield and Bank of America, amongst others. The certainty that this funding provides gives us the confidence to grow our service and help more women.

The quality and quantity of clothing donations from supporters has been excellent. We are grateful to all our retail partners, particularly Boden, Burberry, Hobbs, Radley London, Russell & Bromley and The Fold, for helping us to ensure that every woman who comes to Smart Works has a choice of high-quality and well-designed clothes and accessories.

Our communication platforms continue to inspire hope, confidence and purpose for our community, with an important moment in June 2022 when we launched the Brand Bible, an articulation of our values, ethos and manifesto created by and for every member of our community.

Our Ambassadors and Patrons continue to help shine a light on the Smart Works service and allow us to reach more women, and we are particularly grateful for all their support in the last 12 months. We were also proud to welcome Baroness Gillian Merron as a new Ambassador for the Group, bringing her passion for our service learnt as a volunteer dresser to help amplify our message in Westminster and beyond.



THE SMART WORKS SERVICE IN ACTION



After more than a decade caring for her family, in January 2023 Lorraine was ready to return to the workplace but didn't know how to take that first step.

Made redundant a decade ago in a corporate restructuring, the 53-year-old spent the intervening years putting everyone else's needs first. Working as a carer had totally consumed her life until a meeting with the Smart Works team set her upon a different path.

This is Lorraine's story.

"I am more confident and feel capable because I have met these wonderful people. I feel seen"

"For the past 12 years I have been taking care of my family who have complex health conditions. It's not easy caring for someone, especially when you are caring for adults. It's exhausting. I lost myself in it. Which is why when I first came to Smart Works it was so amazing because they saw me. They saw me as a person rather than a carer. and that's a huge thing.

I've always told my kids that you have to find a purpose in life. You need to push yourself to reach for your goals, but I found myself at the end of the pandemic adrift and lost. I was in my 50's and didn't think that anyone would want my skills after such a long break. In January I had no heating, no running water, no electricity, no way to pay my bills and no hope.

I was walking down my local high street and I told myself that I had to make a change. I believe everything happens for a reason and the first leaflet I received when I walked through the door of the job centre was from Smart Works. With the encouragement of a work coach, I started studying and applying for jobs. One day I got a phone call and I didn't realise until the end that it was a telephone interview.

I panicked when the recruiter said they wanted to meet me. But my work coach at the job centre was able to get me an appointment with Smart Works the next day.

You have to understand, money's been tight for a while. All the office clothes I have in my wardrobe are 18 years old and size 8-10. I was never going to fit into those clothes and all my shoes have holes in the bottom. I seriously thought about cancelling the interview because I didn't have anything to wear.

The team was so friendly and welcoming. They picked out the perfect outfit for me which was bright and fun, and I am eternally grateful. They really calmed me down and helped me practise answering questions so that when I went to the interview the next day, I felt prepared for anything. It's hard to feel nervous when you are wearing a bright pink leopard print!

After I got the job they invited me back and I got to choose trousers, tops and a couple of jackets. I've been mixing and matching these outfits ever since. When I put on these clothes in the morning and look in the mirror, I hear the dressers telling me to be kinder to myself and to stand proud. I feel like a success story, and I want to keep going.

It is still a struggle, trying to juggle my caring commitments with this new role...but I am more confident and feel capable because I have met these wonderful people. I feel seen."

FINANCIAL REVIEW

RESULTS FOR THE YEAR

The financial performance for Smart Works Charity for the year ended 31 March 2023 was strong and reflects sustainable investment decisions that have enabled the successful delivery of the first year of our Three Year Plan. Management have carried out an assessment and concluded that there are no material uncertainties to disclose. Consequently, the accounts have been prepared on a going concern basis.

Total income for the year was £3.1m which was an increase of 11% over the previous year. Of this, £267k represents the fair value of dressing stock donations (2022: £163k), making the total income less stock donations, £2.85m (2022: £2.64m) an 8% increase.

The increase in dressing stock is a direct result of the increase in the number of women supported through all of our centres.

Our strategy to diversify our sources of income has remained a key focus. Grants and individual donations were £1.05m (2022: £1.09m), corporate giving income was £856k (2022: £531k) and fundraising events generated £937k (2022: £1.02m).

During the financial year, two new centres in Glasgow and South London (Croydon) were opened. This strategic decision was taken after careful consideration and financial planning to continually ensure that all investment is sustainable, affordable and in line with our Three Year growth plan. Approximately 34% of the total income was generated by the centres outside London, which is an increase of 6% from last year.

Unrestricted income of £2.4m represents 78% of overall total income and allows us to continue our investment initiatives. Restricted income of £698k includes £267k of dressing stock.

Expenditure for the year increased by 70% to £3.02m, in line with the growth strategy. This comparison

includes a credit of £238k in 2021/22 due to the write back of a prior year rental provision, without which year on year growth would be 50%. Alongside the planned increase in expenditure, strong cost control discipline continues across the Smart Works Charity.

Costs have been analysed into two key categories in line with SORP disclosures: "Core service delivery" and "National delivery support and growth". Total costs for these categories were £2.18m (increase of 79%) and £414k (increase of 51%) respectively (2022: £1.22m and £275k).

Increases across both categories are mainly due to the investment in staff and the opening of two new centres in Glasgow and South London.

Staff costs remain the most significant expense at £1.69m (2022: £1.1m). The average number of employees increased from 40 to 57 which represents growth across Smart Works and ensures that we are well positioned to deliver our Three Year Plan. We remain committed to having a competitive and fair remuneration policy and have specifically reviewed this in light of the recent inflationary environment.

The total group surplus for the year was £99.7k (2022: £1.03m) resulting in total funds of £2.84m of which £274k is restricted and £2.57m is unrestricted funding (2022: £245k and £2.5m respectively).

The Board of Trustees has committed to the Three Year Plan to increase the number of women we help to 10,000 women per year by 2025 and has £560k of designated funds in direct support of this. The Board intends to designate further funding in support years 2 and 3 of this plan, subject to affordability criteria.

The generosity and ongoing commitment of our existing and new supporters has continued to drive our success and growth. It has been our long-term strategy to ensure that our income comes from a wide

range of sources, and we are grateful to the many individuals and organisations who have stood by us throughout this year.

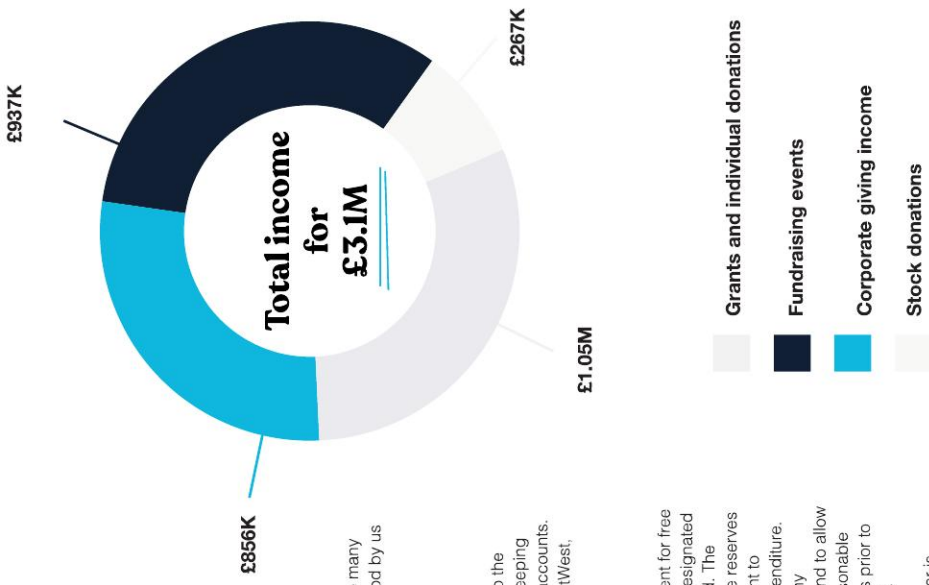
INVESTMENT POLICY

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

RESERVES POLICY

The trustees have considered the requirement for free reserves, i.e. those unrestricted funds not designated for specific purpose or otherwise committed. The reserves policy requires that the level of free reserves for Smart Works Charity should be equivalent to between six and nine months of annual expenditure. This provides sufficient flexibility to cover any temporary shortfall of incoming resources and to allow the charity to respond immediately to a reasonable range of unforeseen adverse circumstances prior to specific remedial plans being implemented.

Forecast annual expenditure for the next year is expected to continue to grow as we invest in the delivery of the remainder of the Three Year Plan and free reserves of £1.96m, which represent approximately 6 months of forecast annual expenditure, remain in-line with this policy.



PLANS FOR THE FUTURE

On 1st April 2022, Smart Works began the first year of its Three Year Plan in response to the significant impact of the pandemic on female unemployment. Driven by this need, the Three Year Plan is ambitious in scope and sets out the collective vision and strategy for the charity from April 2022 to March 2025. Year 1 has been completed successfully and the charity is well-placed to deliver Year 2 of the Three Year Plan. The key elements of the plan are:

EXPANSION

The need for the expansion of our service is clear. We are ambitious and our goal is to double the number of women helped from 5,000 a year to 10,000 a year by 2025.

DATA DRIVEN

We will open new centres in areas where there is clear need and where the financial situation allows us to do so. The data indicates that the target cities should be Liverpool and Sheffield. Existing centres in major urban hubs will aim to help 1,000 women a year by 2025.

NATIONAL BRAND

To support growth, we will establish a national brand that is better known and understood, especially by potential clients. As part of this, we will have a more distinct voice that demonstrates our understanding of female unemployment.

CLIENT-CENTRIC

The voices of the women Smart Works serves will inform decision-making and we will take proactive steps to ensure that Smart Works continues to be an organisation where everyone is welcome and can thrive.

HUB MODEL

We will take an evolutionary approach, continuing to be volunteer-powered and building on our hub model to fuel growth. Each centre outside of London will continue to be run by a local Board, with a defined area of operation. A central team will be responsible for virtual service delivery beyond that area.

INVEST IN GROWTH

We will develop the Group function to support governance, growth and consolidation of centres, particularly in HR, finance and legal, to enable centres to focus on helping more women. We will also explore how to digitise aspects of our service.

KEY METRICS

Our key metrics will remain to be the number of women helped, our success rate and the cost of delivering our service.

FUNDING

The anticipated growth in expenditure will be met by prudent financial planning, maintaining a broadly equal split across our three income streams, building on the innovation, expertise and growth of previous years.

Above all, it remains our mission that any woman in need of our support should be able to find her way to a Smart Works centre, and this sits at the heart of our ambitions for the future.



STRUCTURE, GOVERNANCE AND MANAGEMENT

GOVERNANCE

Smart Works and its Trustees are bound by the Memorandum and Articles of Association. The names of the trustees who served on the Smart Works Charity Board during the year are set out in the reference and administrative information on page 41.

The relationship between Smart Works Charity and each local Smart Works is one of a parent and subsidiary. In legal terms, Smart Works Charity is the sole member of each English Smart Works centre and a majority member of Smart Works Scotland (formerly Smart Works Edinburgh). This structure ensures that the governance, objectives and legal structure of each local Smart Works is aligned with those of Smart Works Charity. Financial statements from each local Smart Works charity are consolidated in this report. All Smart Works charities are also companies limited by guarantee.

Smart Works Trading is a wholly owned trading subsidiary of Smart Works Charity

RECRUITMENT & APPOINTMENT OF NEW TRUSTEES

Regular reviews are undertaken to assess the skills of the current trustees and identify any areas for strengthening. For Smart Works Charity, new trustees are appointed by the existing trustees and their appointment is approved by the members. For Smart Works centres outside of London, who are their own charity, new trustees are appointed by the existing centre trustees and their appointment is approved by Smart Works Charity.

INDUCTION & TRAINING OF NEW TRUSTEES

All trustees for the Group Board and for Local Boards are provided with an induction to familiarise themselves with the charity and the not-for-profit sector. They are briefed on their responsibilities by the existing trustees, and they are also given a Smart Works Trustee Welcome Pack (reviewed annually), which sets out the legal responsibilities and the specifics of the Smart Works Group structure. New trustees are also referred to the Charity Commission guide 'The Essential Trustee'. Day-to-day operational responsibility for operating the charity is delegated to the CEO.

MANAGEMENT

The Chief Executive, Kate Stephens, runs the charity. As of 31 March 2023, the rest of the senior management team comprised of a Director of Service Delivery and Group Operations, a Director of Partnerships and a Director of Finance.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The trustees review and approve all policies and follow a Three Year Plan. The trustees meet quarterly throughout the year and have an annual session to update and revise the strategy. The current strategic plan for 1 April 2022 to 31 March 2025 was launched in January 2022.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

There are two central activities within our ESG strategy:

1. Diversity and Inclusion: The Charity is committed to nurturing an inclusive culture where everyone is accepted, listened to and able to thrive. Over the past 12 months, we have launched Smart Works values, integrated the voices of our clients into decision-making through our UK-wide Client Advisory Group, and evolved our recruitment practices. To further our commitment, the charity has consulted with our community of staff, trustees, volunteers and clients to build a new Equity, Diversity and Inclusion Strategy. Smart Works will publicly launch this Group-wide strategy in Spring 2023 and will report on progress over two years with clear success criteria. The strategy will commit to delivering sustainable and substantial change where our clients remain at the heart of our decision-making. We will launch a Client Champions programme with our clients as our spokespeople, diversify our volunteering opportunities, establish data capture on key demographics and commit to always recruiting openly and fairly for all roles. Smart Works continues to use external consultants to conduct EDI training, which is mandatory for all staff and trustees and embedded into all Smart Works inductions.

2. Environment: The Charity delivers significant environmental benefits as part of its primary purpose activities. All items in the wardrobe are donated from individuals or from retailers, and then carefully categorised so that they can be gifted to clients or (where appropriate) sold to raise funds. This provides an important circular and positive environmental impact by directly reducing potential landfill and waste. As an example, for the period of this report, the charity gave out over 32,000 donated pieces of clothes and accessories to clients. A full environmental impact report is planned for the future.

FUNDRAISING

The Charity understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate. Smart Works does not currently fundraise from the public or use any internal fundraisers or external fundraising agencies for either telephone or face to face campaigns, and received no fundraising complaints during the year.

PAY POLICY

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

As a small but fast-growing and dynamic charity, Smart Works believes that its staff are key to delivering its objectives. The charity is committed to having a competitive remuneration policy designed to attract and retain the best people, and in the interests of equity and fairness, the charity is committed to taking action to ensure that it provides equal pay for equivalent work.

The charity aspires to pay its staff around the median market pay level for comparable jobs in similar sized organisations and with similar operating models, using an external salary benchmarking service to monitor this. Looking ahead, the charity will launch a national Pay Policy that is fair and transparent, providing sustainable pay bands for all staff roles as well as clear processes for pay reviews and pay progression. The charity's pay bands will be reviewed annually, using an external salary benchmarking service, and they will be approved by the Board.

Smart Works reviews salary levels annually, coming into effect on 1 April each year.

RISK MANAGEMENT

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

1. A shortfall of income against costs. This is mitigated by a balanced approach to fundraising, seeking to secure income from three main sources: grant funding, corporate

income and our own activities. It is also mitigated through strong ongoing cost control discipline and governance.

2. Unsustainable growth and relationships between Smart Works centres. This is mitigated by setting a strategy of only opening a maximum of one Smart Works centre in a new city each year, ensuring a balanced income portfolio and, crucially, having dedicated strategies, plans and resources that build a strong Smart Works community. The charity also aims to achieve a balance between utilising reserves to help more women and ensuring financial stability.

3. Losing key staff and trustees. This is mitigated by a strong appraisal and development programme, alongside six months' notice for senior staff and trustees.

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

POLICIES

Policies for all relevant areas are maintained, including Safeguarding Adults at Risk, Safeguarding Children, Anti-Bribery, Anti-Harassment & Bullying, Compassionate Leave, Complaints, Conflict of Interest, Data Protection, Disciplinary, Equality, Flexible Working, Grievance, Maternity, Privacy and Whistleblowing. The Staff Handbook is made available to all staff and includes a summary of all policies, and a Trustee Welcome Pack does the same for trustees. These packs are shared with new Staff and Trustees of Smart Works Charity and of local Smart Works centres.

VOLUNTEERS

The trustees are grateful for the invaluable contribution of those who give their time voluntarily to deliver the dressing service and interview preparation for our clients. The number of active volunteers across the UK on 31 March 2023 was 550. Arguably, one of the greatest assets that Smart Works has is the significant role played by its dedicated volunteers.

PUBLIC BENEFIT

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

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

TRUSTEES' RESPONSIBILITIES STATEMENT

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (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.

This report was approved by the Board on 1st November 2023 and signed on its behalf by:

Julietta Dexter
Chair



Ewa Kerin
Trustee



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

OPINION

We have audited the financial statements of Smart Works Charity (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise of the Consolidated statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern.

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 Smart Works Charity's ability to continue as a going concern for a period of at least 12 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 other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has [have] been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 19 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statement

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.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors/trustees and other management, and from our commercial knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including legislation such as the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- ensured laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates [set out in [Note 1]] were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

USE OF OUR REPORTS

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.



Katherine Wilkes FCA (Senior Statutory Auditor)

DATE 6/11/23

For and on behalf of
Crichleys Audit LLP
Beaver House
23-38 Hythe Bridge Street
Oxford

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED
31 MARCH 2023 (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)

	Notes	Unrestricted Funds	Restricted Funds	2023 Total	2022 Total
		£	£	£	£
Income from:					
Donations:	2				
Donations and grants		1,473,862	430,989	1,904,851	1,623,693
Donations of dressing stock		-	267,143	267,143	162,626
		<u>1,473,862</u>	<u>698,132</u>	<u>2,171,994</u>	<u>1,786,319</u>
Other trading activities	3	937,176	-	937,176	1,016,449
Investments		9,621	-	9,621	2,166
		<u>2,420,659</u>	<u>698,132</u>	<u>3,118,791</u>	<u>2,804,934</u>
Total Income					
Expenditure on:					
Raising funds	5	(418,840)	(2,202)	(421,042)	(285,701)
Charitable activities	4	(1,910,559)	(687,461)	(2,598,020)	(1,491,508)
		<u>(2,329,399)</u>	<u>(689,663)</u>	<u>(3,019,062)</u>	<u>(1,777,209)</u>
Total expenditure					
Net Income		91,260	8,469	99,729	1,027,725
Transfers between funds		(20,470)	20,470	-	-
Net movement in funds		70,790	28,940	99,729	1,027,725
Reconciliation of funds					
Total funds brought forward		2,498,544	244,806	2,743,350	1,715,625
Total funds carried forward		<u>2,569,334</u>	<u>273,745</u>	<u>2,843,079</u>	<u>2,743,350</u>

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

Company number: 03870671

Smart Works Charity | Company No: 03870671

CONSOLIDATED CHARITY AND GROUP BALANCE SHEETS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023			2022		
		Group	Charity		Group	Charity	
Fixed assets							
Tangible assets	10	77,954	48,771		59,493	20,012	
Investments	11	-	2		-	2	
		<u>77,954</u>	<u>48,773</u>		<u>59,493</u>	<u>20,014</u>	
Current assets							
Stock	12	187,794	59,178		154,065	48,871	
Debtors	13	544,128	463,624		242,628	162,969	
Cash at bank and in hand		2,505,240	1,586,745		2,457,012	1,762,744	
		<u>3,237,162</u>	<u>2,109,547</u>		<u>2,853,725</u>	<u>1,974,584</u>	
Creditors	14	(472,037)	(301,924)		(169,868)	(150,620)	
Net current assets		2,765,125	1,807,623		2,683,857	1,823,964	
Total net assets		<u>2,843,079</u>	<u>1,856,396</u>		<u>2,743,350</u>	<u>1,843,978</u>	
Funds							
Designated funds	17, 18	604,686	378,342		600,656	417,512	
General funds		1,964,648	1,432,070		1,897,888	1,246,646	
Total unrestricted funds		<u>2,569,334</u>	<u>1,810,412</u>		<u>2,498,544</u>	<u>1,664,158</u>	
Restricted funds	15, 16	273,745	45,984		244,806	179,820	
Total funds		<u>2,843,079</u>	<u>1,856,396</u>		<u>2,743,350</u>	<u>1,843,978</u>	

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

The accounts were approved by the Board of Trustees on 1 November 2023 and signed on their behalf by:

Julietta Dexter
Chair

Ewa Kerin
Trustee

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

Group	2023 £	2022 £
Cash flows from operating activities:		
Surplus for the financial year	99,728	1,027,725
Adjustments for:		
Depreciation of tangible assets	18,513	13,651
Investment income	(9,621)	(2,166)
(Increase)/decrease in debtors	(301,500)	211,782
Increase/(decrease) in stock	(33,709)	(9,257)
Increase/(decrease) in creditors	302,169	(497,319)
Interest paid	(482)	-
Net cash generated from operating activities	<u>75,098</u>	<u>744,416</u>
Cash flows from investing activities		
Income from investments	9,261	2,166
Purchase of tangible assets	(36,974)	(30,923)
Net cash from investing activities	<u>(27,713)</u>	<u>(28,757)</u>
Net increase in cash and cash equivalents	48,349	715,659
Cash and cash equivalents at the beginning of the year	2,457,012	1,741,353
Cash equivalents at the end of the year	<u>2,505,240</u>	<u>2,457,012</u>
Cash and cash equivalents at the end of the year comprise:		
Cash at bank and in hand	<u>2,505,240</u>	<u>2,457,012</u>

The notes on pages 27 to 40 form part of these accounts

NOTES TO THE FINANCIAL ACCOUNTS

1. ACCOUNTING POLICIES

a) Basis of preparation and consolidation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The Presentation currency used is British Pounds Sterling. The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

b) Income

Income is recognised where there is entitlement, where the receipt of income is probable and the amount can be measured with sufficient reliability. Grants and donations are recognised once entitlement and value have been confirmed in writing. Investment income is included in the accounts when receivable. This is received in the form of interest income from standard bank accounts. Donated gifts in kind of stock for dressing clients are included at fair value and recognised as income when they are distributed to clients. Gifts donated for resale are included as income when they are sold.

c) Expenditure

Expenditure is included in the statement of financial activities on an accruals basis and includes attributable VAT which cannot be recovered. All expenditure is allocated to the particular activity where the cost relates directly to that activity. Premises costs are allocated to charitable activities, fundraising and support costs based on floorspace allocation. Support costs are allocated using an apportionment in proportion to staff time.

d) Tax reclaims on donations and gifts

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

e) Volunteers and donated services

The value of services provided by volunteers is not incorporated in these financial statements. The trustees consider it impractical to measure the value of volunteer help and consequently, as permitted by the SORP, their value is not recognised in the financial statements but is described in the trustees' annual report. Smart Works had an average of 565 volunteers during the year.

f) Taxation

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2022. Smart Works Trading Limited had a nil surplus after gift aid donation to the parent company giving rise to zero corporation tax.

g) Tangible fixed assets

Assets are capitalised if they can be used for more than one year and cost at least £1,000. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment 3 years straight line,

Office fixtures and fittings 5 years straight line.

h) Investments

Smart Works' investment in its subsidiaries is stated as cost.

i) Stocks

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

j) Significant accounting estimates

The trustees make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Significant estimates include depreciation, estimated on the assets' estimated useful life, amounts to accrue for payments relating to the period and fair valuation of stock. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

k) Debtors

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

l) Creditors

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

m) Financial instruments

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

n) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for specific purposes. Designated funds are unrestricted funds which have been set up by the trustees to hold funds for specific purposes. The aim and use of each designated fund is set out in the notes to the accounts. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. The aim and use of each restricted fund is set out in the notes to the accounts.

o) Cash at bank in hand

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

p) Pension

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

q) Operating lease agreements

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

r) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees believe that the forecast results and good level of cash flow of the charity together with the measures taken to date will enable the charity to continue as a going concern and, as a result, do not include any adjustments that would result if the charity was not able to continue as a going concern.

2. DONATIONS

	Unrestricted Funds		Restricted Funds	2023 Total Funds		Prior year	Unrestricted Funds		Restricted Funds	2022 Total Funds	
	£		£	£	£		£		£	£	£
Grants and individual donations	618,247		430,989	1,049,236		Fundraising events	1,016,449		-	1,016,449	
Corporate donations	855,616		-	855,616			1,016,449		-	1,016,449	
	<u>1,473,862</u>		<u>430,989</u>	<u>1,904,851</u>							
Donations of dressing stock	-		267,143	267,143							
	<u>1,473,862</u>		<u>698,132</u>	<u>2,171,994</u>							

4. CHARITABLE ACTIVITIES

	Unrestricted Funds		Restricted Funds	2022 Total Funds		Prior year	Staff costs		Non staff Costs	Support Costs	2023 Total Funds	
	£		£	£	£		£		£	£	£	£
Grants and individual donations	632,504		459,938	1,092,442		Unrestricted funds:	644,450	539,831	363,987	1,548,268		
Corporate donations	531,251		-	531,251		Core service delivery	220,254	57,688	84,350	362,291		
	<u>1,163,755</u>		<u>459,938</u>	<u>1,623,693</u>		National delivery support and growth						
Donations of dressing stock	-		162,626	162,626		Total unrestricted	<u>864,704</u>	<u>597,519</u>	<u>448,336</u>	<u>1,910,559</u>		
	<u>1,163,755</u>		<u>622,564</u>	<u>1,786,319</u>								
						Restricted funds:	283,119	352,144	-	635,263		
						Core service delivery	52,198	-	-	52,198		
						National delivery						
						Total restricted	<u>335,317</u>	<u>352,144</u>	<u>-</u>	<u>687,461</u>		
							<u>1,200,021</u>	<u>949,663</u>	<u>448,336</u>	<u>2,598,020</u>		

Total income for the group includes £267,143 (2022: £162,626) of income which is received in the form of donations of clothing and accessories. The income represents a fair value estimate of these stock donations, the clothes are given to the beneficiaries of the charity.

3. OTHER TRADING ACTIVITIES

	Unrestricted Funds	Restricted Funds	2023 Total Funds
	£	£	£
Fundraising events	937,176	-	937,176
	<u>937,176</u>	<u>-</u>	<u>937,176</u>

Prior year	Staff costs Costs £	Non staff Costs £	Support Costs £	2022 Total Funds £
Unrestricted funds:				
Core service delivery	373,552	149,527	239,832	762,911
National delivery support and growth	176,843	41,561	43,869	262,273
Total unrestricted	550,395	191,088	283,701	1,025,184
Restricted funds:				
Core service delivery	208,904	244,297	-	453,201
National delivery	13,123	-	-	13,123
Total restricted	222,027	244,297	-	466,324
	772,422	435,385	283,701	1,491,508

5. ACTIVITIES FOR RAISING FUNDS

Current year	Staff costs Costs £	Non staff Costs £	Support Costs £	2023Total Funds £
Unrestricted funds:				
Events and other costs	177,016	180,464	61,359	418,840
Total unrestricted:	177,016	180,464	61,359	418,840
Restricted funds:				
Events and other costs	-	2,202	-	2,202
Total restricted:	177,016	182,666	61,359	421,042

Prior year	Staff costs Costs £	Non staff Costs £	Support Costs £	2022 Total Funds £
Unrestricted funds:				
Events and other costs	124,029	118,810	42,167	285,006
Total unrestricted:	124,029	118,810	42,167	285,006
Restricted funds:				
Events and other costs	-	695	-	695
Total restricted:	124,029	119,505	42,167	285,701

6. SUPPORT COSTS

	2023 Total Funds £	2022 Total Funds £
Staff costs and related expenditure	351,660	221,390
Property and related costs	20,840	215,283
Office expenses	50,384	54,605
Legal, professional and accountancy	18,677	7,961
IT costs	30,991	48,221
Governance costs	27,319	16,208
Exceptional credit	-	(237,800)
	499,871	325,868

Governance costs consist of audit, independent examination fees and temporary bookkeeping and reporting charges for all local centres. In the period there was an exceptional credit as a result of a write back of the rental provision amounting to £238k.

7. NET INCOME IS STATED AFTER CHARGING

	2023 £	2022 £
Depreciation of owned fixed assets	18,513	13,651
Operating lease payments	281,107	156,494
Auditor's remuneration	13,925	12,650
Independent Examiner's remuneration	3,630	3,300

8. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	1,550,936	998,468
Employer's National Insurance	105,159	68,693
Employer's pension contributions	35,062	28,520
	1,691,157	1,095,681
Numbers of employees with emoluments in the following bands		
£100,000 -£109,000	1	1
£70,000 -£79,000	2	2
£60,000-£69,000	1	1

The employer's pension contributions made in relation to the employees above were £6,164 (2022: £4,762)

Average number of employees during the year	57	40
Average number of full-time equivalent employees during the year	49	36
The key management personnel comprised of: CEO, Director of Service Delivery and Group Operations, Director of Partnerships and Director of Finance.		

The total amount of employee benefits (including employer pension and National Insurance contributions) received by the key management personnel for their services to the charity group was £323,126 (2022: £268,660).

9. TRUSTEE EXPENSES

No trustees received any remuneration from the charity in relation to the performance of their duties as trustees.
No trustee expenses (2022: nil) were paid to trustees during the year.

10. TANGIBLE FIXED ASSETS

Furniture and fittings

Cost	Group	Charity
	£	£
Brought forward	99,952	48,123
Additions	36,974	36,974
	136,926	85,097
Carried forward		
Depreciation		
Brought forward	40,459	28,111
Charge for the year	18,513	8,215
	58,972	36,326
Carried forward		
Net book value		
As at 31 March 2023	77,954	48,771
As at 31 March 2022	59,493	20,012

11. INVESTMENTS

	Shares held Class		% of Voting Rights		Charity	Company
					Number	Number
Smart Works Birmingham	Company limited by guarantee		100%		1168264	10098116
Smart Works Leeds	Company limited by guarantee		100%		1184676	12059540
Smart Works (Greater Manchester)	Company limited by guarantee		100%		1163594	9425123
Smart Works Newcastle	Company limited by guarantee		100%		1176547	11115960
Smart Works Reading	Company limited by guarantee		100%		1164723	9628510
Smart Works Edinburgh	Scottish Charitable Incorporate		67%		SC044520	n/a
	Organisation					
Smart Works Trading	Ordinary		100%		n/a	09061869

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

Current year	Smart Works Birmingham	Smart Works Scotland*	Smart Works Leeds	Smart Works (Greater Manchester)	Smart Works Newcastle	Smart Works Reading	Smart Works Trading Limited	Total 31 March 2022
Gross income	142,939	281,658	168,072	270,106	154,652	124,404	148,257	1,290,088
Expenditure	(123,223)	(222,987)	(153,202)	(201,814)	(175,051)	(174,596)	(29,169)	(1,080,042)
Surplus/(Deficit) for year	19,716	58,671	14,870	68,292	(20,399)	(50,192)	119,088	210,046
Fixed assets	-	-	8,704	-	-	20,480	-	29,184
Current assets	110,610	270,269	151,732	285,478	153,744	125,599	61,429	1,158,861
Creditors	(7,369)	(89,936)	(55,546)	(7,827)	(1,453)	(597)	(39,006)	(201,734)
Net assets	103,241	180,333	104,890	277,651	152,291	145,482	22,423	986,311
Unrestricted funds	79,769	131,082	83,874	188,973	136,971	128,653	22,423	771,745
Restricted funds	23,472	49,251	21,016	88,678	15,320	16,829	-	214,566
Net funds	103,241	180,333	104,890	277,651	152,291	145,482	22,423	986,311

Prior year	Smart Works Birmingham	Smart Works Scotland*	Smart Works Leeds	Smart Works (Greater Manchester)	Smart Works Newcastle	Smart Works Reading	Smart Works Trading Limited	Total 31 March 2020
Gross income	79,967	157,853	128,025	196,047	132,556	165,596	210,892	1,072,495
Expenditure	(82,995)	(106,249)	(123,020)	(128,209)	(112,191)	(157,958)	(26,834)	(737,861)
Surplus for year	(3,028)	51,604	5,005	67,838	20,365	7,638	184,058	334,634
Fixed assets	-	-	12,858	-	-	26,624	-	39,482
Current assets	90,585	121,829	96,544	216,050	174,773	173,161	63,121	937,050
Creditors	(7,060)	(167)	(19,382)	(6,691)	(2,083)	(4,111)	(39,334)	(78,661)
Net assets	83,525	121,662	90,020	209,359	172,690	195,674	23,787	897,871
Unrestricted funds	66,834	89,984	68,636	186,929	154,854	140,533	23,787	709,905
Restricted funds	16,691	31,678	21,384	22,430	17,836	55,141	-	187,966
Net funds	83,525	121,662	90,020	209,359	172,690	195,674	23,787	897,871

*Smart Works Scotland for current year includes income and expenditure and net assets from Edinburgh and Glasgow Centres, whereas the prior year comparison includes income and expenditure and net assets from Edinburgh only.

12. STOCK

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Dressing stock	187,794	59,178	154,085	48,871

As detailed in note 1, the group's donated stock for beneficiaries is valued at fair value of £40 per outfit and the stock held at 31 March 2023 was counted and valued.

13. DEBTORS

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Trade debtors	325,112	262,275	107,952	31,487
Accrued income	133,805	132,188	80,075	59,324
Other debtors	85,211	37,541	54,601	42,071
Amounts owed to group undertaking	-	31,620	-	30,087
	544,128	463,624	242,628	162,969

14. CREDITORS

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Trade creditors	61,618	61,007	16,017	16,019
Other taxation and social security	70,804	52,292	18,030	3,548
Other creditors	6,672	1,084	5,293	19
Accruals	118,779	103,476	40,355	54,861
Deferred income	214,163	84,063	90,173	76,173
	472,037	301,924	169,868	150,620

The accruals are predominantly a provision of £358k for property costs at the West London Centre for a period of several years. This has been resolved in the current period and the accrual has been reversed.

Deferred income compromises restricted grants received in advance:

Balance brought forward	90,173	90,173	87,244	87,244
Amounts utilised in the year	(90,173)	(90,173)	(87,244)	(87,244)
Current year income deferred	214,163	84,063	90,173	76,173
	214,163	84,063	90,173	76,173

15. RESTRICTED FUNDS - GROUP

Current year	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2023 £
Staff related expenditure	2,636	277,340	(318,942)	(10,096)	(49,062)
Develop and broaden Smart Work Reach	154,086	267,143	(232,385)	(1,050)	187,794
Dressing stock	88,084	153,649	(138,336)	31,616	135,013
	244,806	698,132	(689,663)	20,470	273,745

The transfer from unrestricted funds to restricted funds mainly relates to the fund allocation for new centres opened in Scotland and South London.

Prior year	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
Staff related expenditure	17,803	37,463	(52,630)	-	2,636
Develop and broaden Smart Works Reach	117,000	90,000	-	(207,000)	-
Dressing stock	144,885	162,626	(153,425)	-	154,086
Other	16,573	332,475	(260,964)	-	88,084
	296,261	622,564	(467,019)	(207,000)	244,806

16. RESTRICTED FUNDS - CHARITY

Current year	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2023 £
Staff related expenditure	-	132,894	(132,894)	-	-
Develop and broaden Smart Works Reach	-	-	-	-	-
Dressing stock	48,871	134,747	(137,634)	-	45,984
Other smaller donations	130,949	11,342	(193,536)	51,245	-
	179,820	278,983	(464,064)	(51,245)	45,984

Prior year	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
Staff related expenditure	-	95,787	(95,787)	-	-
Develop and broaden Smart Works Reach	117,000	90,000	-	(207,000)	-
Dressing stock	44,225	95,726	(91,080)	-	48,871
Other smaller donations	7,188	126,209	(2,448)	-	130,949
	168,413	407,722	(189,315)	(207,000)	179,820

17. DESIGNATED FUNDS - GROUP

Current year	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2023 £
Designated capital fund	600,656	-	-	4,030	604,686
	600,656	-	-	4,030	604,686

Designated Funds mainly relates to the Three Year Plan and some funds were designated to leasehold improvements and other office equipment purchased as part of an office move.

Prior year	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
Designated fund	51,933	-	-	548,723	600,656
	51,933	-	-	548,723	600,656

18. DESIGNATED FUNDS - CHARITY

Current year	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2023 £
Designated capital fund	417,152	-	-	(38,810)	378,342
	417,152	-	-	(38,810)	378,342

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP

Current year	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £
Tangible fixed assets	-	77,954	77,954
Current assets	273,745	2,963,417	3,237,162
Creditors due within one year	-	(472,037)	(472,037)
	273,745	2,569,334	2,843,079

Prior year	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total Funds 2022 £
Tangible fixed assets	-	59,493	59,493
Current assets	244,806	2,608,919	2,853,725
Creditors due within one year	-	(169,868)	(169,868)
	244,806	2,498,544	2,743,350

20. PENSION COMMITMENTS

The company and its subsidiaries operate separate defined contribution pension schemes. The assets of the schemes are held separately from those of each company in independently administered funds. The pension costs charge represents contributions payable by the companies to the funds and amounted to £21,887 (2022: £15,276). Contributions totalling £4,899 (2022: £3,256) were payable to the fund at the balance sheet date and are included in creditors.

21. OTHER FINANCIAL COMMITMENTS - GROUP

	Land and buildings	
	2023	2022
	£	£
At the year end the company had annual commitments under non-cancellable operating leases as set out below:		
Operating leases:		
within one year	265,062	232,144
within two to five years	316,582	479,122
	<u>581,644</u>	<u>711,266</u>

22. MEMBERS LIABILITIES

The company is limited by guarantee. Every member of the company undertakes to contribute to the assets of the company, in the event of the same being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the company contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up such amount as may be required not exceeding £1. At the balance sheet date there were 10 members (2022: 10 members).

23. RELATED PARTY TRANSACTIONS

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

	2023	2022
	£	£
Smart Works Birmingham	11,706	19,925
Smart Works Scotland	28,411	14,012
Smart Works Leeds	12,843	17,101
Smart Works (Greater Manchester)	22,843	17,816
Smart Works Newcastle	12,274	16,609
Smart Works Reading	11,706	4,067
	<u>99,783</u>	<u>89,530</u>

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

Smart Works Birmingham	-	4,746
Smart Works Scotland	-	-
Smart Works Leeds	-	3,848
Smart Works (Greater Manchester)	-	5,785
Smart Works Newcastle	-	1,398
Smart Works Reading	-	12,710
Smart Works Trading Ltd	-	-
		<u>28,487</u>

Smart Works received a gift aid payment from Smart Works Trading subsidiary company totalling £120,452 in the year (2022: £160,023).

There were no other related party transactions in the year (2022: £nil).

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered name	Smart Works Charity
Charity registration number	1080609
Company registration number	03870671
Corporate status	The Company is limited by guarantee
Registered office	Unit 1, Canonbury Yard, 202-208 New North Road, London N1 7BJ
Telephone	020 7288 1770
Website	www.smartworks.org.uk
Trustees	Julietta Dexter Ewa Kerin (Honorary Treasurer) Natalie Abou-Alwan Rachel Atkins Philippa Charles OBE Tiffanie Darke Simongnette Scavazza (appointed 28 April 2022) Jane Shepherdson CBE Claire Spencer-Churchill
Company Secretary	Natalie Abou-Alwan
Patrons	The Duchess of Sussex Emma Barnett Betty Jackson CBE Jennifer Saunders Jane Shepherdson CBE
Honorary President	Lady Juliet Hughes-Hallett OBE
Statutory Auditors	Critchleys Audit LLP
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent, ME19 4JQ



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CHARITY NUMBER: 1080609

SMART WORKS CHARITY

England & Wales - Charity number 1080609

Accounts



SMART
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**SMART
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CHARITY**

Annual Report 2021/2022





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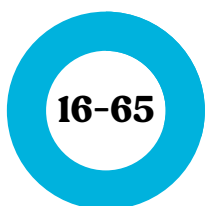
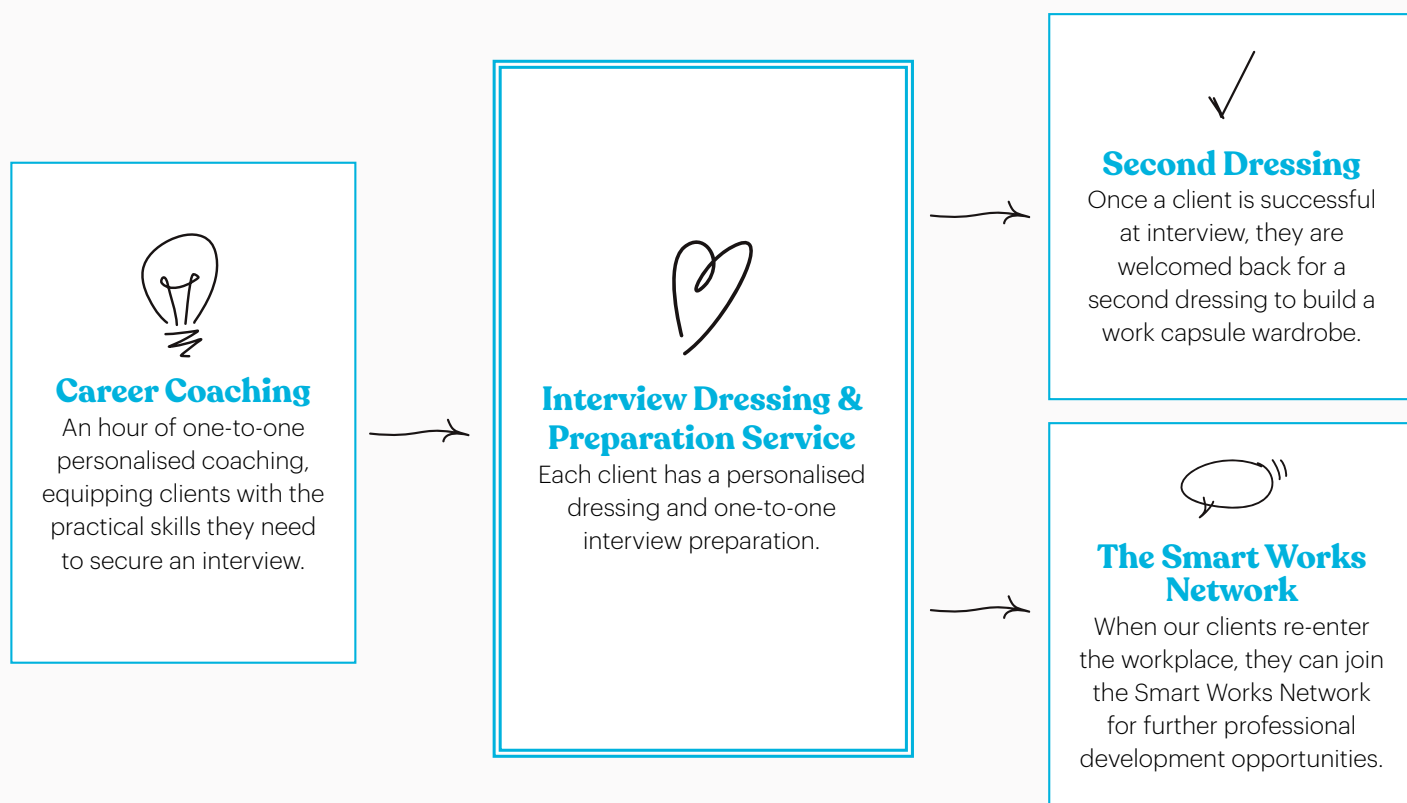
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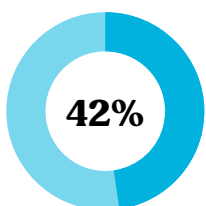
WELCOME TO SMART WORKS

We are a community dedicated to supporting and empowering women in their professional pursuits. We listen to our clients and use the power of high-quality clothing and one-to-one coaching to help them see their true potential, succeed at interview and transform their lives.

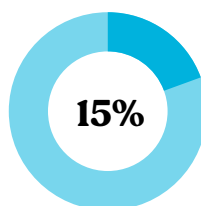
We are proud that **72% of women go on to get the job within one month of their appointment.** We want to double the number of women we help and by 2025 reach 10,000 women across the UK.



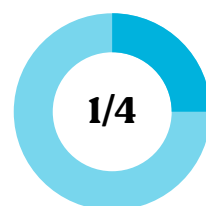
age range of clients



are lone parents



have a disability



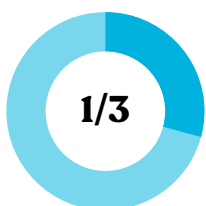
have applied for
over 50 jobs



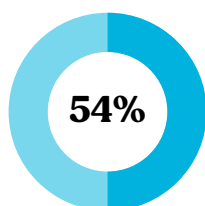
SMART
WORKS

Every piece donated from
retailers or individuals

**It is our mission that
any woman in need can
find her way to Smart
Works. We will do this
by deepening our reach
in existing centres and
opening new centres in
South London, Glasgow,
Cardiff, Liverpool
and Sheffield.**



have been unemployed
for over a year



are from ethnic
minority groups

10,000

volunteer hours to dress and
coach our clients



I hope you enjoy reading the report and join us in our mission to inspire and empower all women who need help getting into work. Together, we can make this happen.

Julietta Dexter

INTRODUCTION FROM THE CHAIR OF TRUSTEES

I am proud to be able to present the Smart Works Annual Report for the year ended 31 March 2022.

It has been a great privilege to step into the role of Chair of Smart Works, taking on the baton from our Founder and now Honorary President, Juliet Hughes-Hallett in April 2021. I am so grateful for the trust and support shown to me by Jules, by our exceptional Honorary Treasurer Ewa Kerin, and by the entire trustee, staff and volunteer teams across the UK, in allowing me to look after this most wonderful charity.

I was fortunate to join at an important moment in Smart Works' development. In spring 2021, we were just beginning to emerge from a long and difficult lockdown, with a particularly devastating impact on female unemployment. There was clearly much to do. At the same time, the charity was starting to think about the next stage of its growth for the three years from April 2022.

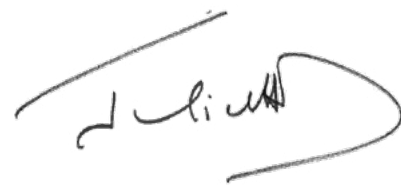
The resulting Three Year Plan has been remarkable in how quickly and easily it has fallen into place. This is because everyone at Smart Works is passionate about our service and witnesses every day the direct impact it has on the women who come to see us. This is the golden thread that goes through everything we do and fires our ambition. And we are ambitious. Over the next three years we want to double the number of women we help, so that by 2025, Smart Works will be helping over 10,000 women a year from at least ten flourishing centres across the UK.

We will do this carefully and thoughtfully, building on our strong foundations, and remaining focused on the volunteer-powered dressing and coaching services that have

a tangible impact on the lives of our clients. In my regular volunteer sessions, I have been constantly reminded of the incredible impact that looking and feeling great has on a woman's confidence. Truly, fashion as a force for good.

We will also seek to build awareness of the work our charity does. Over the last year, Kate and I have visited each of our Smart Works centres, and the consistent message we have heard is that often the women we are seeking to help do not know that our service exists. If we can build a national brand that raises awareness of our service, we can help more women transform their lives.

Thank you to all our supporters and funders for making the last year possible, and for helping us build such a robust platform for growth. We have helped more women than ever before, and our success rate of 72% is the highest it has ever been. I hope you enjoy reading the report and join us in our mission to inspire and empower all women who need help getting into work. Together, we can make this happen.



Julietta Dexter
Chair

The Trustees, who are also the directors of the charity for the purposes of the Companies Act, present their annual report together with the accounts of Smart Works for the year ended 31 March 2022. The accounts have been prepared in accordance with the accounting practice set out on page 29 and comply with the charity's governing document, applicable laws and the requirements of Statement of Recommended Practice on 'Accounting and Reporting by Charities' issued in 2019.

OBJECTIVES & ACTIVITIES

Smart Works is a female employment charity that dresses and coaches unemployed women for interview and job success. The charity's objects are the relief of financial hardship and the relief of unemployment for the public benefit through the promotion of economic independence among women. It is our purpose to inspire and empower all women who need help getting into work.

To deliver this, Smart Works was created in September 2013 to help some of the most vulnerable women in society with the clothes, coaching and confidence they need to succeed at their job interview and start a new chapter of their life. Women are referred to our service from Job Centres, mental health charities, the prison service, youth organisations and other charities and organisations supporting women into employment. Each woman is gifted a complete outfit of high-quality clothing, chosen by her and hers to keep, followed by bespoke interview coaching. When she gets the job, she is welcomed back for our second dressing service to receive a capsule working wardrobe that will see her through to her first pay cheque and where possible, she is invited to join our Network, a professional networking group to help women advance in the workplace.

In response to the challenges of the pandemic, the main services of the charity moved virtual, and a new coaching programme was introduced. As restrictions eased, we have encouraged and welcomed our clients back into our centres, whilst at the same time retaining and integrating both of these programme innovations into our core service delivery.

Smart Works retains an efficient, volunteer-powered model. Our dressing and interview coaching service is delivered nationwide by a team of 450+ skilled and trained volunteers. Our wardrobe is stocked with high-quality clothes donated by individuals and retailers.

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

ACHIEVEMENTS & PERFORMANCE

The past twelve months have been a time of recovery, innovation and growth for the charity, in response to the growing needs of the clients we serve.

Throughout the year there has been a significant uplift in the number of women we have helped, and a return to more in-person appointments following the lifting of government Covid restrictions.

Overall, the charity has:

- **Helped 4,682 unique beneficiaries** on their journey to employment; and delivered 5,897 appointments across our eight UK centres.
- **72% of the women** we helped before a job interview secured employment within a month of their visit, our highest ever job success rate.
- **Embedded a new programme, Career Coaching, to sit alongside our core dressing and coaching service.** Career Coaching helps women to secure an interview, and is now offered in all Smart Works centres.
- Seen more of our clients return to centres for an in-person appointment, where we can deliver a richer experience in the dressing room. In Q4, **75% of all dressing appointments were delivered in-person, compared to 51% in Q1.** For those who cannot travel to our centres, the virtual service continues to provide an important alternative.
- Continued to reach women who face significant barriers to securing employment. **15% of clients considered themselves to have a disability, 54% were from an ethnic minority, 42% were lone parents, 35% had been unemployed for over a year (with 17% unemployed for over 5 years) and 43% had unsuccessfully applied for over 20 jobs.**

Each Smart Works centre has increased the number of women helped compared to the previous year, with a particularly strong performance in London, Manchester and Birmingham. The central team has provided a backbone of operational, fundraising and communications support; with individual centres working on the ground to establish the service in their communities.

At the same time, the response to rising levels of female unemployment and the cost of living crises has inspired everyone in the Smart Works community to be ambitious for what can be done in future years. The result is the formation of a Three Year Plan to double the number of women we can help and guide the charity through its next stage of growth (see Section D).







None of this would have been possible without the generous support of our funders. Trusts and foundations continue to provide our cornerstone funding, and we are grateful to the backing of the Garfield Weston Foundation, The Julia and Hans Rausing Trust, Oak Foundation, The National Lottery Community Fund (England and Scotland) and Bank of America, amongst others. The certainty that this funding provides gives us the confidence to grow our service and help more women.

Alongside this, new and innovative means of generating our own income have continued to be developed. Notably, we started the year in April 2021 with our first standalone store in partnership with The Bicester Village Shopping Collection, which opened just as restrictions lifted, and established a new, scalable fundraising format. We were also able to run our most successful weekend fundraiser in partnership with Stella (part of The Telegraph) and Somerset House, raising over £120,000 in two days. In March 2022, we continued to grow our annual cycling challenge, Cycle for Smart Works, bringing in £216,000 across the Group. More widely, a return to in-person events has seen a vibrant calendar of fundraising events and celebrations across the Smart Works community, and we are grateful to all our supporters for their continued engagement.

The Smart Works and Bobbi Brown partnership continued to flourish. In the eighth year of this flagship partnership, including a collaboration with Needle and Thread, the promotion raised the highest ever total for the charity. We are proud to be able to continue our long-term Pretty Powerful partnership with the team at Bobbi Brown Cosmetics. Additional important new corporate partners included: AJ Bell, Castlelake, Close Brothers, Findlay Park, McKinsey and Company, Norton Rose Fulbright and QVC.

In July 2021, we were proud to be the charity partner of the Magnolia Cup on Ladies' Day of Glorious Goodwood. Our ambassador, Isabel Spearman, took part in the race on behalf of Smart Works, and the event raised £230,000. We are grateful to The Duke and Duchess of Richmond for supporting our charity at such a vital time in our growth.

The quality and quantity of clothing donations from supporters has been excellent. We are grateful to all our retail partners, particularly Boden, Borgo do Nor, Burberry, COS, Hobbs, Pink City Prints, Russell & Bromley and Shoeaholics, for helping us to ensure that every woman who comes to Smart Works has a choice of high-quality and well-designed clothes and accessories.



Our communication platforms continue to inspire hope, confidence and purpose for our community, with an important moment in June 2021 when we launched our new website.

Finally, our Ambassadors and Patrons continue to help shine a light on the Smart Works service and allow us to reach more women, and we are particularly grateful for all of their support in the last 12 months.



The Smart Works Staff Conference, November 2021 - our first time back together in person since the pandemic





THE SMART WORKS SERVICE IN ACTION



In March 2022, Tina packed a bag and, with her two children, fled her home in Kyiv, Ukraine. She left behind her husband, friends, family, and job for a safer life in the UK.

After spending time making sure her family were settled, Tina began looking for work but was struggling to get a response from her job applications. She heard about Smart Works from several other Ukrainian women who had used the service. After coming to Smart Works, Tina successfully secured a job working as an administrator and is now training to be a court reporter.

This is Tina's story.

"I used to work as a personal assistant and interpreter in Kyiv, but our lives were turned upside down when the war started.

We spent a week in the basement of our house hiding from heavy shelling before we fled to the UK. It was the worst experience of my life. I'm so happy that the UK opened its gates and we could come here.

When my children and I left, we had one big backpack between the three of us. I took my best handbag because I thought I would need to look presentable when applying for jobs, but at the time, it was the basic things on my mind. It was a harsh winter, so I brought warm clothes. We didn't even think about summer.

After arriving in the UK and getting the children settled with school, I began to look for work. I had applied for a few jobs but hadn't gotten further than the application stage.

I heard about Smart Works from a few other Ukrainian women who had used the service. I was ready to work, but I needed help with my confidence and to know that someone was interested in me and my story. When you change everything in your life, that is so important.

In the first dressing, they gave me this dress – it was beautiful. It was silk and blue with a touch of violet, quite loose and knee length. I love it. The women who helped me were so patient in helping me find the right choice; I felt relaxed and confident. When I tried on the dress I felt exceptional, and I knew in that moment I'd found the one.

I was a bit nervous about the interview coaching, but after the dressing I felt more relaxed and confident. It was a challenging session. We did a mock interview, but it was so helpful and afterwards I realised how important it was.

My husband had to stay in Ukraine, and I remember calling him when I got home after my first appointment. He was amazed that a service like this exists, and that there's people here who are so willing to help open the door to a better life.

After I came to Smart Works, a switch turned on in my head, and I realised I've got this and I deserve it. Getting a job is not just a matter of luck, I know I made it happen, and it's a great start to a new life for my family and me.

I had an interview the week after my appointment and got the job. It was like being on cloud nine."

FINANCIAL REVIEW

RESULTS FOR THE YEAR

The financial performance for Smart Works Charity for the year ended 31 March 2022 was strong, despite some disruption from the Coronavirus pandemic at the beginning of the financial year.

Management have carried out an assessment and concluded that there are no material uncertainties to disclose. Consequently, the accounts have been prepared on a going concern basis.

Total income for the year was £2.8m which was an increase of 61% over the previous year. Of this, £163k represents the fair value of dressing stock donations (2021: £42k), making the total income less stock donations, £2.6m (2021: £1.7m) a 53% increase.

Our strategy to diversify our sources of income has remained a key focus. Grants and individual donations were £1.09m (2021: £867k), corporate giving income was £531k (2021: £334k) and fundraising events generated £1.02m (2021: £437k).

Approximately 28% of the total income was generated by the centres outside London, a decrease of 6% from last year reflecting a slower emergence from the Coronavirus pandemic.

Unrestricted income of £2.18m represents 78% of overall total income and allows us to embark on our investment initiatives to deliver the new three year strategic plan. Restricted income of £623k includes £163k of dressing stock.

Expenditure for the year increased by 28% to £1.8m and included a credit of £238k as a result of a write back of prior year rental provision for the West London Centre. Excluding the credit, total expenditure increased by 44% as offices opened again, post pandemic.

We very much appreciate the support of our West London landlord in finalising this long outstanding rental situation.

Costs have been analysed into two key categories in line with SORP disclosures: "Core service delivery" and "National delivery support and growth". Total costs for these categories were £1,216k (increase of 29%) and £275k (increase of 1%) respectively (2021: £945k and £273k).

Core Service Delivery expenditure increased mainly due to the reopening of our centres and delivering our service in-person after extensive periods of lockdowns and also due to the investment in staff to support our three year growth strategy to increase the number of women helped.

Staff costs remain the most significant expense at £1.096m (2021: £843k). The average number of employees increased from 27 to 40 which represents growth in London and across the regions and ensures that we are well positioned to help even more women as we emerge from the pandemic and support our growth strategy.

The total group surplus for the year was £1.03m (2021: £346k) resulting in total funds of £2.74m of which £245k is restricted and £2.5m is unrestricted funding (2021: £296k and £1.4m respectively).

The Board of Trustees has committed to a three year growth plan to increase the number of women we help to 10,000 women per year and has designated £549k of unrestricted funds in direct support of this. Following the statutory audit for the FY ended 31 March 2022, the Board intends to designate further funding in support of this plan subject to affordability criteria.

The generosity and ongoing commitment of our existing and new supporters has continued to drive our success and growth. We are fortunate that our income comes from a wide range of sources, and we are grateful to the many individuals and organisations who have stood by us throughout this year.

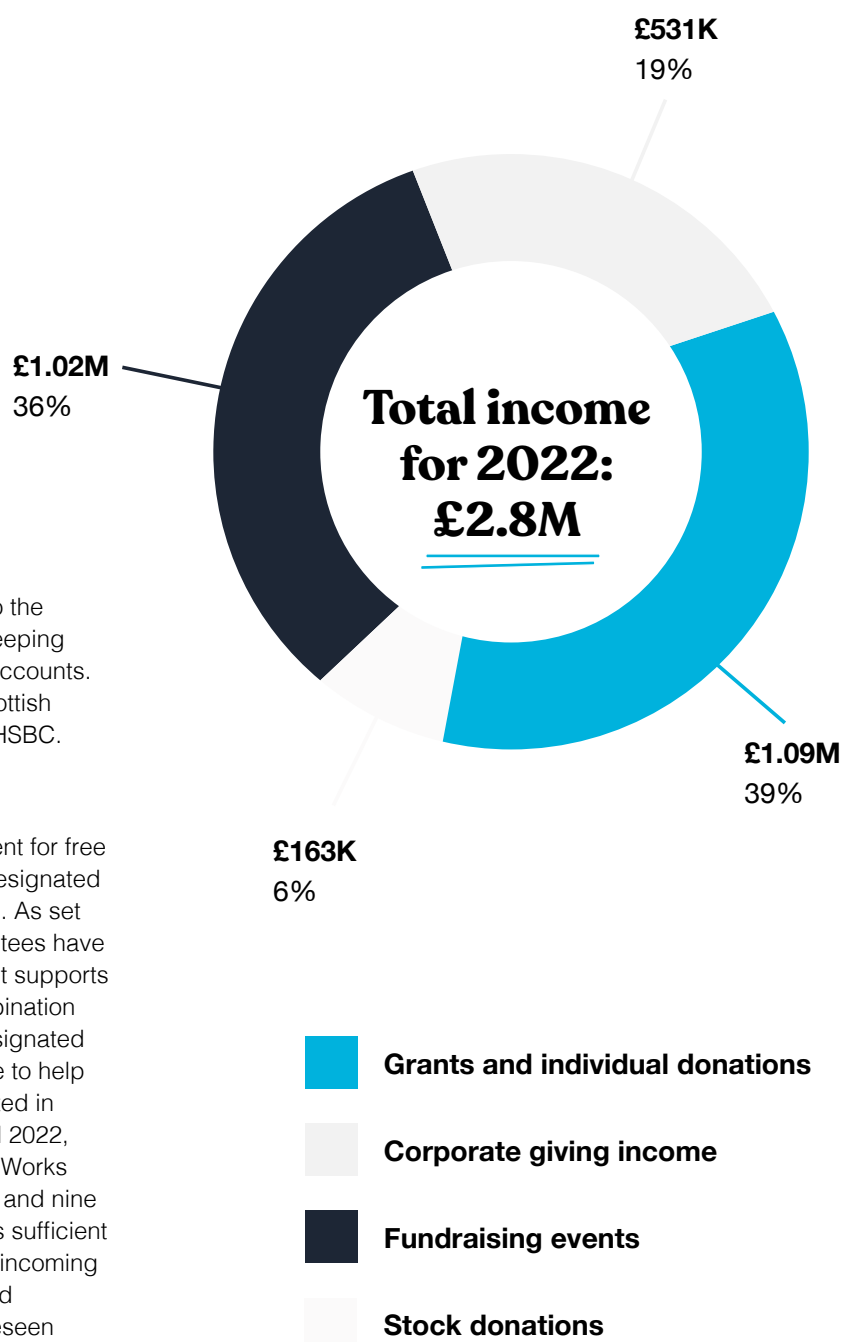
INVESTMENT POLICY

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

RESERVES POLICY

The trustees have considered the requirement for free reserves, i.e. those unrestricted funds not designated for specific purpose or otherwise committed. As set out in the 2020/2021 Annual Report, the trustees have reviewed the reserves policy to ensure that it supports the Charity's strategic goals through a combination of specific investment opportunities and designated funding initiatives to ensure that we continue to help as many women as possible. This has resulted in an updated reserves policy, effective 1 April 2022, whereby the level of free reserves for Smart Works Charity should be equivalent to between six and nine months of annual expenditure. This provides sufficient flexibility to cover any temporary shortfall of incoming resources and to allow the charity to respond immediately to a reasonable range of unforeseen adverse circumstances prior to specific remedial plans being implemented.

Free reserves of £1.8m represents approximately 7 months of forecast annual expenditure and is therefore comfortably in line with this policy.



PLANS FOR THE FUTURE

In January 2022, we announced a new Three Year Plan for Smart Works in response to the devastating consequences of the pandemic on female unemployment. The Three Year Plan is ambitious in scope and sets out the collective vision and strategy for the charity from April 2022 to March 2025. It is the result of many conversations and reflections across the Smart Works community in 2021. The key elements of the plan are:

EXPANSION

The need for the expansion of our service is clear. We are ambitious and our goal is to double the number of women helped from 5,000 a year to 10,000 a year by 2025.

DATA DRIVEN

We will open new centres in areas where there is clear need. The data indicates that the target cities should be Glasgow, South London, Liverpool and Sheffield. Existing centres in major urban hubs will aim to help 1,000 women each year by 2025.

NATIONAL BRAND

To support growth, we will establish a national brand that is better known and understood, especially by potential clients. As part of this, we will have a more distinct voice that demonstrates our understanding of female unemployment.

CLIENT-CENTRIC

The voices of the women Smart Works serves will inform decision-making and we will take proactive steps to ensure that Smart Works continues to be an organisation where everyone is welcome and can thrive.

HUB MODEL

We will take an evolutionary approach, continuing to be volunteer-powered and building on our hub model to fuel growth. Each centre outside London will continue to be run by a regional board, with a defined area of operation. A central team will be responsible for virtual service delivery beyond that area.

INVEST IN GROWTH

We will develop the Group function to support governance, growth and consolidation of centres, particularly in HR, finance and legal, to enable centres to focus on helping more women. We will also look at how to digitise aspects of our service.

KEY METRICS

Our key metrics will remain to be the number of women helped, our success rate and the cost of delivering our service.

FUNDING

The anticipated growth in expenditure will be met by maintaining a broadly equal split between our main income streams, building on the innovation, expertise and growth of previous years.

Above all, it remains our ultimate ambition that any women in need of our support should be able to find her way to a Smart Works centre, and this sits at the heart of our ambitions for the future.



STRUCTURE, GOVERNANCE AND MANAGEMENT

GOVERNANCE

Smart Works and its Trustees are bound by the Memorandum and Articles of Association. The names of the trustees who served on the Smart Works Charity Board during the year are set out in the reference and administrative information on page 42.

The relationship between Smart Works Charity and each local Smart Works is one of a parent and subsidiary. In legal terms, Smart Works Charity is the sole member of each English Smart Works centre and a majority member of Smart Works Edinburgh. This structure ensures that the governance, objectives and legal structure of each local Smart Works is aligned with those of Smart Works Charity. Financial statements from each local Smart Works charity are consolidated in this report. All Smart Works charities are also companies limited by guarantee.

Smart Works Trading is a wholly owned trading subsidiary of Smart Works Charity

RECRUITMENT & APPOINTMENT OF NEW TRUSTEES

Regular reviews are undertaken to assess the skills of the current trustees and identify any areas for strengthening. For Smart Works Charity, new trustees are appointed by the existing trustees and their appointment is approved by the members. For Smart Works centres outside of London, who are their own charity, new trustees are appointed by the existing centre trustees and their appointment is approved by Smart Works Charity.

INDUCTION & TRAINING OF NEW TRUSTEES

All trustees are provided with an induction to familiarise themselves with the charity and the not-for-profit sector. They are briefed on their responsibilities by the existing trustees, and they are also given a Smart Works Trustee Welcome Pack (reviewed annually), which sets out the legal responsibilities and the specifics of the Smart Works Group structure. New trustees are also referred to the Charity Commission guide 'The Essential Trustee'. Day to day operational responsibility for operating the charity is delegated to the CEO.

MANAGEMENT

The Chief Executive, Kate Stephens, runs the charity. As of 31 March 2022, the rest of the senior management team comprised of a Director of Service Delivery and Group Operations, a Director of Partnerships and a Head of Finance.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The trustees review and approve all policies and follow a three-year strategic plan set from 1 April 2019 to 31 March 2022. The trustees meet quarterly throughout the year and have an annual session to update and revise the strategy. The new strategic plan for 1 April 2022 to 31 March 2025 was launched in January 2022.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

There are two central activities within our ESG strategy:

1. Diversity and Inclusion: The Charity is committed to nurturing an inclusive culture where everyone is accepted, listened to and able to thrive. Our approach over the past twelve months has been considered and consultative, with the women we help at the centre of our decision making. In line with our Diversity & Inclusion Action Plan, in September we launched a Client Advisory Group consisting of ten former clients, to formally give our beneficiaries a voice in the direction of the charity. The Advisory Group are consulted on a number of central projects, meeting with the Chief Executive and senior staff members on a quarterly basis ahead of Board meetings. We also commissioned external consultants to conduct a series of DE&I training events for all staff, trustees and volunteers.

2. Environment: The Charity delivers significant environmental benefits as part of its primary purpose activities. All items in the wardrobe are donated from individuals or from retailers, and then carefully categorised so that they can be gifted to clients or (where appropriate) sold to raise funds. This provides an important circular and positive environmental impact by directly reducing potential landfill and waste. As an example, for the period of this report, the charity gave out over 25,000 donated pieces of clothes and accessories to clients. A full environmental impact report is planned for the future.

FUNDRAISING

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

PAY POLICY

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

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

The charity aspires to pay its staff around the median market pay level for comparable jobs in similar sized organisations and with similar operating models. Smart Works pays staff related to their particular skills, experience, qualifications, performance and contribution to the charity. Smart Works reviews salary levels annually, coming into effect on 1 April of each year.

RISK MANAGEMENT

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

1. A shortfall of income against costs. This is mitigated by a balanced approach to fundraising, seeking to secure

income from three main sources: grant funding, corporate income and our own activities.

2. Unsustainable growth and relationships between Smart Works centres. This is mitigated by setting a strategy of only opening a maximum of one Smart Works centre in a new city each year, ensuring a balanced income portfolio and, crucially, having dedicated strategies, plans and resources that build a strong Smart Works community. The charity also aims to achieve a balance between utilising reserves to help more women and ensuring financial stability.

3. Losing key staff and trustees. This is mitigated by a strong appraisal and development programme, alongside six months' notice for senior staff and trustees.

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

POLICIES

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

VOLUNTEERS

The trustees are grateful for the invaluable contribution of those who give their time voluntarily to deliver the dressing service and interview preparation for our clients. The number of active volunteers across the UK on 31 March 2022 was 454. Arguably, one of the greatest assets that Smart Works has is the significant role played by its dedicated volunteers.

PUBLIC BENEFIT

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

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

TRUSTEES' RESPONSIBILITIES STATEMENT

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

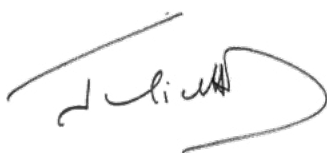
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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.

This report was approved by the Board on Thursday 27th October 2022 and signed on its behalf by:



Julietta Dexter
Chair



Ewa Kerin
Trustee

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

OPINION

We have audited the financial statements of Smart Works Charity (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise of the Consolidated statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern.

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 Smart Works Charity's ability to continue as a going concern for a period of at least 12 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 other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has [have] been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statement

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.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors/trustees and other management, and from our commercial knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including legislation such as the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates [set out in [Note 1]] were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

USE OF OUR REPORTS

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.



Katherine Wilkes FCA (Senior Statutory Auditor)
2 November 2022

For and on behalf of
Critchleys Audit LLP
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022 (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Income from:					
Donations:	2				
Donations and grants		1,163,755	459,938	1,623,693	1,201,411
Donations of dressing stock		-	162,626	162,626	41,562
		<u>1,163,755</u>	<u>622,564</u>	<u>1,786,319</u>	<u>1,242,973</u>
Other trading activities	3	1,016,449	-	1,016,449	437,043
Investments		2,166	-	2,166	1,338
Other income	4	-	-	-	63,434
Total Income		<u>2,182,370</u>	<u>622,564</u>	<u>2,804,934</u>	<u>1,744,788</u>
Expenditure on:					
Raising funds	6	(285,006)	(695)	(285,701)	(181,446)
Charitable activities	5	(1,025,184)	(466,324)	(1,491,508)	(1,217,533)
Total expenditure		<u>(1,310,190)</u>	<u>(467,019)</u>	<u>(1,777,209)</u>	<u>(1,398,979)</u>
Net Income		872,180	155,545	1,027,725	345,809
Transfers between funds		207,000	(207,000)	-	-
Net movement in funds		1,079,180	(51,455)	1,027,725	345,809
Reconciliation of funds					
Total funds brought forward		1,419,364	296,261	1,715,625	1,369,816
Total funds carried forward		<u>2,498,544</u>	<u>244,806</u>	<u>2,743,350</u>	<u>1,715,625</u>

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

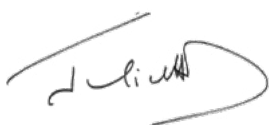
Smart Works Charity | Company No: 03870671

CONSOLIDATED CHARITY AND GROUP BALANCE SHEETS FOR THE YEAR ENDED 31 MARCH 2022

		2022		2021	
	Notes	Group	Charity	Group	Charity
Fixed assets					
Tangible assets	11	59,493	20,012	42,222	26,682
Investments	12	-	2	-	2
		<u>59,493</u>	<u>20,014</u>	<u>42,222</u>	<u>26,684</u>
Current assets					
Stock	13	154,085	48,871	144,828	44,225
Debtors	14	242,628	162,969	454,409	314,670
Cash at bank and in hand		2,457,012	1,762,744	1,741,353	1,243,763
		<u>2,853,725</u>	<u>1,974,584</u>	<u>2,340,590</u>	<u>1,602,658</u>
Creditors	15	(169,868)	(150,620)	(667,187)	(637,227)
Net current assets		2,683,857	1,823,964	1,673,403	965,431
Total net assets		<u>2,743,350</u>	<u>1,843,978</u>	<u>1,715,625</u>	<u>992,115</u>
Funds					
Designated funds	17	600,656	417,512	51,933	26,682
General funds		1,897,888	1,246,646	1,367,431	797,020
Total unrestricted funds		<u>2,498,544</u>	<u>1,664,158</u>	<u>1,419,364</u>	<u>823,702</u>
Restricted funds	16	244,806	179,820	296,261	168,413
Total funds		<u>2,743,350</u>	<u>1,843,978</u>	<u>1,715,625</u>	<u>992,115</u>

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

The accounts were approved by the Board of Trustees on 27 October 2022 and signed on their behalf by:



Julietta Dexter
Chair



Ewa Kerin
Trustee

The notes on pages 29 to 41 form part of these accounts

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

Group	2022 £	2021 £
Cash flows from operating activities:		
Surplus for the financial year	1,027,725	345,809
Adjustments for:		
Depreciation of tangible assets	13,651	7,465
Investment income	(2,166)	(1,339)
(Increase)/decrease in debtors	211,782	(344,103)
Increase/(decrease) in stock	(9,257)	20,685
Increase/(decrease) in creditors	(497,319)	117,737
Net cash generated from operating activities	<u>744,416</u>	<u>146,254</u>
Cash flows from investing activities		
Income from investments	2,166	1,339
Purchase of tangible assets	(30,923)	(5,625)
Net cash from investing activities	<u>(28,757)</u>	<u>(4,286)</u>
Net increase in cash and cash equivalents	715,659	141,968
Cash and cash equivalents at the beginning of the year	1,741,353	1,599,385
Cash equivalents at the end of the year	<u>2,457,012</u>	<u>1,741,353</u>
Cash and cash equivalents at the end of the year comprise:		
Cash at bank and in hand	<u>2,457,012</u>	<u>1,741,353</u>

NOTES TO THE FINANCIAL ACCOUNTS

1. ACCOUNTING POLICIES

a) Basis of preparation and consolidation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The Presentation currency used is British Pounds Sterling. The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

b) Income

Income is recognised where there is entitlement, where the receipt of income is probable and the amount can be measured with sufficient reliability. Grants and donations are recognised once entitlement and value have been confirmed in writing. Investment Income is included in the accounts when receivable. This is received in the form of interest income from standard bank accounts. Donated gifts in kind of stock for dressing clients are included at fair value and recognised as income when they are distributed to clients. Gifts donated for resale are included as income when they are sold.

c) Expenditure

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

on floorspace allocation. Support costs are allocated using an apportionment in proportion to staff time.

d) Tax reclaims on donations and gifts

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

e) Volunteers and donated services

The value of services provided by volunteers is not incorporated in these financial statements. The trustees consider it impractical to measure the value of volunteer help and consequently, as permitted by the SORP, their value is not recognised in the financial statements but is described in the trustees' annual report. Smart Works had an average of 454 volunteers during the year.

f) Taxation

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2022. Smart Works Trading Limited had a nil surplus after gift aid donation to the parent company giving rise to zero corporation tax.

g) Tangible fixed assets

Assets are capitalised if they can be used for more than one year and cost at least £1,000. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment 3 years straight line.

Office fixtures and fittings 5 years straight line.

h) Investments

Smart Works' investment in its subsidiaries is stated at cost.

i) Stocks

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

j) Significant accounting estimates

The trustees make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Significant estimates include depreciation, estimated on the assets estimated useful life, amounts to accrue for payments relating to the period and fair valuation of stock. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

k) Debtors

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

l) Creditors

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

m) Financial instruments

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

n) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for specific purposes. Designated funds are unrestricted funds which have been set up by the trustees to hold funds for specific purposes. The aim and use of each designated fund is set out in the notes to the accounts. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. The aim and use of each restricted fund is set out in the notes to the accounts.

o) Cash at bank in hand

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

p) Pension

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

q) Operating lease agreements

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

r) Going concern

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

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

2. DONATIONS

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
Grants and individual donations	632,504	459,938	1,092,442
Corporate donations	531,251	-	531,251
	<u>1,163,755</u>	<u>459,938</u>	<u>1,623,693</u>
Donations of dressing stock	-	162,626	162,626
	<u>1,163,755</u>	<u>622,564</u>	<u>1,786,319</u>

Prior year	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
Grants and individual donations	487,710	379,784	867,494
Corporate donations	333,917	-	333,917
	<u>821,627</u>	<u>379,784</u>	<u>1,201,411</u>
Donations of dressing stock	-	41,562	41,562
	<u>821,627</u>	<u>421,346</u>	<u>1,242,973</u>

Total income for the group includes £162,626 (2021: £41,562) of income which is received in the form of donations of clothing and accessories. The income represents a fair value estimate of these stock donations, the clothes are given to the beneficiaries of the charity.

3. OTHER TRADING ACTIVITIES

Current year	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
Fundraising events	1,016,449	-	1,016,449
	<u>1,016,449</u>	<u>-</u>	<u>1,016,449</u>

Prior year	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
Fundraising events	437,043	-	437,043
	<u>437,043</u>	<u>-</u>	<u>437,043</u>

4. OTHER INCOME

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Coronavirus Job Retention Scheme income	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,434</u>

5. CHARITABLE ACTIVITIES

Current year	Staff costs Costs £	Non staff Costs £	Support Costs £	2022 Total Funds £
Unrestricted funds:				
Core service delivery	373,552	149,527	239,832	762,911
National delivery support and growth	176,843	41,561	43,869	262,273
Total unrestricted	<u>550,395</u>	<u>191,088</u>	<u>283,701</u>	<u>1,025,184</u>
Restricted funds:				
Core service delivery	208,904	244,297	-	453,201
National delivery	13,123	-	-	13,123
Total restricted	<u>222,027</u>	<u>244,297</u>	<u>-</u>	<u>466,324</u>
	<u>772,422</u>	<u>435,385</u>	<u>283,701</u>	<u>1,491,508</u>

Prior year	Staff costs Costs £	Non staff Costs £	Support Costs £	2022 Total Funds £
Unrestricted funds:				
Core service delivery	215,918	207,361	148,238	571,517
National delivery support and growth	171,582	47,510	48,323	267,415
Total unrestricted	387,500	254,871	196,561	838,932
Restricted funds:				
Core service delivery	222,416	150,566	-	372,982
National delivery	5,619	-	-	5,619
Total restricted	228,035	150,566	-	378,601
	615,535	405,437	196,561	1,217,533

6. ACTIVITIES FOR RAISING FUNDS

Current year	Staff costs Costs £	Non staff Costs £	Support Costs £	2022 Total Funds £
Unrestricted funds:				
Events and other costs	124,029	118,810	42,167	285,006
Total unrestricted:	124,029	118,810	42,167	285,006
Restricted funds:				
Events and other costs	-	695	-	695
Total restricted:	-	695	-	695
	124,029	119,505	42,167	285,701

Prior year	Staff costs Costs £	Non staff Costs £	Support Costs £	2021 Total Funds £
Unrestricted funds:				
Events and other costs	115,150	25,058	40,861	181,069
Total unrestricted:	<u>115,150</u>	<u>25,058</u>	<u>40,861</u>	<u>181,069</u>
Restricted funds:				
Events and other costs	-	377	-	377
Total restricted:	<u>-</u>	<u>377</u>	<u>-</u>	<u>377</u>
	<u>115,150</u>	<u>25,435</u>	<u>40,861</u>	<u>181,446</u>

7. SUPPORT COSTS

	2022 Total Funds £	2021 Total Funds £
Support staff costs and related expenditure	221,390	148,997
Property and related costs	215,283	19,076
Office expenses	54,605	24,047
Legal, professional and accountancy	7,961	8,795
IT costs	48,221	20,744
Governance costs	16,208	15,764
Exceptional credit	(237,800)	
	<u>325,868</u>	<u>237,423</u>

Governance costs consist of audit and independent examination fees.
In the period there was an exceptional credit as a result of a write back of the rental provision amounting to £238k.

8. NET INCOME IS STATED AFTER CHARGING

	2022 £	2021 £
Depreciation of owned fixed assets	13,651	7,465
Operating lease payments	156,494	189,441
Auditor's remuneration	12,650	11,500
Independent Examiner's remuneration	3,300	3,553

9. STAFF COSTS

	2022 £	2021 £
Wages and salaries	998,468	768,449
Employer's National Insurance	68,693	55,624
Employer's pension contributions	28,520	18,915
	1,095,681	842,98
Numbers of employees with emoluments in the following bands		
£90,000-£99,999	1	1
£60,000-£69,000	2	2
The employer's pension contributions made in relation to the employee above was £2,201 (2021: £2,270)		
	40	27
Average number of employees during the year	36	28
Average number of full-time equivalent employees during the year		

The key management personnel comprised of: CEO, Director of Service Delivery and Group Operations, Director of Partnerships and Head of Finance.

The total amount of employee benefits (including employer pension and National Insurance contributions) received by the key management personnel for their services to the charity group was £268,660 (2021: £280,109).

10. TRUSTEE EXPENSES

No trustees received any remuneration from the charity in relation to the performance of their duties as trustees. No trustee expenses (2021: nil) were paid to trustees during the year.

11. TANGIBLE FIXED ASSETS

Furniture and fittings	Group £	Charity £
Cost		
Brought forward	69,029	48,123
Additions	30,923	-
Carried forward	99,952	48,123
Depreciation		
Brought forward	26,808	21,441
Charge for the year	13,651	6,670
Carried forward	40,459	28,111
Net book value		
As at 31 March 2022	59,493	20,012
As at 31 March 2021	42,222	26,682

12. INVESTMENTS

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

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

Current year	Smart Works Birmingham	Smart Works Edinburgh	Smart Works Leeds	Smart Works (Greater Manchester)	Smart Works Newcastle	Smart Works Reading	Smart Works Trading Limited	Total 31 March 2022
Gross income	79,967	159,412	128,025	196,047	132,556	165,596	210,892	1,072,495
Expenditure	(82,995)	(106,654)	(123,020)	(128,209)	(112,191)	(157,958)	(26,834)	(737,861)
Surplus/(Deficit) for year	(3,028)	52,758	5,005	67,838	20,365	7,638	184,058	334,634
Fixed assets	-	-	12,858	-	-	26,624	-	39,482
Current assets	90,585	122,816	96,544	216,050	174,773	173,161	63,121	937,050
Creditors	(7,060)	-	(19,382)	(6,691)	(2,083)	(4,111)	(39,334)	(78,661)
Net assets	83,525	122,816	90,020	209,359	172,690	195,674	23,787	897,871
Unrestricted funds	66,834	68,332	68,636	186,929	154,854	140,533	23,787	709,905
Restricted funds	16,691	54,484	21,384	22,430	17,836	55,141	-	187,966
Net funds	83,525	122,816	90,020	209,359	172,690	195,674	23,787	897,871

Prior year	Smart Works Birmingham	Smart Works Edinburgh	Smart Works Leeds	Smart Works (Greater Manchester)	Smart Works Newcastle	Smart Works Reading	Smart Works Trading Limited	Total 31 March 2020
Gross income	85,400	87,908	90,291	171,735	118,824	155,842	177,413	887,413
Expenditure	(60,136)	(80,599)	(48,540)	(88,072)	(64,933)	(93,242)	(24,713)	(460,235)
Surplus for year	25,264	7,309	41,751	83,663	53,891	62,600	152,700	427,178
Fixed assets	-	-	15,541	-	-	-	-	15,541
Current assets	88,234	70,058	74,842	150,197	153,304	188,914	60,404	785,953
Creditors	(1,681)	-	(5,368)	(8,676)	(979)	(878)	(60,402)	(77,984)
Net assets	86,553	70,058	85,015	141,521	152,325	188,036	2	723,510
Unrestricted funds	69,813	56,296	56,836	127,562	126,256	156,226	2	592,991
Restricted funds	16,740	13,762	28,179	13,959	26,069	31,810	-	130,519
Net funds	86,553	70,058	85,015	141,521	152,325	188,036	2	723,510

13. STOCK

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Dressing stock	<u>154,085</u>	<u>48,871</u>	<u>144,828</u>	<u>44,225</u>

As detailed in note 1, the group's donated stock for beneficiaries is valued at fair value of £40 per outfit and the stock held at 31 March 2022 was counted and valued.

14. DEBTORS

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Trade debtors	107,952	31,487	196,481	36,820
Accrued income	80,075	59,324	207,394	179,723
Other debtors	54,601	42,071	50,534	50,106
Amounts owed to group undertaking	-	30,087	-	48,021
	<u>242,628</u>	<u>162,969</u>	<u>454,409</u>	<u>314,670</u>

15. CREDITORS

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Trade creditors	16,017	16,019	12,040	11,988
Other taxation and social security	18,030	3,548	28,048	16,893
Other creditors	5,293	19	8,026	2,509
Accruals	40,355	54,861	531,829	518,592
Deferred income	90,173	76,173	87,244	87,244
	<u>169,868</u>	<u>150,620</u>	<u>667,187</u>	<u>637,226</u>

The accruals are predominantly a provision of £358k for property costs at the West London Centre for a period of several years. This has been resolved in the current period and the accrual has been reversed.

Deferred income comprises restricted grants received in advance:

Balance brought forward	87,244	87,244	147,466	147,466
Amounts utilised in the year	(87,244)	(87,244)	(147,466)	(147,466)
Current year income deferred	90,173	90,173	87,244	87,244
Balance carried forward	<u>90,173</u>	<u>90,173</u>	<u>87,244</u>	<u>87,244</u>

16. RESTRICTED FUNDS

Current year	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
Staff related expenditure	17,803	37,463	(52,630)	-	2,636
Develop and broaden Smart Work Reach	117,000	90,000	-	(207,000)	-
Dressing stock	144,885	162,626	(153,425)	-	154,086
Other smaller donations	16,573	332,475	(260,964)	-	88,084
	296,261	622,564	(467,019)	(207,000)	244,806

The transfer from restricted fund to unrestricted funds relates to payments made to Smart Works subsidiary regional centres as noted in the Related Party Transactions note 22.

Prior year	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
Staff related expenditure	16,348	285,489	(284,034)	-	17,803
Develop and broaden Smart Work Reach	125,000	112,000	-	(120,000)	117,000
Dressing stock	165,513	41,562	(62,190)	-	144,885
Other smaller donations	8,205	45,729	(32,754)	(4,607)	16,573
	315,066	484,780	(378,978)	(124,607)	296,261

17. DESIGNATED FUNDS - GROUP

Current year	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
Designated capital fund	51,933	-	-	548,723	600,656
	<u>51,933</u>	<u>-</u>	<u>-</u>	<u>548,723</u>	<u>600,656</u>
Prior year	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
Designated capital fund	44,062	-	-	7,871	51,933
	<u>44,062</u>	<u>-</u>	<u>-</u>	<u>7,871</u>	<u>51,933</u>

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

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP

Current year	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total Funds 2022 £
Tangible fixed assets	-	59,493	59,493
Current assets	244,806	2,608,919	2,853,725
Creditors due within one year	-	(169,868)	(169,868)
	<u>244,806</u>	<u>2,498,544</u>	<u>2,743,350</u>
Prior year	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total Funds 2021 £
Tangible fixed assets	-	42,222	42,222
Current assets	420,868	1,919,722	2,340,590
Creditors due within one year	-	(667,187)	(667,187)
	<u>420,868</u>	<u>1,294,757</u>	<u>1,715,625</u>

19. PENSION COMMITMENTS

The company and its subsidiaries operate separate defined contribution pension schemes. The assets of the schemes are held separately from those of each company in independently administered funds. The pension costs charge represents contributions payable by the companies to the funds and amounted to £15,276 (2021: £18,915). Contributions totalling £3,256 (2021: £3,086) were payable to the fund at the balance sheet date and are included in creditors.

20. OTHER FINANCIAL COMMITMENTS - GROUP

	Land and buildings	
	2022	2021
	£	£
At the year end the company had annual commitments under non-cancellable operating leases as set out below:		
Operating leases:		
within one year	232,144	174,850
within two to five years	479,122	333,754
	<u>711,266</u>	<u>508,604</u>

21. MEMBERS LIABILITIES

The company is limited by guarantee. Every member of the company undertakes to contribute to the assets of the company, in the event of the same being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the company contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up such amount as may be required not exceeding £1. At the balance sheet date there were 10 members (2021: 10 members).

22. RELATED PARTY TRANSACTIONS

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

	2022 £	2021 £
Smart Works Birmingham	19,925	20,000
Smart Works Edinburgh	14,012	20,000
Smart Works Leeds	17,101	20,000
Smart Works (Greater Manchester)	17,816	20,000
Smart Works Newcastle	16,609	20,000
Smart Works Reading	4,067	20,000
	<u>89,530</u>	<u>120,000</u>

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

Smart Works Birmingham	4,746	-
Smart Works Edinburgh	-	-
Smart Works Leeds	3,848	-
Smart Works (Greater Manchester)	5,785	-
Smart Works Newcastle	1,398	-
Smart Works Reading	12,710	-
Smart Works Trading Ltd	-	-
	<u>28,487</u>	<u>-</u>

Smart Works received a gift aid payment from Smart Works Trading subsidiary company totalling £160,023 in the year (2021: £208,459).

There were no other related party transactions in the year (2021: £nil).

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered name	Smart Works Charity
Charity registration number	1080609
Company registration number	03870671
Corporate status	The Company is limited by guarantee
Registered office	Unit 1, Canonbury Yard, 202-208 New North Road, London N1 7BJ
Telephone	020 7288 1770
Website	www.smartworks.org.uk
Current Trustees	Julietta Dexter (Chair, appointed 29 April 2021) Juliet Hughes-Hallett (resigned 29 April 2021) Ewa Kerin (Honorary Treasurer) Natalie Abou-Alwan Rachel Atkins (appointed 28 October 2021) Philippa Charles OBE Tiffanie Darke Fiona Holmes (resigned 27 January 2022) Amelia Mendoza (resigned 22 July 2021) Simongnette Scavazza (appointed 28 April 2022) Jane Shepherdson CBE Claire Spencer-Churchill
Company Secretary	Natalie Abou-Alwan
Patrons	The Duchess of Sussex Emma Barnett Betty Jackson CBE Jennifer Saunders Jane Shepherdson CBE
Honorary President	Lady Juliet Hughes-Hallett
Statutory Auditors	Critchleys Audit LLP
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent, ME19 4JQ



SMARTWORKS.ORG.UK

@SMARTWORKSCHARITY

CHARITY NUMBER: 1080609

Accounts

A photograph of two women smiling. The woman in the foreground has long brown hair and is wearing a dark blue dress with large white polka dots. The woman in the background has long dark hair, wears glasses, and a bright pink top. They are standing in front of a brick wall and a blue banner that has the words 'SMART WORKS' partially visible.

SMART
WORKS

**SMART
WORKS
CHARITY**

Annual Report 2020/2021



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WELCOME TO SMART WORKS

Smart Works is a UK charity that exists to give women the confidence they need to reach their full potential, secure employment and change the trajectory of their lives. Our mission is that any woman who needs our help is able to find her way to a Smart Works centre. We are aiming to help 5,000 women this year across the UK.

At the heart of Smart Works sits a dressing and coaching service:

01

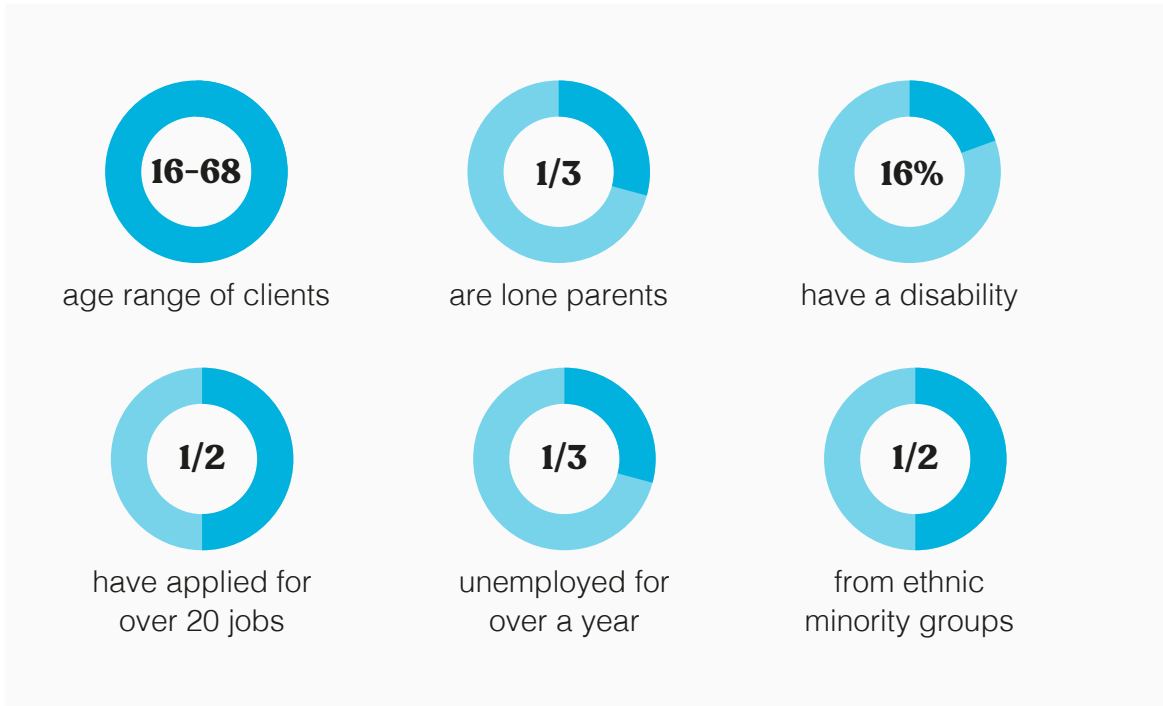
Each client has a personalised styling session and one-to-one interview preparation.

02

Once a client is successful at interview, they are welcomed back for a Second Dressing.

03

When our clients re-enter the workplace, they can join the Smart Works Network.



In 8 years, we've opened 8 centres, and helped 18,000 women

↓

62% of our clients go on to get the job within one month of their appointment

↓

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

01

North London

02

West London

03

Edinburgh

04

Manchester

05

Reading

06

Birmingham

07

Newcastle

08

Leeds

OUR RESPONSE TO THE COVID-19 PANDEMIC

Virtual service introduced. Accessible to every woman in need across the UK

New Career Coaching service launched. Helping women to identify tangible next steps in their journey to employment.

Over 400 skilled volunteers deliver our service, giving around 8,000 hours of their time

REFERRAL PARTNERS

Job Centres | Youth Charities | Domestic Abuse Charities | Refugee Charities | HM Prison Service | Care Leaver Charities | Homeless Charities | Addiction Charities

**Reach for the stars
Smart Works –
you are the best.**

Lady Juliet Hughes-Hallett

INTRODUCTION FROM OUR FOUNDER & HONORARY PRESIDENT

It gives me great pleasure to present the Smart Works Annual Report for the year ended 31 March 2021.

Smart Works came into being eight years ago. Our aim was to be accessible to any woman across the UK who needed our help to get them into employment. A two-hour session of dressing and interview coaching (delivered by our trained volunteers) would give them the confidence to transform their lives.

We temporarily closed our doors to clients in March 2020, with our clients, volunteers and staff facing uncertainty.

However, I can report with great pride that out of the closure of Smart Works centres UK wide, innovation was born in the form of virtual dressing and online coaching. Each client would receive a carefully curated outfit, neatly packed in a box, having had an online consultation with a dressing volunteer to decide what would be suitable. This client would also receive online interview advice from one of our professional career coaches and be given the confidence to succeed. Our staff and volunteers had a busy lockdown delivering hope and support to the women who needed our service as never before.

This innovation, taking place against a nationwide background of fear and uncertainty, gave women belief in their futures and enabled them to secure employment. Powered by passion, Smart Works went on delivering right through lockdown.

As I write, our centres are open for client appointments and life feels a bit more normal. To have survived and thrived through Covid has been possible only with the help of our generous funders, who have backed us to succeed. A huge thank you to everyone who has made this possible.

I am so proud of our wonderful charity, founded eight years ago by an inspirational, hardworking and imaginative board. During that time, over 18,000 women have been helped by Smart Works.

Now for the exciting news. The baton of Chair of Smart Works is going to Julietta Dexter. Julietta, as founder of The Communication Store and ScienceMagic.Inc, will take Smart Works to new and exciting levels and - always the bottom line - ensure that more women than ever get the job. I am proud to take on the new role of Honorary President, and excited to see what the future holds for our extraordinary charity.

Reach for the stars Smart Works – you are the best.



Lady Juliet Hughes-Hallett
Founder and Honorary President

The Trustees, who are also the directors of the charity for the purposes of the Companies Act, present their annual report together with the accounts of Smart Works for the year ended 31 March 2021. The accounts have been prepared in accordance with the accounting practice set out on page 29 and comply with the charity's governing document, applicable laws and the requirements of Statement of recommended Practice on 'Accounting and Reporting by Charities' issued in 2019.

OBJECTIVES & ACTIVITIES

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

The charity's objects are the relief of financial hardship and the relief of unemployment for the public benefit through the promotion of economic independence among women.

To deliver this, Smart Works was created in September 2013 to help some of the most vulnerable women in society with the clothes and the confidence they need to succeed at their job interview and start a new chapter of their life. Women are referred to our service from the Job Centre, the prison service, the care service and other charities supporting women back into employment. Each woman is gifted an outfit of clothing, chosen by her and hers to keep, followed by bespoke interview coaching. When she gets the job, she is welcomed back for our second dressing service to give her a capsule wardrobe to see her through to her first pay cheque and invited to join our Network.

In response to the challenges of lockdown, the main services of the charity moved virtual, and a new coaching programme was introduced, but the objectives of the charity remained unaltered: to reconnect a woman in need to her full potential at a crucial moment in her life.

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

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

ACHIEVEMENTS & PERFORMANCE

The past twelve months have been an extraordinary time of challenge, innovation and change for Smart Works and the community we serve.

Despite the challenges posed by the pandemic, the charity has:

- **Helped over 2,200 women** and delivered over 2,800 appointments.
- Successfully launched a virtual service, with **only 10% of appointments run in-person**.
- Achieved a success rate of **62% of women getting a job** within a month of their appointment.
- Introduced a new service, Career Coaching, and helped **745 women in their search for interviews**. Career Coaching was inspired by feedback from our referrers and clients in April 2020, who asked us to support women to help them secure an interview. It has been a successful and impactful addition to our work.

Overall, the numbers of women helped by the charity are in line with the revised plan put in place in April 2020 in response to the Coronavirus pandemic. The Smart Works service has remained available to any woman in need, despite the challenges and uncertainties of repeat lockdowns, and through our virtual service delivery we have found a way to expand our reach across the UK.

The Smart Works Covid response has been underpinned by an outstanding performance, driven from our new London headquarters. Over the year, 80% of dressing parcels were dispatched from London on behalf of our centres across the UK, and the response to the circumstances has fostered a strong bond between London, HQ and our regional centres. Each of our centres worked hard to keep the Smart Works service open to clients wherever possible, and to dispatch parcels and coaching whenever local restrictions allowed access to centres for staff and volunteers. Virtually, the strong sense of community across the charity was kept alive with online events for our volunteers, referral partners, staff, trustees and supporters at both a regional and a national level.





None of this would have been possible without the support of our funders. Trust and foundations continue to provide our corner stone funding, and we are grateful to the backing of the Garfield Weston Foundation, the Julia and Hans Rausing Trust, the Smallwood Trust, the National Lottery Coronavirus Community Support Fund, the National Lottery Community Fund Scotland, the Oak Foundation, the Segelman Trust, and Bank of America, amongst others. The certainty that this funding provides gives us the confidence to grow our service and help more women.

New, ambitious and innovative means of fundraising have been successfully developed, notably an online auction run in partnership with Stella magazine and Christie's, which helped raise funds when in-person events and sales were not possible. We also invested resource in our annual cycle challenge, Cycle for Smart Works, in March 2021 which brought in £258k across the Group, an extraordinary achievement against a difficult fundraising background. A vibrant calendar of virtual fundraising events has taken place across our centres, and we are grateful to our supporters for their continued engagement.

The Bobbi Brown partnership with Elizabeth Scarlett continued throughout the year, and the promotion has already raised the highest ever total for the charity. We are proud to be able to continue our Pretty Powerful partnership with the team at Bobbi Brown Cosmetics, and their long-term support for our charity has never been more important. We were also grateful to The Fold for donating 50% of proceeds from mask sales throughout the year.

Despite the challenges of the past year, the quality and quantity of clothing donations from supporters has been excellent. We are grateful to the retail partners, particularly John Lewis & Partners, Marks & Spencer, Hobbs and Burberry.

Our communication platforms continue to inspire hope, confidence and purpose for our community, and important investments have been made to reflect this in the development of a new website, which has since launched in June 2021.



We were proud to announce a new Ambassador, Alexandra Burke, to join our existing Patrons and Ambassadors, who help shine a light on the Smart Works service and allow us to reach more women. Over the last year, this has featured coaching, talks and messages to our clients including from The Duchess of Sussex, providing inspiration and hope during particularly difficult times.

At the beginning of 2021, the charity announced that our Founder Chair, Juliet Hughes-Hallett, would be stepping aside and taking on the role of Honorary President. Following an open recruitment process, Julietta Dexter, founder of The Communication Store and ScienceMagic.Inc was announced as our second Chair in April 2021. Julietta brings considerable business expertise combined with a passion for empowering women and will further develop and grow the charity at a time of vital need.



THE SMART WORKS SERVICE IN ACTION

Ellie came to Smart Works in 2020. After suffering from anxiety that led to burnout, she had left her job but was struggling to find something new that would meet her needs.

Finding herself getting interviews but not securing the roles, her support worker at the NHS suggested that she come to Smart Works. Since coming to Smart Works Ellie has gone on to be made permanent in her new role and recently interviewed for a promotion.



ELLIE'S STORY

I was in a role that was causing me intense anxiety. I would wake up every morning feeling sick with fear about what the day would hold. After a long time feeling like this it became too much and I decided to leave the role without another job to go to.

I began looking for a new job but then Covid broke out and everything changed.

To help with my anxiety and get some support in navigating things I was referred to the NHS. My support worker said I should come to Smart Works and that they would help me with interviews and make me feel confident and fabulous.

There were two moments that really stood out to me from my experience at Smart Works. The first was during my coaching. I had one particular coach who helped me understand that I need to look after my being as well as my doing for interview preparation. She encouraged me to not only prepare for the interview but to look after myself emotionally. I learnt to build in self-care as part of my interview preparation and it just made me view things completely differently.

The second moment that changed things for me was after I came back for my second dressing when I got the job. The lady dressing me picked out a beautiful blazer. I'd never felt so special, and I keep it hanging on the outside of my wardrobe at home to help remind me that I am worthy of good things.

Smart Works has helped shift my view on interviews, and how you intellectually and emotionally prepare yourself. The main thing it has changed though is my confidence.

I feel much more confident to put myself out there and go for things now which is something I wouldn't have done before. And even if it doesn't work out, I'm okay because I know I am good, I'm very employable and that's something I didn't believe before.

I feel accomplished now and I feel like I'm doing well. Smart Works gave me a safe space where I could come to that realisation.

FINANCIAL REVIEW

RESULTS FOR THE YEAR

The Coronavirus pandemic began to take significant hold across the UK at the start of the financial year, but despite this, the financial results were resilient. Smart Works centres across the UK temporarily closed their doors to clients in March 2020 but management responded exceptionally well and became even more innovative with their fundraising and more prudent in their cost management.

Smart Works appointed Critchleys Audit LLP as their auditors for this financial year and we are grateful for the time, diligence and advice that they have provided throughout the process.

Management have carried out an assessment and concluded that there are no material uncertainties to disclose. Consequently, the accounts have been prepared on a going concern basis.

Total income for the year was £1.74m which was a decrease of 6% over the previous year. Of this, £42k represents the fair value of dressing stock donations (2020: £198k), making the total income less stock donations, £1.7m (2020: £1.66k) a 2% increase.

This year more than ever before, we have had to diversify sources of income. Grants and individual donations were £867k (2020: £741k), corporate giving income was £334k (2020: £373k) and virtual fundraising events generated £437k (2020: £544k). Additionally, £63k of income came from the Coronavirus Job Retention Scheme across the Smart Works Group.

Approximately 34% of the total income was generated by the centres outside London, an increase of 6% from last year.

Unrestricted income of £1.26m represents 72% of overall total income. Restricted income of £485k includes £42k of dressing stock and £63k from the Coronavirus Job Retention Scheme.

Expenditure for the year decreased by 10% to £1.4m, reflecting the impact of the Coronavirus pandemic, specifically the temporary closure of our centres for the majority of the year resulted in lower-than-expected office and client service costs. We have very much appreciated the support of our landlords and other suppliers during this period.

Costs have been analysed into two key categories in line with SORP disclosures: "Core service delivery" and "National delivery support and growth". Total costs for these categories were £945k (reduction of 14% and £273k (growth of 8% respectively, (2020: £1.1m and £253k).

Core Service Delivery expenditure decreased as a result of not being able to access our centres and deliver our service in person. There was also a reduction in the quantity of stock donated during this period.

National Delivery support and growth expenditure increased as a result of the change in our delivery model to a virtual service. The London Headquarters facilitated the delivery of approximately 80% of dressing parcels on behalf of centres across the UK.

Staff costs remain the most significant expense at £843k (2020: £736k). The average number of employees increased from 23 to 27 which represents growth in London and across the regions and ensures that we are well positioned to help even more women as we emerge from the pandemic.

Total group surplus for the year was £346k (2020: £303k) giving restricted funds of £296k and unrestricted funds of £1.4m (2020: £315k and £1.05m respectively).

The generosity and ongoing commitment of our existing and new supporters has continued to drive our success and growth. We are fortunate that our

income comes from a wide range of sources, and we are grateful to the many individuals and organisations who have stood by us during this difficult period.

INVESTMENT POLICY

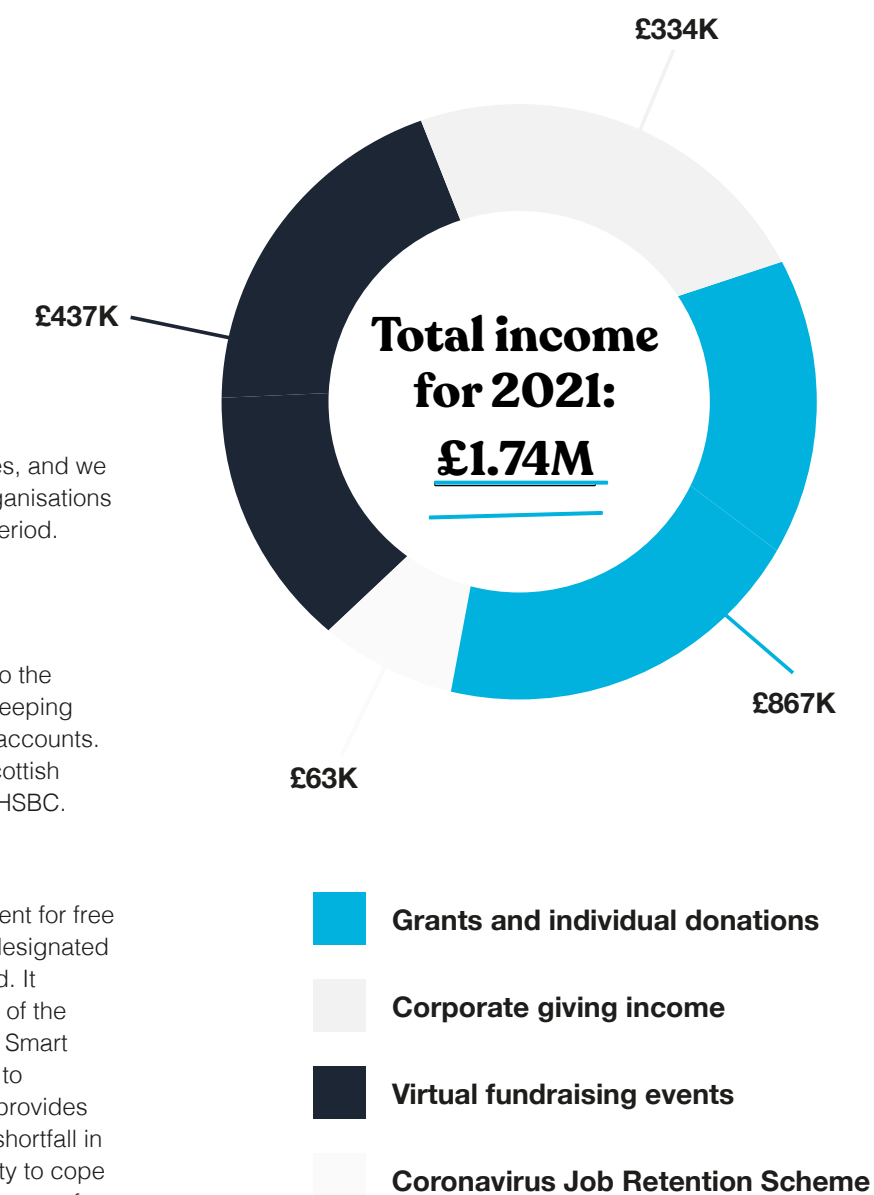
The trustees having regard to the liquidity requirements of operating the Charity and to the reserves policy have operated a policy of keeping available funds in interest-bearing deposit accounts. These are currently held with CAF Bank, Scottish Widows, Virgin, United Trust, Natwest and HSBC.

RESERVES POLICY

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

Free reserves of £1.3m represents approximately 11 months of forecast annual expenditure (excluding restricted fund expenditure) and is therefore comfortably in line with our policy.

The trustees are reviewing the policy for the next financial period to ensure that it supports the Charity's strategic goals which will be a combination of specific investments opportunities and designated funding initiatives to ensure that we continue to help as many women as possible. This will result in a deliberate reduction in free reserves and is a result of using funds as they were intended.



PLANS FOR THE FUTURE

When planning for the future, we are aware that our charity is likely to be more needed than ever before. We also want to see women back in our centres, where the Smart Works service is at its best. We have taken this as our central narrative and set ambitious targets for growth for our centres, particularly those in major urban conurbations. We are in a sustainable and robust financial position, and well placed to make the most of this potential. In total, we will aim to help around 5,000 women with our services this financial year, whilst improving our client success rate to 65%, taking us back to pre-COVID levels of service delivery.

To underpin this, we identified three key themes from 1 April 2021 onwards:

FOCUS ON OUR STRENGTHS

When safe to do so, we want to return to the in person delivery of our core service. This will always be at the heart of Smart Works, and inspires the passion and purpose throughout the charity. We will keep focused on our KPIs of helping more women and ensuring they succeed at interview, and we will support, learn and celebrate together across the Smart Works group.

COME BACK STRONGER

Smart Works is at crucial time in its growth and there will be a strong focus on codifying common operating procedures across the Group. It should also be a strong period of growth for our major centres. Finally there is a strong commitment to deliver the Diversity and Inclusion Action Plan to bring about meaningful, tangible change.

REMAIN A BEACON OF HOPE

Underpinning all of this, Smart Works will remain a beacon of hope for our clients, and our community. This will be brought to life across our channels, including a new website, and through the energy and engagement of our volunteer community, ensuring a client-centred approach to everything we do.

This financial year represents the final year of our Three Year Strategic Plan. Planning has already begun to inform our future strategy and new three-year plan, from April 2022 onwards. As the UK faces a medium to long-term trajectory of growing female unemployment, the charity's services are likely to be more needed than ever before, and it is our aim to build awareness nationwide for Smart Works, whilst keeping the simplicity and high-quality of the service delivery. We will seek to use technology to innovate and build strong foundations across our Group so that we can grow together, and ultimately, help more women than ever before reconnect to their potential and return to employment.

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



STRUCTURE, GOVERNANCE, MANAGEMENT

GOVERNANCE

Smart Works and its Trustees are bound by the Memorandum and Articles of Association. The names of the trustees who served during the year are set out in the reference and administrative information on page 42.

Each Smart Works centre outside of London is its own charity, operating under licence from Smart Works Charity. In addition, Smart Works Charity is the sole member of each English Smart Works centre and a majority member of Smart Works Edinburgh. All Smart Works Charities are also companies limited by guarantee. Financial statements from each Smart Works charity are consolidated in this report. Smart Works Trading is a wholly owned trading subsidiary of Smart Works Charity.

RECRUITMENT & APPOINTMENT OF NEW TRUSTEES

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

INDUCTION & TRAINING OF NEW TRUSTEES

New trustees are provided with an induction to familiarise themselves with the charity and the not-for-profit sector. They are briefed on their responsibilities by the existing trustees, and they are also given a Smart Works Trustee Welcome Pack (reviewed annually), which sets out the legal responsibilities and the specifics of the Smart Works Group structure. New trustees are also referred to the Charity Commission's guide 'The Essential Trustee'. Day to day operational responsibility for operating the charity is delegated to the CEO.

MANAGEMENT

The Chief Executive, Kate Stephens, runs the charity. As of 31 March 2021, the rest of the

senior management team comprised of a Director of Service Delivery and Group Operations, a Director of Partnerships and a Head of Finance.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

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

DIVERSITY AND INCLUSION

The Charity is committed to nurturing an inclusive culture where everyone is accepted, listened to and able to thrive. Our approach over the past twelve months has been considered and consultative, with the women we help at the centre of our decision making.

Following a diversity review in June 2020, a ten-point Diversity Action Plan was approved by the Board of Trustees. A highlight of the past year was successfully launching our first paid Diversity Internship scheme.

FUNDRAISING

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

PAY POLICY

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

As a small but fast growing and dynamic charity, Smart Works believes that its staff are key to delivering its objectives. To this end it believes that its pay policies should be fair, transparent, competitive and sustainable. Smart Works believes that it is important to reward its staff competitively and at the same time ensure that it remains prudent and can guarantee that salary

costs are sustainable both at the current time and in the future. The Chief Executive is responsible for proposing the remuneration and terms and conditions of employment for all staff of the charity which is then approved by the Board. The pay and terms and conditions of the Chief Executive is approved by the full Board of Trustees.

The charity aspires to pay its staff around the median market pay level for comparable jobs in similar sized charities in London. Smart Works pays staff related to their particular skills, experience, qualifications, performance and contribution to the charity, which is the typical approach to setting pay for small to medium sized charities. Smart Works reviews salary levels annually, coming into effect on 1 April of each year.

RISK MANAGEMENT

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

1. A shortfall of income against costs. This is mitigated by a balanced approach to fundraising, seeking to secure income from three main sources: grant funding, corporate income and our own activities.
2. Unsustainable growth and relationships between Smart Works centres. This is mitigated by setting a strategy of opening a maximum of one Smart Works centre a year, ensuring a balanced income portfolio and dedicated strategy, plans and resourcing to build a strong Smart Works community. The charity also aims to achieve a balance between utilising reserves to help more women; and ensuring financial stability.
3. Losing key staff and trustees. This is mitigated by a strong appraisal and development programme, alongside six months' notice for senior staff and trustees.

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

POLICIES

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

VOLUNTEERS

The trustees are grateful for the invaluable contribution of those who give their time voluntarily to deliver the dressing and interview preparation for our clients. The number of active volunteers across the UK on 31 March 2021 was over 400; we have a remarkably high retention rate. Arguably, one of the greatest assets Smart Works has is the enormous role played by its dedicated volunteers.

PUBLIC BENEFIT

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

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

TRUSTEES' RESPONSIBILITIES STATEMENT

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

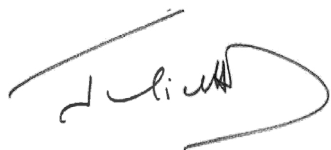
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material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

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

In so far as the trustees are aware:

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

This report was approved by the Board on Thursday 22 July and signed on its behalf by:



Julietta Dexter
Chair



Ewa Kerin
Trustee

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

OPINION

We have audited the financial statements of Smart Works Charity (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise of the Consolidated statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2021, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern.

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 Smart Works Charity's ability to continue as a going concern for a period of at least 12 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 other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and;
- the directors' report included within the trustees' report has [have] been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statement

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.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors/trustees and other management, and from our commercial knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including legislation such as the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates [set out in [Note 1]] were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council’s website at: www.frc.org.uk/auditors-responsibilities.

This description forms part of our auditor’s report.

USE OF OUR REPORT

This report is made solely to the charitable company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company’s members 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.

K Wilkes

Katherine Wilkes FCA (Senior Statutory Auditor)
09/08/21

For and on behalf of
Critchleys Audit LLP
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

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

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021 (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
Income from:					
Donations:	2				
Donations and grants		821,627	379,784	1,201,411	1,113,117
Donations of dressing stock		-	41,562	41,562	198,108
		<u>821,627</u>	<u>421,346</u>	<u>1,242,973</u>	<u>1,311,225</u>
Other trading activities	3	437,043	-	437,043	544,687
Investments		1,338	-	1,338	3,432
Other income	4	-	63,434	63,434	-
Total Income		<u>1,260,008</u>	<u>484,780</u>	<u>1,744,788</u>	<u>1,859,344</u>
Expenditure on:					
Raising funds	6	(181,069)	(377)	(181,446)	(207,371)
Charitable activities	5	(838,932)	(378,601)	(1,217,533)	(1,349,010)
Total expenditure		<u>(1,020,001)</u>	<u>(378,978)</u>	<u>(1,398,979)</u>	<u>(1,556,381)</u>
Net Income		240,007	105,802	345,809	302,963
Transfers between funds		124,607	(124,607)	-	-
Net movement in funds		364,614	(18,805)	345,809	302,963
Reconciliation of funds					
Total funds brought forward		1,054,750	315,066	1,369,816	1,066,853
Total funds carried forward		<u>1,419,364</u>	<u>296,261</u>	<u>1,715,625</u>	<u>1,369,816</u>

Total income for the group includes £41,562 (2020: £198,108) of income which is received in the form of donations of clothing and accessories. The income represents a fair value estimate of these stock donations, the clothes are given to the beneficiaries of the charity. There are no recognised gains and losses other than those in the statement of financial activities. Therefore no statement of total recognised gains and losses has been prepared. All the above amounts relate to continuing activities

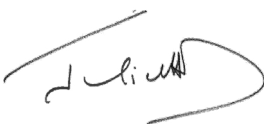
Smart Works Charity | Company No: 03870671

CONSOLIDATED CHARITY AND GROUP BALANCE SHEETS FOR THE YEAR ENDED 31 MARCH 2021

		2021		2020	
	Notes	Group	Charity	Group	Charity
Fixed assets					
Tangible assets	11	42,222	26,682	44,062	33,352
Investments	12	-	2	-	2
		<u>42,222</u>	<u>26,684</u>	<u>44,062</u>	<u>33,354</u>
Current assets					
Stock	13	144,828	44,225	165,513	64,410
Debtors	14	454,409	314,670	110,306	88,042
Cash at bank and in hand		1,741,353	1,243,763	1,599,385	1,222,123
		<u>2,340,590</u>	<u>1,602,658</u>	<u>1,875,204</u>	<u>1,374,575</u>
Creditors	15	(667,187)	(637,227)	(549,450)	(542,321)
Net current assets		1,673,403	965,431	1,325,754	832,254
Total net assets		<u><u>1,715,625</u></u>	<u><u>992,115</u></u>	<u><u>1,369,816</u></u>	<u><u>865,608</u></u>
Funds					
Designated funds	17	51,933	26,682	44,062	33,352
General funds		1,367,431	797,020	1,010,688	649,092
Total unrestricted funds		<u>1,419,364</u>	<u>823,702</u>	<u>1,054,750</u>	<u>682,444</u>
Restricted funds	16	296,261	168,413	315,066	183,163
Total funds		<u><u>1,715,625</u></u>	<u><u>992,115</u></u>	<u><u>1,369,816</u></u>	<u><u>865,607</u></u>

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

The accounts were approved by the Board of Trustees on 22 July 2021 and signed on their behalf by:



Julietta Dexter
Chair



Ewa Kerin
Trustee

The notes on pages 29 to 41 form part of these accounts

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

Group	2021 £	2020 £
Cash flows from operating activities:		
Surplus for the financial year	345,809	302,962
Adjustments for:		
Depreciation of tangible assets	7,465	1,699
Investment income	(1,339)	(3,432)
(Increase)/decrease in debtors	(344,103)	39,796
Increase/(decrease) in stock	20,685	(2,224)
Increase/(decrease) in creditors	117,737	(14,862)
Net cash generated from operating activities	<u>146,254</u>	<u>323,939</u>
Cash flows from investing activities		
Income from investments	1,339	3,432
Purchase of tangible assets	(5,625)	
Net cash from investing activities	<u>(4,286)</u>	<u>3,432</u>
Net increase in cash and cash equivalents	141,968	282,206
Cash and cash equivalents at the beginning of the year	1,599,385	1,317,179
Cash equivalents at the end of the year	<u>1,741,353</u>	<u>1,599,385</u>
Cash and cash equivalents at the end of the year comprise:		
Cash at bank and in hand	<u>1,741,353</u>	<u>1,599,385</u>

NOTES TO THE FINANCIAL ACCOUNTS

1. ACCOUNTING POLICIES

a) Basis of preparation and consolidation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The Presentation currency used is British Pounds Sterling. The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

b) Income

Income is recognised where there is entitlement, where the receipt of income is probable and the amount can be measured with sufficient reliability. Grants and donations are recognised once entitlement and value have been confirmed in writing. Investment Income is included in the accounts when receivable. This is received in the form of interest income from standard bank accounts. Donated gifts in kind of stock for dressing clients are included at fair value and recognised as income when they are distributed to clients. Gifts donated for resale are included as income when they are sold.

c) Expenditure

Expenditure is included in the statement of financial activities on an accruals basis and includes attributable VAT which cannot be recovered. All expenditure is allocated to the particular activity where the cost relates directly to that activity. Premises costs are allocated to charitable activities, fundraising and support costs based on floorspace allocation. Support costs are allocated using an apportionment in proportion to staff time.

d) Tax reclaims on donations and gifts

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

e) Volunteers and donated services

The value of services provided by volunteers is not incorporated in these financial statements. The trustees consider it impractical to measure the value of volunteer help and consequently, as permitted by the SORP, their value is not recognised in the financial statements but is described in the trustees' annual report. Smart Works had an average of 346 volunteers during the year

f) Taxation

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

g) Tangible fixed assets

Assets are capitalised if they can be used for more than one year and cost at least £1,000. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment 3 years

Office fixtures and fittings 5 years

h) Investments

Smart Works investment in its subsidiaries is stated at cost.

i) Stocks

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

j) Significant accounting estimates

The trustees make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

k) Debtors

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

l) Creditors

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

m) Financial instruments

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

n) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for specific purposes. Designated funds are unrestricted funds which have been set up by the trustees to hold funds for specific purposes. The aim and use of each designated fund is set out in the notes to the accounts. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. The aim and use of each restricted fund is set out in the notes to the accounts.

o) Cash at bank in hand

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

p) Pension

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

q) Operating lease agreements

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

r) Going concern and Covid-19

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. Following the World Health Organisation's declaration of COVID-19 as an international pandemic in March 2020 and the subsequent restrictions imposed by the UK government, Smart Works has been affected in a number of ways and the following measures have been taken to date:

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

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

2. DONATIONS

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
Grants and individual donations	487,710	379,784	867,494
Corporate donations	333,917	-	333,917
	<u>821,627</u>	<u>379,784</u>	<u>1,201,411</u>
Donations of dressing stock	-	41,562	41,562
	<u>821,627</u>	<u>421,346</u>	<u>1,242,973</u>
Prior year			
	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £
Grants and individual donations	496,797	243,760	740,557
Corporate donations	372,560	-	372,560
	<u>869,357</u>	<u>243,760</u>	<u>1,113,117</u>
Donations of dressing stock	-	198,108	198,108
	<u>869,357</u>	<u>441,868</u>	<u>1,311,225</u>

3. OTHER TRADING ACTIVITIES

Current year	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
Fundraising events	437,043	-	437,043
	<u>437,043</u>	<u>-</u>	<u>437,043</u>

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

4. OTHER INCOME

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Coronavirus Job Retention Scheme income	-	63,434	63,434	-

5. CHARITABLE ACTIVITIES

Current year	Staff costs Costs £	Non staff Costs £	Support Costs £	2021 Total Funds £
Unrestricted funds:				
Core service delivery	215,918	207,361	148,238	571,517
National delivery support and growth	171,582	47,510	48,323	267,415
Total unrestricted	<u>387,500</u>	<u>254,871</u>	<u>196,561</u>	<u>838,932</u>
Restricted funds:				
Core service delivery	222,416	150,566	-	372,982
National delivery support and growth	5,619	-	-	5,619
Total restricted	<u>228,035</u>	<u>150,566</u>	<u>-</u>	<u>378,601</u>
	<u>615,535</u>	<u>405,437</u>	<u>196,561</u>	<u>1,217,533</u>

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

6. ACTIVITIES FOR RAISING FUNDS

Current year	Staff costs	Non staff	Support	2021
	Costs	Costs	Costs	Total Funds
	£	£	£	£
Unrestricted funds:				
Events and other costs	115,150	25,058	40,861	181,069
Total unrestricted:	115,150	25,058	40,861	181,069
Restricted funds:				
Events and other costs	-	377	-	377
Total restricted:	-	377	-	377
	115,150	25,435	40,861	181,446

Prior year	Staff costs	Non staff	Support	2020
	Costs	Costs	Costs	Total Funds
	£	£	£	£
Unrestricted funds:				
Events and other costs	67,048	108,903	31,420	207,371
Total unrestricted:	67,048	108,903	31,420	207,371
Restricted funds:				
Events and other costs	-	0	-	0
Total restricted:	-	0	-	0
	67,048	108,903	31,420	207,371

7. SUPPORT COSTS

	2021	2020
	Total Funds	Total Funds
	£	£
Staff costs and related expenditure	148,997	146,141
Property and related costs	19,076	54,657
Office expenses	24,047	47,002
Legal, professional and accountancy	8,795	10,637
IT costs	20,744	30,555
Governance costs	15,764	10,880
Governance costs consist of independent audit and examination fees	237,423	299,872

8. NET INCOME IS STATED AFTER CHARGING

	2021	2020
	£	£
Depreciation of owned fixed assets	7,465	83
Operating lease payments	189,441	188,418
Auditor's remuneration	11,500	7,190
Independent Examiner's remuneration	3,553	2,095

9. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	768,449	675,058
Employer’s National Insurance	55,624	47,496
Employer’s pension contributions	18,915	13,787
	842,988	736,341
Numbers of employees with emoluments in the following bands		
£80,000-£89,999	1	1
The employer’s pension contributions made in relation to the employee above was £2,270 (2020: £2,193)		
Average number of employees during the year	27	23
Average number of full time equivalent employees during the year	28	17

The key management personnel comprised of: CEO, Director of Service Delivery and Innovation, Director of Partnerships and Head of Finance. The total amount of employee benefits (including employer pension and National Insurance contributions) received by the key management personnel for their services to the charity group was £280,109 (2020: £247,961).

10. TRUSTEE EXPENSES

No trustees received any remuneration from the charity in relation to the performance of their duties as trustees. No trustee expenses (2020: nil) were paid to trustees during the year.

11. TANGIBLE FIXED ASSETS

Furniture and fittings	Group	Charity
	£	£
Cost		
Brought forward	63,404	48,123
Additions	5,625	-
	69,029	48,123
Depreciation		
Brought forward	19,343	14,771
Charge for the year	7,465	6,670
	26,808	21,441
Net book value		
As at 31 March 2021	42,222	26,682
As at 31 March 2020	44,062	33,352

12. INVESTMENTS

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

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

Current year	Smart Works Birmingham	Smart Works Edinburgh	Smart Works Leeds	Smart Works (Greater Manchester)	Smart Works Newcastle	Smart Works Reading	Smart Works Trading Limited	Total 31 March 2021
Gross income	85,400	87,908	90,291	171,735	118,824	155,842	177,413	887,413
Expenditure	(60,136)	(80,599)	(48,540)	(88,072)	(64,933)	(93,242)	(24,713)	(460,235)
Surplus for year	25,264	7,309	41,751	83,663	53,891	62,600	152,700	427,178
Fixed assets	-	-	15,541	-	-	-	-	15,541
Current assets	88,234	70,058	74,842	150,197	153,304	188,914	60,404	785,953
Creditors	(1,681)	-	(5,368)	(8,676)	(979)	(878)	(60,402)	(77,984)
Net assets	86,553	70,058	85,015	141,521	152,325	188,036	2	723,510
Unrestricted funds	69,813	56,296	56,836	127,562	126,256	156,226	2	592,991
Restricted funds	16,740	13,762	28,179	13,959	26,069	31,810	-	130,519
Net funds	86,553	70,058	85,015	141,521	152,325	188,036	2	723,510
Prior year	Smart Works Birmingham	Smart Works Edinburgh	Smart Works Leeds	Smart Works (Greater Manchester)	Smart Works Newcastle	Smart Works Reading	Smart Works Trading Limited	Total 31 March 2020
Gross income	99,401	92,340	79,932	106,996	127,102	174,153	74,454	754,378
Expenditure	(93,242)	(96,881)	(36,669)	(92,026)	(73,920)	(122,916)	(18,695)	(534,349)
Surplus/(deficit) for year	6,159	(4,541)	43,263	14,970	53,182	51,237	55,759	220,029
Fixed assets	256	-	10,454	-	-	-	-	10,710
Current assets	63,327	62,311	32,862	59,498	99,928	127,084	55,761	500,771
Creditors	(2,294)	-	(53)	(1,640)	(1,494)	(1,648)	-	(7,129)
Net assets	61,289	62,311	43,263	57,858	98,434	125,436	55,761	504,352
Unrestricted funds	41,289	48,987	16,906	44,181	68,976	103,221	55,761	379,321
Restricted funds	20,000	13,324	26,358	13,677	29,458	22,215	-	125,032
Net funds	61,289	62,311	43,263	57,858	98,434	125,436	55,761	504,352

13. STOCK

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Dressing stock	<u>144,828</u>	<u>44,225</u>	<u>165,513</u>	<u>64,410</u>

As detailed in note 1, the group's donated stock for beneficiaries is valued at fair value and the stock held at 31 March 2021 was counted and valued.

14. DEBTORS

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Trade debtors	196,481	36,820	29,804	17,027
Accrued income	207,394	179,723	22,054	22,052
Other debtors	50,534	50,106	58,448	48,963
Amounts owed to group undertaking	-	48,021	-	-
	<u>454,409</u>	<u>314,670</u>	<u>110,306</u>	<u>88,042</u>

15. CREDITORS

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Trade creditors	12,040	11,988	17,757	14,469
Other taxation and social security	28,048	16,893	18,502	17,882
Other creditors	8,026	2,509	2,429	2,429
Accruals	531,829	518,592	363,296	360,076
Deferred income	87,244	87,244	147,466	147,465
Amount due to group undertakings	-	-	-	-
	<u>667,187</u>	<u>637,226</u>	<u>549,450</u>	<u>542,321</u>

The accruals are predominantly a provision of £358k for property costs at the West London Centre for a period of several years. Discussions with the landlord are nearing completion.

Deferred income compromises restricted grants received in advance:

Balance bought forward	147,466	147,466	224,420	206,452
Amounts utilised in the year	(147,466)	(147,466)	(112,420)	(89,452)
Current year income deferred	87,244	87,244	35,466	30,466
	<u>87,244</u>	<u>87,244</u>	<u>147,466</u>	<u>147,466</u>

16. RESTRICTED FUNDS

Current year	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
Staff related expenditure	16,348	285,489	(284,034)	-	17,803
Develop and broaden Smart Work Reach	125,000	112,000	-	(120,000)	117,000
Dressing stock	165,513	41,562	(62,190)	-	144,885
Other	8,205	45,729	(32,754)	(4,607)	16,573
	<u>315,066</u>	<u>484,780</u>	<u>(378,978)</u>	<u>(124,607)</u>	<u>296,261</u>

The transfer from restricted fund to unrestricted funds relates to payments made to Smart Works subsidiary regional centres as noted in the Related Party Transactions note 22.

Prior year	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2020 £
Staff related expenditure	4,113	67,880	(55,645)	-	16,348
Develop and broaden Smart Work Reach	-	125,000	-	-	125,000
Dressing stock	163,291	198,108	(195,886)	-	165,513
Other	15,804	50,890	(58,489)	-	8,205
	<u>183,208</u>	<u>441,878</u>	<u>(310,020)</u>	<u>-</u>	<u>315,066</u>

17. DESIGNATED FUNDS - GROUP

Current year	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
Designated capital fund	44,062	-	-	7,871	51,933
	<u>44,062</u>	<u>-</u>	<u>-</u>	<u>7,871</u>	<u>51,933</u>

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

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

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP

Current year	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total Funds 2021 £
Tangible fixed assets	-	42,222	42,222
Current assets	420,868	1,919,722	2,340,590
Creditors due within one year	-	(667,187)	(667,187)
	<u>420,868</u>	<u>1,294,757</u>	<u>1,715,625</u>

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

19. PENSION COMMITMENTS

The company and its subsidiaries operate separate defined contributions pension schemes. The assets of the schemes are held separately from those of each company in independently administered funds. The pension costs charge represents contributions payable by the companies to the funds and amounted to £18,915 (2020: £13,787). Contributions totalling £3,086 (2020: £2,428) were payable to the fund at the balance sheet date and are included in creditors.

20. OTHER FINANCIAL COMMITMENTS - GROUP

	Land and buildings	
	2021 £	2020 £
At the year end the company had annual commitments under non-cancellable operating leases as set out below:		
Operating leases:		
within one year	174,850	111,725
within two to five years	333,754	73,204
	<u>508,604</u>	<u>184,929</u>

21. MEMBERS LIABILITIES

The company is limited by guarantee. Every member of the company undertakes to contribute to the assets of the company, in the event of the same being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the company contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up such amount as may be required not exceeding £1. At the balance sheet date there were 10 members (2020: 10 members).

22. RELATED PARTY TRANSACTIONS

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

	2021 £	2020 £
Smart Works Birmingham	20,000	25,656
Smart Works Edinburgh	20,000	20,006
Smart Works Leeds	20,000	34,267
Smart Works (Greater Manchester)	20,000	20,000
Smart Works Newcastle	20,000	20,000
Smart Works Reading	20,000	22,605
	<u>120,000</u>	<u>142,534</u>

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

Smart Works Birmingham	-	-
Smart Works Edinburgh	-	-
Smart Works Leeds	-	706
Smart Works (Greater Manchester)	-	125
Smart Works Newcastle	-	-
Smart Works Reading	-	-
Smart Works Trading Ltd	-	-
	<u>-</u>	<u>831</u>

Smart Works received a gift aid payment from Smart Works Trading subsidiary company totalling £208,459 in the year (2020: £nil).

There were no other related party transactions in the year (2020: £nil).

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered name	Smart Works Charity
Charity registration number	1080609
Company registration number	03870671
Corporate status	The Company is limited by guarantee
Registered office	Unit 1, Canonbury Yard, 202-208 New North Road, London N1 7BJ
Telephone	020 7288 1770
Website	www.smartworks.org.uk
Current Trustees	Juliet Hughes-Hallett (Chair, resigned 29 April 2021) Julietta Dexter (Chair, appointed 29 April 2021) Ewa Kerin (Honorary Treasurer) Natalie Abou-Alwan (appointed 2 June 2020) Philippa Charles Tiffanie Darke Margaret Darling (resigned 30 January 2021) Fiona Holmes Amelia Mendoza Claire Spencer-Churchill Jane Shepherdson
Company Secretary	Kate Stephens (resigned 2 June 2020) Natalie Abou-Alwan (appointed 2 June 2020)
Patrons	The Duchess of Sussex Emma Barnett Betty Jackson CBE Jennifer Saunders Jane Shepherdson CBE
Honorary President	Lady Juliet Hughes-Hallett
Statutory Auditors	Critchleys Audit LLP
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Mailing Kent, ME19 4JQ



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CHARITY NUMBER: 1080609