



Charity number: 1135143
Company number: 6593956

TEMPO TIME CREDITS LIMITED

(A Company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2021



ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

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Legal and administrative information for the year ended 31 March 2021

Charity reg. no.	1135143	
Company reg. no.	6593956	
Registered office	Unit 2, First Floor, Cowbridge Court, 58-62 Cowbridge Road West, Ely, Cardiff, CF5 5BS	
Trustees	Anna Lewis (Chair to 27 th January 2021) Thomas Ebbutt Neal Hounsell Adam Stanley Stuart Mullin Marc Giraudon Ron Jarman (Chair from 27 th January 2021) John Puzey Kieran Jones Siddhi Trivedi Andrew Fox David Royce	Appointed 27/01/2021 Appointed 27/01/2021 Appointed 27/01/2021 Appointed 27/01/2021 Resigned 22/02/2021 Resigned 18/03/2021
Company secretary	Ian Merrill Mark Froud	Resigned 10/06/2020 Appointed 10/06/2020
Chief Executive Officer	Ian Merrill Mark Froud	Resigned 10/06/2020 Appointed 10/06/2020
Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG	
Bankers	Unity Trust Bank 4 Brindley Place Birmingham B1 2JB HSBC 156/157 Tottenham Court Road London W1T 7AY	



Trustees' Report

The Trustees present their annual report, together with the financial statements of the charity, for the year ending 31 March 2021.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and the statement of recommended practice (SORP 2019) and is also the directors' report for the purpose of company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 17 to 19 therein and comply with the Charitable Company's Memorandum and Articles of Association, applicable laws and the requirements of the Statement of Recommended Practice (SORP 2019) on 'Accounting and Reporting by Charities'.

The Time Credits Model

Tempo provides a range of services that engender more resilient communities. We help community development and voluntary organisations build capability and capacity through earning and using Tempo Time Credits. These organisations are often part of local networks paid for by local service commissioners (Local Authorities, Health Boards and CCGs) and charities. They recruit and manage volunteers to sustain their community. Volunteers receive Time Credits. Tempo develops recognition partnerships with the public, private and voluntary sectors, where people can 'redeem' Time Credits to access events, training and leisure activities. A Time Credit is issued for an hour given and can be redeemed for an hour of activity.



Objectives and activities

Tempo Time Credits galvanises communities to drive positive change for themselves and be more resilient through more individuals and more diverse groups of people volunteering. Our impact is through self-sustaining communities created by resilient people.

Our Vision is of a world in which our services enable diverse individuals and groups to build and sustain their own communities.

Our Mission is that we provide a set of products and services to forward-thinking organisations to build and sustain their communities through maximising the contribution volunteers make.



We do this by providing a range of services:

- Annual diagnostic/review and asset mapping which provides community development organisations with a picture of their capabilities, capacity, and ambitions and an enrichment plan.
- Community development capability and capacity building services which increase organisational resilience, capability and capacity and is a route to new and a more diverse volunteer base with higher volunteer retention.
- Training and development which delivers accredited and skilled volunteers and proficient voluntary organisations (often delivered by local partners).
- A Digital Platform that provides a Volunteer Management System containing basic volunteer information and which can be upgraded.
- Digital Time Credits that Record, Recognise, Reward, and improve volunteer retention.
- Intelligence driven by data to facilitate better decision-making, allowing commissioners and community development organisations to measure change and impact.

With this range of services, we can flex our support over time, dependent on the need expressed by local community development organisations. As the communities we work with become more resilient, we help support ongoing change and the new people who come into the organisation through each of our services, delivered in a flexible way to meet changing needs. Our formal charitable objects are specifically restricted to:

- To advance education of society in the benefits of community engagement, volunteering and the opportunities that Time Credits provide to derive those benefits, including but not limited to the development of skills and participation in society.
- To develop the capability and capacity of community development through bringing together local, regional and national organisations, in order to deliver sustainable solutions that benefit their local communities. This partnership development will be targeted at those in society least able to take advantage of economic and social change.
- To improve the diversity and quantity of volunteering at both a local and national level, by promoting and managing Time Credits and associated digital solutions.
- To promote unpaid work and increase awareness of how voluntary work enriches society and community living, further enabled by the provision of Time Credits.
- To provide research and consultancy to support delivery of our charitable activities and objects.

Our next 5 years

We want to achieve some ambitious goals driven by our exciting Vision and Mission. In concrete terms we want to:

1. Ensure that Tempo is recognised as a core part of the UK's voluntary landscape by Governments (and their agencies) with Digital Time Credits heard of by 30% of voluntary organisations (50,000), by 2025.
2. Deploy a focused set of community development services that build and sustain partnerships and begin to measure the long-term impact of these partnerships from 2021.
3. Build a Digital Time Credit platform used by over 10% (17,000 by 2025) of UK voluntary organisations so that it enables an increase in the volume and diversity of those volunteering.
4. Build a high-quality reward network of national and local organisations with national organisations wanting to be part of our reward network so that 70% of issued Digital Time Credits are redeemed every year.
5. Be thought leaders for services and products to the volunteering sector.

This journey which began in 2019/2020 year, continued this year.

Investing in the Future

During 2020/2021, the Trustees considered a number of options. We decided to invest some of our reserves to realign our operations to fit the needs of our commissioners more closely and to launch our digital platform.

Our digital investment enabled us to move to digital delivery of Time Credits from January 2021. This was critical given the impact of Covid-19. A Digital Time Credits offer was demanded by commissioners, volunteers, earn and recognition partners. The development of the platform was led by user needs. It includes a way for people who do not have online access to use Digital Time Credits, thus avoiding digital exclusion. The platform will vastly improve our data and understanding of impact, improve experiences for people using Time Credits and enable Tempo to achieve efficiencies and support sustainability. The platform is bilingual, with a Welsh language version.

The changes we made to the organisation, to focus more clearly on the impact we have on voluntary sector organisations and their volunteers, meant that we were able to make a small surplus during the financial year. We have come out of this year a stronger, more focused, and resilient Charity.

These changes meant that we were able to rapidly flex our delivery and resources to support the communities we work with. We will continue to develop both the capability and capacity building services we offer and the digital Tempo Time Credit platform. We expect to break even in 2021/2022.



Impact of Covid-19

The Trustees assessed whether the use of the going concern basis is appropriate and considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The Trustees made this assessment for both a 12-month and 24-month period from April 2021 with regard to a prudent five-year financial forecast. In consideration of the Covid-19 pandemic, the Trustees have also performed scenario planning, regular forecasting and cash flow projections and thorough risk assessments. The risks identified have been mitigated by reducing costs and taking advantage of governments' initiatives. After making enquiries, the Trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

The challenges presented by Covid-19 have a dual aspect. They presented many problems but given the heightened publicity that the contribution volunteering makes to our society, it released a large number of latent volunteers. This is something UK society can capitalise upon, and Tempo's plan involves working with the community development and voluntary sector to realise this latent volunteering.

The most significant implication for Tempo and the communities with whom we work was the lockdown in societal activity and particularly in our recognition partners closing for a substantial part of 2020 and 2021.

To that end, we adopted a more flexible approach in response to the needs of our commissioners. Our operational delivery evolved considerably once Covid-19 and the associated restrictive measures were put in place. We also introduced a range of new national and online recognition opportunities. This was and is appreciated by our commissioners, many of whom have re-contracted with us since January 2021.

Contingency Plans and Our Covid-19 Offer

We initially focussed on maintaining Time Credit provision and the relationships with recognition and earn partners and groups. We repurposed in order to ensure contract continuity and meaningful work.

Strands of our Covid-19 response include:

- Ensuring financial stability through monitoring and working with commissioners to adjust contracts, targets and in some cases implement contract pause and furlough. Weekly monitoring of this changing situation is in place.
- Consultation with commissioners to provide interim local and national support where possible to Covid-19 responses.
- Rapid development of a new website 'Tempo Communities' (<https://tempocommunities.com/guide>) which enables organisations both within our network and beyond to attract volunteers and for businesses and services to make offers to support individuals and people giving time in response to the pandemic. It builds on our USP of connecting communities with business and public sectors.
- Establishment of external facing learning forums facilitated by Tempo staff to enable learning on a national scale among providers and commissioners in response to the crisis.
- Extension of our e-learning offer to existing groups to facilitate group development.
- Introduction of our digital Tempo Time Credits platform.
- Introduction of national and online recognition partners attuned to the expressed desires of Tempo volunteers.

Our response went a long way to maintain and cement relationships with our commissioners demonstrating our ability to repurpose some of our resources and assets quickly and effectively. A further element was support in mapping and engaging the rapidly changing landscape of community and mutual aid groups.

Our staff deserve credit for innovating and responding rapidly to the changing environment under such difficult circumstances.

Staff Wellbeing

This has been an incredibly challenging time for staff in dealing with multiple uncertainties and change both planned (development of the digital platform) and unplanned (Covid-19 impact), as well as a changing working environment with staff combining working from home and caring responsibilities.

We have been as flexible as possible in response including widening our flexi time hours and agreeing to additional annual leave carry over. Additional wellbeing activities were put in place, managers doing workshops with each other's teams regarding wellbeing and attempting to reduce the amount of time spent in online meetings.



Achievements and performance: Financial year 2020-2021

As of 31 March 2021, Tempo:

- Issued (through our local partners) 43,933 Time Credits. Taking the total number of Time Credits issued to 1,084,001.
- 3,644 people volunteered in organisations issuing Time Credits in 2020-2021. Taking the total number of volunteers in organisations issuing Time Credits to 19,342 to 31 March 2021.
- Tempo Time Credit members volunteered in the 1,114 community development and voluntary sector organisations who registered to use Time Credits.
- 8,855 Time Credits were redeemed in 2020-2021. The total number of Time Credits redeemed by 31 March 2021 was 445,457.

These numbers show the reach of our activities, through the community development and voluntary sector partners we work with. They are the heroes. Our role is to support them. The number of Time Credits issued and redeemed are only a fraction of the impact we have helped these organisations to deliver.

Impact

Tempo has carried out impact evaluation across our programmes since 2012. Key findings from our May 2021 impact survey included:



Our results show that Time Credits attract a more diverse range of volunteers, particularly those from socially and economically disadvantaged parts of our society, brought new people into volunteering and community participation, and support impact against a range of wellbeing measures. In turn, organisations can make more and better use of volunteers, increase the co-production of services and use Time Credits to achieve better outcomes for their beneficiaries – all of which supports sector sustainability. Time Credits also play a significant part in assisting the retention of volunteers.

Financial Review and Reserves Policy

The Trustees took a decision to continue funding the digital transformation. During the year, the Charity made a surplus of £80,477. This was made up of an £87,091 surplus in unrestricted funds and a -£6,614 deficit in restricted funds.

Our income was lower in 2020/2021 as a number of contracts came to an end. In addition, some contracts were paused for a significant portion of the year due to Covid-19. We used this opportunity to concentrate our resources and have a greater impact in our ongoing contracts. Also, a significant amount of our business development time was spent in winning a large multi-year contract with the Welsh Government (which began in 2020/2021) and we moved internal resources to develop our digital platform which launched in January 2021.



A number of the paused contracts have now restarted. In addition to this we have won contracts with new commissioners in new parts of the UK.

Movement in Tempo Funds 2020/2021

	Unrestricted	Restricted	Total
	£000s	£000s	£000s
As at 1st April 2020	£316	£7	£323
Income	£840	£902	£1,742
Expenditure	-£753	-£908	-£1,662
Net income 2020/2021	£87	-£7	£80
As at 31 March 2021	£404	£0	£404

Sales were lower in 2020/2021 than in 2019/2020 due to Covid-19. However, the gains made from our digital transformation will result in an organisation more able to flex according to changes in demand.

Cash Flow

Cash resources rose during the year, due to the surplus in the year and improved contract and debt management. The majority of contracts are now framed with payments quarterly in advance. This improvement in cash resources occurred in spite of the investment in the Digital Time Credits platform (£197,005). We have no bad debts and no 90+ day debtors.

Reserves Policy

We have £403,386 in our reserves. Of these reserves, our actual free reserves were £126,836 (Reserves less the net book value of fixed assets). Our policy is to hold sufficient minimum reserves on the basis of "Total Liability Costs" in the event of closure - i.e., to be able to pay all our contractual liabilities if we were required to close down our operations. In accordance with Charity Commission Guidelines. As at 31 March 2021 the limit was calculated at £274,000 against actual free reserves of £126,836 - a shortfall of £147,164. The decision to invest in our digital platform was made understanding the likelihood of this happening. We expect to eliminate this deficit within one year.

Fundraising

Tempo does not actively fundraise from the public. It receives grant funding from charitable organisations and trusts, as well as income earned from the delivery of Local Authority and central government contracts. As a result, the charity has no requirement to subscribe to a fundraising regulation but does remain mindful of the fundraising standards. The charity has not received any complaints within the year about any fundraising activity.

Risk Management

Tempo's risk assessment process includes an organisation-wide risk register that is reviewed monthly by the Senior Management Team and quarterly by the Board's Finance, Audit and Risk Committee that reports up to the full Board. In addition to the organisational wide risk register, we operate a 90-day reporting framework across all departments that captures risk, this is assessed by the Senior Management Team.

The key risks currently facing Tempo are:

- The risk to income resulting from the continuing impact of Covid-19 on the way our current commissioners view their priorities. We are addressing this by regular contact with commissioners to check commitment and developing new online support mechanisms.
- The continued closure or slow opening of our recognition partners. We are addressing this by working with our recognition partners to encourage the public back by them providing time slots for those with Time Credits and publicising this and by developing more online reward opportunities.
- Any decisions the UK Governments make about a creating a public sector controlled management system for volunteers, which might involve a link to or supplant the management and delivery of Time Credits.

In addition to this, the digital platform allowed us to structure the business so that it can respond to increases and decreases in income by having a small, fixed cost base, allowing it to scale up and down as demand dictates.



Governance, Structure and Management:

Governance

Tempo is a registered charity and is constituted as a company limited by guarantee. It is governed by its Memorandum and Articles of Association. It was registered as a company limited by guarantee on 15 May 2008 and was registered as a charity by the Charity Commission in England and Wales on 24 March 2010.

The Trustees of the charity are also directors of the company for the purposes of the Companies Act. The board of Trustees comprises 10 Trustees who were appointed to the Board based on their experience and skills. The directors are appointed for a 3-year term initially. They can serve a maximum of 3 terms before having to step down. The memorandum and articles of association require the Board to consist of at least 3 directors. There is no maximum number of Trustees.

The Trustees are responsible for setting the strategic direction of the Charity, approving and reviewing the delivery of its Business Plan and reviewing the risks the Charity faces. Trustees are planning to establish user groups that support them in understanding the views of Tempo Time Credit users (Volunteers, community development organisations and recognition partners).

The need for new Trustees is reviewed regularly and when vacancies occur, they are advertised. The aim is to develop a board with a diversity of perspectives. Tempo is considering its approach to further diversifying the perspectives of its Trustees so that they are more representative of those who come from within the communities we work with most closely, but who have limited opportunity and/or experience. The aim is to work with other like-minded Charities to develop a pool of talent from a group of keen, but inexperienced potential trustees. Tempo is also establishing user panels to help trustees have a direct link to and understand the lived experience of people in communities we work with.

New Trustees are provided with a full induction about the Charity and their duties and responsibilities, including the Charity Commission publication designed for this purpose. They are inducted into the charity through meetings with other board members, the Chief Executive, members of the Senior Leadership Team and staff. Trustees are encouraged to attend external training events where these will be of benefit to their role.

Equality and Diversity

Tempo Time Credits is committed to proactively promoting equality and diversity and promoting a culture that actively values difference and recognises that people from different backgrounds and experiences can bring valuable insights to both our services and to the workplace and enhance the way we work. Tempo Time Credits aims to be an inclusive organisation, where diversity is valued, respected and built upon, with the ability to recruit and retain a diverse workforce that reflects the communities we work with.

Our third strategic aim works toward increasing the volume and diversity of the volunteering base of the community development organisations we work with. One of the four objectives of our HR Strategy (July 2021) is to develop and diversify the perspectives of our team and the Board.

Impact on the Environment

Tempo Time Credits Ltd recognises that its operations have an effect on the local, regional and global environment. Our whole approach is to bring about change in society, in communities, in groups and in individuals and this includes positive change around the environmental impact we have. Tempo Time Credits Ltd is committed to continuous improvements in environmental performance and the prevention of pollution. Environmental regulations, laws and codes of practice will be regarded as setting the minimum standards of environmental performance.

Our most significant impact on the environment is in the carbon footprint from our offices and in our travel. We closed one of our offices in December 2020, thus reducing our carbon footprint. In replacing paper Time Credits with digital Time Credits, we have reduced both the energy needed to print them and the chemicals required to both print and dispose of them safely once used. All staff are encouraged to use sustainable means of transport.

Trustees' responsibilities in relation to the financial statements

The charity Trustees are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity Trustees to prepare financial statements for each year which give a true and fair view of the of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the Trustees are required to:



- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for ensuring proper accounting records are kept that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Structure and management reporting

The day-to-day running of the organisation is delegated to the Chief Executive and the Senior Management Team under a Scheme of Delegation. The Chief Executive meets formally with the Senior Management Team on a monthly basis and the Trustees meet approximately 4 times per year primarily to discuss issues of strategic direction in relation to the running of the organisation and the management of performance, supported by a Finance, Audit and Risk Committee which also meets 4 times per year.

The Trustees who were in office at 31 March 2021, and served throughout the year, are shown on page 3.

Key Management Personnel

The Chief Executive leads a Senior Management Team comprising the Director of Finance, Director of Operations, Director of Digital Time Credits and the Welsh Government Contract Manager.

The Board, led by the Chair, appoints and determines the salary of the Chief Executive based on annual appraisal and affordability. The remuneration of the other members of the Tempo team is set by the Chief Executive with oversight from the Trustees. This advice is based on annual appraisal and affordability. Tempo benchmarks HR and salary data with external providers. Tempo is in the process of developing a new approach to rewards that is not solely financially based.

Statement as disclosure as to our auditors

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

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- the Trustees, having made enquiries of fellow Directors and the auditor that they ought to have individually taken, have each taken all steps that they are obliged to take as Directors, in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approval

This report was approved by Trustees on 27th October 2021.

Ron Jarman

(On behalf of Tempo's Board of Trustees)

Director

Date: 27 October 2021

Company No 6593956



Independent auditor's report to the members of Tempo Time Credits Limited

Opinion

We have audited the financial statements of Tempo Time Credits Limited for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of the charitable company's net movement in funds, including the 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (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 have been prepared in accordance with applicable legal requirements.



Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' 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 trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement (set out on page 9), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, Charities SORP (2019), Companies Act 2006 and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to the recognition of grant and contract income. Audit procedures performed by the engagement team included:

- Enquiries of management regarding correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the charity, particularly in relation to the recording of income and processing of payments and payroll, to ensure these were in place throughout the year, including during the Covid-19 remote working period;
- Evaluating management's controls designed to prevent and detect irregularities;



- Reviewing and testing journal entries made in the year, particularly those made as part of the year-end financial reporting process; and
- Challenging assumptions and judgements made by management in their critical accounting estimates which comprise depreciation and amortisation, bad debt provision and accruals and deferred income.

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.



Siobhan Holmes (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 29 October 2021



Statement of financial activities
(incorporating the income and expenditure account)
for the year ended 31 March 2021

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Income from:					
Charitable activities	2	840,447	773,415	1,613,862	1,736,674
Government Grant (CJRS)	2		128,458	128,458	
Total Income		840,447	901,873	1,742,320	1,736,674
Expenditure on:					
Charitable activities	3	753,355	908,487	1,661,843	1,898,198
Total Expenditure		753,355	908,487	1,661,843	1,898,198
Net movement in funds		87,091	(6,614)	80,477	(161,524)
Fund balances at 1 April 2020		316,294	6,614	322,908	484,432
Fund balances at 31 March 2021		403,385	0	403,385	322,908

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

Full comparative figures for the year ended 31 March 2020 are shown in the notes.

The notes on pages 18-27 form part of these financial statements.



Balance Sheet as at 31 March 2021

	Notes	2021 £	2020 £
Fixed Assets	9		
Tangible fixed assets		7,690	12,992
Intangible fixed assets		<u>268,860</u>	<u>75,455</u>
		276,550	88,447
Current Assets			
Debtors	10	146,323	391,904
Cash at bank and in hand		<u>242,338</u>	<u>95,772</u>
		388,662	487,676
Creditors: amounts falling due within one year	11	<u>(261,826)</u>	<u>(253,215)</u>
Net current assets		126,836	234,461
Net assets		<u>403,386</u>	<u>322,908</u>
Funds			
Restricted fund	13	-	6,614
General fund	13	141,725	166,294
Digital Time Credit fixed asset reserve	13	261,660	64,656
Designated fund	13	<u>-</u>	<u>85,344</u>
Total funds		<u>403,385</u>	<u>322,908</u>

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

The notes on pages 17-26 form part of these financial statements.

The financial statements were approved by the board and signed on its behalf by:

Ron Jarman

(On behalf of Tempo's Board of Trustees)

Director

Date: 27 October 2021

Company No 6593956



Cash Flow Statement for the year ended 31 March 2021

	2021 £	2020 £
Cash flow from operating activities		
Net income/(expenditure)	80,475	(161,524)
Adjustments for:		
Depreciation	8,070	5,266
Amortisation	3,600	-
Disposals	-	(1,504)
Decrease/(Increase) in debtors	245,581	(31,614)
Increase/(Decrease) in creditors	7,985	(53,710)
Net cash provided by/(used in) operating activities	<u>346,338</u>	<u>(243,086)</u>
Cash flow from investing activities		
Purchase of tangible fixed assets	(2,768)	(9,482)
Disposals of tangible fixed assets	-	1,504
Purchase of intangible fixed assets	(197,005)	(75,456)
Net cash used in investing activities	<u>(199,773)</u>	<u>(83,434)</u>
Change in cash and cash equivalents in the year	A 146,565	(326,520)
Cash and cash equivalents at the beginning of the year	<u>95,772</u>	<u>422,292</u>
Cash and cash equivalents at the end of the year	<u><u>242,338</u></u>	<u><u>95,772</u></u>

A) Analysis of changes in net cash funds

	At 1 April 2020 £	Cashflows £	At 31 March 2021 £
Cash in hand	95,772	146,565	242,338
Total cash and cash equivalents	<u>95,772</u>	<u>146,565</u>	<u>242,338</u>



Notes to the financial statements for the year ended 31 March 2021

1.1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding period.

1.2 Statement of compliance

The financial statements have been prepared in British pounds (GBP) in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice for Charities (Second Edition, effective 1 January 2019) applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Tempo Time Credits Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1.3 General information

The charity is a private company limited by guarantee, incorporated in England and Wales (company number: 6593956) and a charity registered in England and Wales (charity number: 1135143). The charity's registered address is shown on page 3.

1.4 Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The Trustees have also considered the charities forecasts and projections and have taken account of pressures on donation and investment income. In consideration of the Covid-19 pandemic, the Trustees have also performed scenario planning, regular forecasting and cash flow projections and thorough risk assessments. The risks identified have been mitigated by using government initiatives. After making enquiries, the Trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

1.5 Fund accounting

Funds held by the charity are either:

- a) Unrestricted general funds – these are funds which can be used in accordance with the charity's objectives, at the discretion of the Trustees.
- b) Unrestricted designated funds – these are funds which can be used in accordance with the charity's objectives, at the discretion of the Trustees
- c) Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1.6 Income

All income is included in the statement of financial activities when the charity is entitled to the income, receipt is probable, and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.



1.7 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Charitable activity costs comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them, including governance costs.

1.8 Fixed Assets

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. All assets costing more than £1,000 are capitalised. Depreciation is provided at rates calculated to write off the cost of fixed assets over their estimated useful lives on the following rates:

Computer Equipment	33 1/3 % Straight line
Fixtures, Fittings & Equipment	33 1/3 % Straight line

Intangible fixed assets and amortisation

Intangible fixed assets are stated at cost less amortisation. All assets costing more than £1,000 are capitalised. Amortisation is provided at rates calculated to write off the cost of fixed assets over their estimated useful lives on the following rates:

Software	33 1/3% Straight line
Digital Project	20% Straight line

Intangible fixed assets are only amortised once the project to which they relate is completed.

1.9 Pension

The charity operates a defined contribution pension scheme. Contributions payable for the year are charged in the Statement of Financial Activities. The total contributions paid in the year are shown in note 7.

1.10 Employee Benefits & Termination

Employment benefits, including holiday pay, are recognised in the period in which they are earned. Termination benefits are recognised in the period in which the decision is made and communicated to the relevant employee(s).

1.11 Operating leases

Rental charges are charged on a straight-line basis over the life of the lease.

1.12 Financial Instruments

Financial assets such as cash and debtors are measured at their present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities such as trade creditors, loans and finance leases are measured at the present value of the obligation.

1.13 Creditors and provisions

Creditors and provisions 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.14 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.



1.15 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.

1.16 Estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately differ from those estimates. The Trustees have found no areas of judgement with a significant effect on the financial statements. The Trustees reviewed in detail the amortisation rate of the new Digital Time Credits system and are satisfied the rate is correct for the expected life of the asset at this time. Further details on this judgement are provided in the relevant section above.



2. Income from charitable activities:	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Contract income	840,447	-	840,447
Grant income	-	773,415	773,415
Government Grant (CJRS)	-	128,458	128,458
Total	840,447	901,873	1,742,320

Comparative 2020	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Contract income	1,313,837	-	1,313,837
Grant income	-	422,837	422,837
Total	1,313,837	422,837	1,736,674

3. Costs of charitable activities – by fund type	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
2021 Total	753,355	908,487	1,661,843
2020 Total	1,458,465	439,733	1,898,198

The charity's charitable activities are "Developing and delivering projects, events and training that enable individuals to become more actively involved in their communities".

4. Costs of charitable activities – by activity	Activities Undertaken		Total Funds
	Directly 2021 £	Support Costs 2021 £	2021 £
2021 Total	933,913	727,930	1,661,843

COMPARATIVE 2020	Activities Undertaken		Total Funds
	Directly 2020 £	Support Costs 2020 £	2020 £
Charitable activities	1,007,670	890,528	1,898,198
Total	1,007,670	890,528	1,898,198

5. Support costs	Unrestricted Funds 2021	Restricted Funds 2021	Total Funds 2021
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	£	£	£
Overheads	710,886	-	710,886
Governance:			
Cost of Trustees' meetings	6,789	-	6,789
GDPR support costs	175	-	175
Statutory Audit Fee	10,100	-	10,100
2021 Total	727,930	-	727,930

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Overheads	872,983	-	872,983
Governance:			
Cost of Trustees' meetings	2,764	-	2,764
GDPR support costs	4,091	-	4,091
Statutory Audit Fee	10,690	-	10,690
2020 Total	890,528	-	890,528

6. Net income for the year is stated after charging:

	2021 £	2020 £
Statutory Auditor's remuneration	10,100	10,690
Expenses to Trustees	376	373
Depreciation	8,070	5,266
Amortisation	3,600	-

7. Staff Costs

Number of employees

The average monthly head count in the year was 41 staff (2020: 47), and the average monthly number of full-time equivalents was as follows:

	2021	2020
Average full time equivalent	35	40

Employment Costs	Total Funds 2021 £	Total Funds 2020 £
Wages and salaries	1,149,079	1,269,339
Social security costs	105,714	118,713
Pension costs	36,899	56,538
	1,291,692	1,444,590



During the year, two employees received emoluments between £70,000 and £79,999 (2020: one).

No Trustees received remuneration. Three Trustees received reimbursement during the year, relating to travel expenses, totalling £376 (2020: three, relating to travel expenses for £373).

The total employee benefits including pension contributions of the key management personnel were £375,406 (2020: £303,353).

Included within staff costs is a payment to four employees for redundancy, totalling £8,168 (2020: one employee £780). These payments were made prior to the employees' leaving Tempo.

8. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.



9a. Tangible Fixed Assets	Computer Equipment	Fixtures, Fittings and Equipment	Total
	£	£	£
Cost			
At 1 April 2020	32,080	12,977	45,057
Additions	2,768	-	2,768
	<hr/>	<hr/>	<hr/>
At 31 March 2021	34,848	12,977	47,825
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 2020	25,026	7,039	32,065
Charge for the year	3,744	4,326	8,070
	<hr/>	<hr/>	<hr/>
At 31 March 2021	28,770	11,365	40,135
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2020	7,054	5,938	12,992
	<hr/>	<hr/>	<hr/>
At 31 March 2021	6,078	1,612	7,690
	<hr/>	<hr/>	<hr/>
9b. Intangible Fixed Assets	Software	Digital project	Total
	£	£	£
Cost			
At 1 April 2020	10,800	64,655	75,455
Additions	-	197,005	197,005
	<hr/>	<hr/>	<hr/>
At 31 March 2021	10,800	261,660	272,460
	<hr/>	<hr/>	<hr/>
Amortisation			
At 1 April 2020	-	-	-
Charge for the year	3,600	-	3,600
	<hr/>	<hr/>	<hr/>
At 31 March 2021	3,600	-	3,600
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2020	10,800	64,655	75,455
	<hr/>	<hr/>	<hr/>
At 31 March 2021	7,200	261,660	268,860
	<hr/>	<hr/>	<hr/>



10. Debtors

Total Funds	Total Funds
2021	2020
£	£
100,837	162,205
32,125	159,447
13,361	70,252
<u>146,323</u>	<u>391,904</u>

Trade Debtors
Accrued income
Prepayments

11a. Creditors: amounts failing due within one year

Total funds	Total funds
2021	2020
£	£
6,588	55,638
62,149	73,614
40,591	33,368
35,632	17,010
110,177	62,994
6,687	10,591
<u>261,826</u>	<u>253,215</u>

Trade Creditors
Deferred income (11b)
Accruals
VAT
Other taxes and social security
Other creditors

11b. Opening deferred income Released in the year Income deferred in the current year

73,614	122,093
(73,614)	(122,093)
62,149	73,614
<u>62,149</u>	<u>73,614</u>

Deferred income relates to income which is invoiced in advance of providing services.

12. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds
	2021	2021	2021
	£	£	£
Balance at respective balance sheet date as represented by:			
Fixed Assets	276,549	-	276,549
Current assets	388,662	-	388,662
Current liabilities	(261,826)	-	(261,826)
	<u>403,386</u>	<u>-</u>	<u>403,386</u>



COMPARATIVE 2020

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Balance at respective balance sheet date as represented by:			
Fixed Assets	88,447	-	88,447
Current assets	481,062	6,614	487,676
Current liabilities	(253,215)	-	(253,215)
	<u>316,294</u>	<u>6,614</u>	<u>322,908</u>

13. Funds	At 1 April 2020 £	Income £	Expenditure £	Transfer £	At 31 March 2021 £
General funds	166,294	840,447	(753,355)	(111,660)	141,725
Designated funds	85,345	-	(197,005)	111,660	-
Digital Time Credit fixed asset reserve	64,655	-	197,005	-	261,660
Total unrestricted reserves	<u>316,294</u>	<u>840,447</u>	<u>(753,355)</u>	<u>-</u>	<u>403,385</u>
Restricted Funds	<u>6,614</u>	<u>901,873</u>	<u>(908,487)</u>	<u>-</u>	<u>-</u>
Total Funds	<u>322,908</u>	<u>1,742,320</u>	<u>(1,661,843)</u>	<u>-</u>	<u>403,385</u>

COMPARATIVE 2020	At 1 April 2019 £	Income £	Expenditure £	Transfer £	At 31 March 2020 £
Total Unrestricted Funds	<u>460,922</u>	<u>1,313,837</u>	<u>(1,458,465)</u>	<u>-</u>	<u>316,294</u>
Total Restricted Funds	<u>23,510</u>	<u>422,837</u>	<u>(439,733)</u>	<u>-</u>	<u>6,614</u>
Total Funds	<u>484,432</u>	<u>1,736,674</u>	<u>(1,898,198)</u>	<u>-</u>	<u>322,908</u>

Refer to note 1.5 c) for purpose of restricted funds.

Transfer of £111,660 from General Funds to Designated Funds was to further develop the Digital Time Credits system (2020: £150,000).



14. Company limited by guarantee

Tempo Time Credits Limited is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

15. Financial commitments

The charity's total future minimum lease payments under non-cancellable operating leases are as follows for each of the following periods:

	2021 £	2020 £
Land and buildings		
Payable within one year	6,000	30,032
Payable in two to five years	12,000	-
Office equipment		
Payable within one year	2,200	4,774
Payable in two to five years	687	3,317

16. Related party transactions

There were no related party transactions during the year (2020: none).

17. Capital commitments

Capital commitments in relation to Digital Time Credits system development total £17,925 as at 31 March 2021 (2020: £nil).