



**EMERGING LEADERS  
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31ST JANUARY 2021

**CHARITY REGISTRATION No: 1139295**

**COMPANY REGISTRATION No: 7127238**

Independent Examiners Ltd  
Unit 2 The Broadbridge Business Centre  
Delling Lane  
Bosham  
West Sussex  
PO18 8NF

**EMERGING LEADERS  
(A COMPANY LIMITED BY GUARANTEE)  
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**EMERGING LEADERS  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31ST JANUARY 2021**

**LEGAL AND ADMINISTRATIVE INFORMATION**

<b>CHARITY NUMBER</b>	1139295
<b>COMPANY REGISTRATION NUMBER</b>	7127238
<b>START OF FINANCIAL YEAR</b>	1st February 2020
<b>END OF FINANCIAL YEAR</b>	31st January 2021
<b>DIRECTORS THAT SERVED DURING YEAR TO 31ST JANUARY 2021</b>	Brendan O'Shea (Chair) Matthew Cammidge Trevor Waldock (resigned 30th April 2020) Ben Gardner Clare Tunbridge (appointed 16th March 2019) Stephen Miles (appointed 1st February 2020)
<b>REGISTERED ADDRESS</b>	146 New London Road Chelmsford CM2 0AW
<b>DATE OF INCORPORATION</b>	16th January 2010
<b>GOVERNING DOCUMENT</b>	Memorandum and Articles of Association incorporated 16th January 2010 as amended by Special Resolution at Companies House on 11th October 2010.
<b>BANKERS</b>	The Co-operative Bank PO Box 101 1 Balloon Street Manchester M60 4EP
<b>INDEPENDENT EXAMINER</b>	Independent Examiners Ltd Unit 2 The Broadbridge Business Centre Delling Lane Bosham West Sussex PO18 8NF

# **EMERGING LEADERS (A COMPANY LIMITED BY GUARANTEE)**

## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST JANUARY 2021**

### **Our Mission**

We are Emerging Leaders and we exist to unlock Human Potential, through mindset and behaviour change, transferable leadership skills, financial literacy and entrepreneurship to empower people in vulnerable communities with the mindsets, motivations and skills to flourish.

#### **What**

- To be youth-centric in our approach; either through direct investment or by transforming the networks around them so they can become the change makers of today and tomorrow;

#### **How**

- To lay the foundations for systemic change by unlocking the potential for human flourishing; without which the story stays the same;

#### **Why**

- By creating dynamic programmes which both engage and empower people, for the nourishment of robust and sustainable livelihoods - wellbeing, and security;
- By placing Mindset Change at the centre of our approach, creating action-oriented learning experiences that are practical, applicable, and transferable;
- Because everyone is able to lead at some level in their life. Leadership potential is within all of us and there is no fundamental change without good leadership;
- Because we all need long term, sustainable change; in both communities and supply chains.

### **Our Objectives**

The charity's objectives ("the objects") are for the public benefit and are restricted to the following:

a) to relieve the needs of persons who are in need due to age, sickness, disability or financial hardship including but not by way of limitation those infected and affected by hiv/aids in sub Saharan Africa and in such other parts of the world and by such charitable means as the trustees may from time to time think fit;

b) to advance education generally for the benefit of children disadvantaged or marginalised by reason of their economic or geographic circumstances in sub Saharan Africa and such other parts of the world as the trustees may from time to time think fit;

c) to promote sustainable development for the benefit of the public by the relief of poverty and the improvement of the conditions of life in socially and disadvantaged communities and the promotion of sustainable means of achieving economic growth and regeneration.

Sustainable development means "development which meets the needs of the present without compromising the ability of future generations to meet their own needs"

### **Public benefit and where we work**

The charity acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the charity has achieved this are provided throughout this report. The Trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the charity should undertake.

In 2020/21 Emerging Leaders supported projects in Africa: Ghana, South Africa, Kenya. Asia Pacific: India.

### **Our Impact in 2020/21**

Due to COVID-19 pandemic impacting our training, Emerging Leaders have been significantly restricted in the activities we have been able to carry out this past year. The work we have been able to do is summarised as follows:

We have continued to work in partnership with M&S and Barry Callebaut, to monitor and measure the impact of the training delivered in 2019 to 1000 smallholder farmers. This has consisted of supporting the in-country team gathering data and evaluating the data for impact and learning.

We have continued to remotely support smallholder farmers in India with innocent with one day workshops to refresh and support farmers previously trained and to engage additional farmers for training further in 2021.

## **EMERGING LEADERS (A COMPANY LIMITED BY GUARANTEE)**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST JANUARY 2021**

Our local trainers in Kenya have been able to support some of the groups they have previously trained through 1 to 1 or small group mentoring sessions to help them further develop their project plans. They have been exploring potential ways to use local TV stations to share some of the principles as well as using WhatsApp groups to share training principles and digital resources.

In addition we have successfully transitioned to a new leadership structure. Emerging Leaders founder and former CEO stepped down from his role in February with Steve Miles, previously Head of Training, taking over responsibilities to lead Emerging Leader forward for the next phase. We have been using the restrictions of COVID-19 lockdown to review all our activities, streamline where necessary and focus on the areas where we currently have most traction and capacity. One of the key growth areas for Emerging Leaders has been in the area of smallholder farmers and their families and communities. COVID-19 has magnified the need for greater resilience with diversity of livelihoods, a crucial area we have been successfully building a reputation for impact and effectiveness. We have also been reviewing how we can be more flexible and targeted in our approach to better meet the needs of participants and desired outcomes of partners on the ground. The content and methodology remain the same, but the approach to delivery now has more flex. We are also developing ways we can 'stay longer' by offering various options for follow up to further embed the learning, especially where we have in-country teams.

We have also been focusing on fundraising and partnerships, thus spreading the risk by having a broader funding base. Alongside this we have been intentionally pursuing more youth focused projects and have successfully secured funding from Rising Tide Foundation for 'Uwezo Kwa Vijana' a project designed to impact 18,000 urban poor youth in Kenya over the next 4 years (2021-2024). This will enable us to focus key activity around youth entrepreneurship and employability and build a bank of evidence and data that will help us to further develop collaborations in this field.

We have also been working with the Small Foundation to secure funds to help us work with a consultancy with expertise in helping charities and not-for-profits scale. This has been achieved and we commence the process in the second quarter of 2021.

#### **Achievement against objectives set**

In the past year due to the impact of COVID-19 opportunities to invest in face to face training has not been possible due to in-country lockdowns and precautions around spread of the virus.

As a result Emerging leaders focused our attention on providing a series of 13 digital resources to support those we have already trained as a refresher to the principles and how to apply them.

Emerging Leaders also provided WhatsApp support to groups we have previously trained helping them to navigate an ever changing landscape and find hope in uncertainty.

Emerging Leaders also used resources to ensure all staff and associates trainers were provided with some financial support at a pragmatic level during the pandemic irrespective of whether they were able to deliver training. We used the lack of opportunity to train participants as an opportunity to further invest in our teams and strengthen our wider collaboration.

Emerging Leaders continued to work with partners to ensure projects on pause could be re-established when safe. We supported field staff of partners facing pressure and challenges.

We also used the time to review our progress and refine our core focus; fundraising for youth-centric projects with urban poor youth, successfully securing a 4 year project with Rising Tide Foundation to impact 18,000 urban poor youth in Kenya.

2020 has been a year of transition and change. Our founder and CEO has stepped down from their role along with our Head of Education. Our new CEO was an internal transition so a smooth hand-over and continuity.

With much of our income dependent on the delivery of projects this past year has seen our income reduced due to the COVID-19 pandemic. However, with the two 2 staff members moving on early in 2020 and with COVID-19 pandemic we made the decision not to replace them at this stage so we have been able to maintain a lean team and reduce outgoings.

Our actual numbers trained in 2020 is only 1000 because of COVID-19, but we have been able to reach around 25,000 through digital resources and around 500 through follow up support.

We used the time during lockdown to review and improve our processes, team communication and core focus so we are ready to move quickly when lockdown allows and have secured funding to work with a consultancy to help us build a plan to scale to multiply our impact.

**EMERGING LEADERS  
(A COMPANY LIMITED BY GUARANTEE)  
REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31ST JANUARY 2021**

**Plans for the future**

Our plans for 2021 will undoubtedly still be affected in various ways by COVID-19. However we will begin working with Spring Impact, funded by the Small Foundation, to develop clear plans to scale the impact of Emerging Leaders' programmes.

Alongside our partnership with M&S working in the vulnerable supply chains we will work in partnership with innocent over the next 3 years to impact 10,000 vulnerable farmers, farm workers and their communities.

Early in the year we will recruit for key roles to supplement the team in Kenya to ensure we can deliver the Uwezo Kwa Vijana project with Rising Tide Foundation to impact 18,000 urban poor youth. In 2021 we will train 1800 urban poor youth and from those select 40 that we will train as trainers at the beginning of 2022. We will appoint a Project Manager to oversee the delivery and two M&E specialists to monitor impact, capture stories & support participants. We will also transition to a new Kenya board, adding additional expertise to strengthen the team and support the work going on in communities and supply chains.

In India we aim to establish a local expression of Emerging Leaders and build a small team to oversee and deliver the necessary work there. They will continue to build on the work we have been doing in the agricultural supply chain supporting smallholder farmers struggling post COVID with innocent. In addition we will look to develop further partnership with supply chains in food and textiles to support vulnerable workers. Plus we will seek to offer programmes into colleges with a focus on those looking to transition into community transformation.

In South Africa we will appoint a partnership manager to reconnect with previous partners and re-establish a flourishing training stream with the agricultural supply chain and communities.

We will continue to find additional project and funding partners and further strengthen our offering to support smallholder farmers and vulnerable workers post COVID-19. In addition we hope to source match funding for the Uwezo Kwa Vijana project to release some of our own fund allocated towards others initiatives.

Organisationally we continue to support in-country teams in aligning reporting of activities and budgets so every team is using the same system with clear project coding for easier tracking and clearer reporting. We will also look to strengthen the UK global board and appoint a new chair during the year with our current chair seeking to step down from responsibilities.

**Fundraising policy**

We engage with businesses, foundations, statutory funders, and trusts in order to raise our income and some public fundraising. Our approach to fundraising is driven by our mission.

Our fundraising strategy has three main elements:

- A strategic marketing-led approach to proactively fostering relationships and project ideas with funders, intermediaries (including trusts and foundations) and strategic partners (including national research bodies, government agencies and NGOs).
- Responding to competitive tenders from a diverse range of funders
- Offering our skills and experience in the form of consultancies or service providers

**Safeguarding**

We continue to improve our safeguarding standards and establish excellence. We have reviewed our policies and procedures and continue to prioritise this area of work along with the need to maintain a high standard of duty of care, especially during a global pandemic, towards our staff and associates when engaged on Emerging Leaders work.

## **EMERGING LEADERS (A COMPANY LIMITED BY GUARANTEE)**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST JANUARY 2021**

#### **Financial review**

Income for the year is representative of the impact of COVID-19 and our reduced activity, at £184,099 (£301,742 2019/20). The principal sources of funding have come through three main avenues. The ongoing delivery of projects in partnership with M&S PLC and the establishment of a three year partnership with innocent drinks PLC for the delivery of projects in their supply chain along-side CAF funding through M&S PLC.

The following key financial events have impacted our expenditure during the year:

- As outlined in our impact assessment, reduced training, and two key members of Emerging Leaders retiring at the beginning of the year have significantly affected overall expenditure.
- Our expenditure was down this year by 31% to £195,715 as compared to last year (£286,096 2019/20)

#### *Restricted Income*

In review of our commitments with our key donors, we have seen a small increase to our restricted income. The restricted funds received from M&S CAF were used up during the year. The ongoing balance is held for our four year agreement with the Rising Tide Foundation and contribute to our ongoing work in supporting communities in 2021/2022.

In order to best reflect the nature of future and ongoing planned projects into 2021/2022 we subsequently see a slight decrease in the carried forward balance of Unrestricted income as compared to 2019/2020. Any held balances reflect a timing difference between financial reporting and ongoing contracts.

#### **Risk management**

The Directors actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of controls over key financial systems carried out on an annual basis will provide sufficient resources in the event of adverse conditions.

The Directors have also examined other operational and business risks which they face and confirm that they have established systems to mitigate significant risks.

#### **Reserves policy**

The Directors have considered the level of reserves they wish to retain, appropriate to the charity's size and the level of financial commitments held. The Directors aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The Directors will endeavour not to set aside funds unnecessarily.

Unrestricted funds, which also represent our reserves, stood at £92,665 (2019/20: £116,653). This level of reserves at 31 January 2021 is considered to be sufficient to support the ongoing activities and development of Emerging Leaders.

Restricted funds not available for the general purposes of the charity stands £22,379 as at 31 January 2021.

#### **Investment policy**

In light of the Charity's size of operations all income received is required as working capital and to fulfill our reserves policy. As such Emerging Leaders have no cash invested in short or long term deposits.

Working capital and reserve requirements continue to be monitored and reviewed on a quarterly and annual basis by the board.

## **EMERGING LEADERS (A COMPANY LIMITED BY GUARANTEE)**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST JANUARY 2021**

#### **Going concern**

As an organisation with a history built entirely on face to face training the COVID19 pandemic has, as for many, caused us a few challenges.

Our organisational leanness has meant that rather than lockdown, we have used the situation to adapt and innovate - creating immediate online digital resources to give access to key principles from our training.

In turn, we used this past year as a first step in developing a more established online support platform both for participants and trainers. We worked closely with our partners to see how we can add value and adapt as the situation evolved.

In order to assess the appropriateness of the going concern assumption basis, the Trustees have considered the charity's financial position, reserves and forecasts for the foreseeable future particularly in light of COVID19.

They have considered the assumptions underlying those forecasts and the impact of the potential risks affecting them. Having made those enquiries, the Trustees have a reasonable expectation that the group will be able to continue in operation and meet its liabilities as they fall due for at least twelve months from the date of signing this report.

For this reason, they continue to adopt the going concern basis in preparing the financial statements.

#### **Structure, governance & management**

The organisation is a charitable company limited by guarantee, incorporated on 16 January 2010 and registered as a charity on 9 December 2010. The company was established under a Memorandum of Association which established its objects and powers and is governed under its Articles of Association (as amended October 2010).

The Board of Trustees, together with the chief executive officer are set out at the start of this document.

The Board meets at least three times a year. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

Appointment of new directors is subject to the Governing Document. Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director by ordinary resolution or by a decision of the directors. No person who is not a member shall in any circumstances be eligible to hold office as a director.

#### **Statement of responsibilities of the trustees**

The Charities Act and the Companies Act require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to:-

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

The Directors are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



**EMERGING LEADERS  
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**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31ST JANUARY 2021**

The Directors are also responsible for the contents of the Report of the Directors, and the responsibility of the independent examiner in relation to the Report of the Directors is limited to examining the report and ensuring that, on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

I approve the attached statement of financial activities and balance sheet for the year ended 31st January 2021 and confirm that I have made available all information necessary for its preparation.

Date: 6th October 2021

Signature: Stephen Miles, Chief Executive Officer

**EMERGING LEADERS**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31ST JANUARY 2021**

Incorporating income and expenditure account

	Notes	Unrestricted Funds £	Restricted Funds £	<b>TOTAL 2021/20 £</b>	<b>TOTAL 2020/19 £</b>
<b>INCOME</b>					
<b>Income from:</b>					
Donations and legacies	3a	161,720	22,379	184,099	301,095
Other trading activities	3b	0	0	0	500
Charitable Activities	3c	0	0	0	147
<b>TOTAL INCOME</b>		<b>161,720</b>	<b>22,379</b>	<b>184,099</b>	<b>301,742</b>
<b>EXPENDITURE ON:</b>					
Raising Funds	4a	1,930	0	1,930	5,974
Charitable activities	4b	181,649	12,136	193,785	280,122
<b>TOTAL EXPENDITURE</b>		<b>183,579</b>	<b>12,136</b>	<b>195,715</b>	<b>286,096</b>
<b>NET INCOME/EXPENDITURE</b>		<b>(21,859)</b>	<b>10,243</b>	<b>(11,616)</b>	<b>15,646</b>
Transfer between funds	5	(2,129)	2,129	0	0
Total Funds Brought Forward		116,653	10,007	126,660	111,014
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>92,665</b>	<b>22,379</b>	<b>115,044</b>	<b>126,660</b>

Movements on all reserves and all recognised gains and losses are shown above. All of the organisation's operations are classed as continuing.

The notes on pages 12 to 19 form part of these financial statements.

**EMERGING LEADERS  
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**BALANCE SHEET  
AS AT 31ST JANUARY 2021**

Company registration number: 7127238

	Note	Unrestricted Funds £	Restricted Funds £	31-Jan-21 Total £	31-Jan-20 Total £
<b><u>BALANCE SHEET</u></b>					
<b>Fixed Assets</b>					
Tangible assets	2	3,411	0	3,411	0
<b>Current Assets</b>					
Debtors	6	20,000	0	20,000	6,158
Cash at bank and in hand		108,228	22,379	130,607	151,845
<b>Total Current Assets</b>		<b>128,228</b>	<b>22,379</b>	<b>150,607</b>	<b>158,003</b>
Creditors: amounts falling due within one year	7	38,974	0	38,974	31,343
<b>NET ASSETS</b>		<b>92,665</b>	<b>22,379</b>	<b>115,044</b>	<b>126,660</b>
<b>FUNDS OF THE CHARITY</b>					
General Funds		92,665	0	92,665	116,653
Designated Funds		0	0	0	0
Restricted Funds		0	22,379	22,379	10,007
<b>TOTAL FUNDS</b>		<b>92,665</b>	<b>22,379</b>	<b>115,044</b>	<b>126,660</b>

**DIRECTORS' RESPONSIBILITIES**

The charitable company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, in accordance with section 145 of the Charities Act 2011, the accounts have been examined by an Independent Examiner whose report appears on page 20.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

Approved by the Directors on the 6th October 2021

Signed on their behalf by Director: Stephen Miles, Chief Executive Officer

**EMERGING LEADERS  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST JANUARY 2021**

**1. ACCOUNTING POLICIES**

**Basis of preparation:**

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The accounts have been prepared in accordance with: the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102

Advantage has been taken of Section 396(5) of The Companies Act 2006 to allow the format of the financial statements to be adapted to reflect the special nature of the charity's operation and in order to comply with the requirements of the SORP.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement.

**Changes to accounting estimates**

No changes to accounting estimates have occurred in the reporting period.

**Material prior period errors**

No material prior year errors have been identified in the reporting period.

The particular accounting policies adopted are set out below.

**Incoming Resources**

*Recognition of Incoming Resources*

These are included in the Statement of Financial Activities (SOFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the Directors will receive the resources; and
- the monetary value can be measured with sufficient reliability.

*Incoming Resources with related expenditure*

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resource and related expenditure are reported gross in the SOFA.

*Grants and Donations*

Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12

*Government Grants*

The charity has received government grants in the reporting period, relating to the HMRC job retention scheme.

*Tax reclaims on Donations and Gifts*

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

*Contractual Income and Performance Related Grants*

This is only included in the SOFA once the related goods or services has been delivered

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**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31ST JANUARY 2021**

**1. ACCOUNTING POLICIES**

**Incoming Resources**

*Gifts in Kind*

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so. Gifts in kind for use by the charity are included in the SOFA as incoming resources when receivable.

*Donated Services and Facilities*

Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

*Volunteer Help*

The value of any voluntary help received is not included in the accounts but is described in the Directors' annual report.

*Income from interest, royalties and dividends*

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

*Investment gains and losses*

This included any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

**Expenditure and liabilities**

*Liability recognition*

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

*Governance Costs*

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

*Grants with performance conditions*

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SOFA once the recipient of the grant has provided the specified service or output.

*Support Costs*

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of the resources, e.g. allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

*Assets*

Tangible fixed assets for use by the charity are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or, if gifted, at the value to the charity on receipt. Depreciation is calculated at a rate to write off the cost less estimated residual value of tangible fixed assets over its expected life. The rates used are:

Computer Equipment	25%	straight line
Fixtures and Fittings	25%	straight line

*Debtors*

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

*Creditors*

The charity has creditors which are measured at settlement amounts less any trade discounts

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**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31ST JANUARY 2021**

**2. TANGIBLE FIXED ASSETS**

		Computer Equipment £	Fixtures & Fittings £	Total £
Cost	01-Feb-20	0	0	0
Additions		3,631	0	3,631
Cost at	31-Jan-21	<u>3,631</u>	<u>0</u>	<u>3,631</u>
Depreciation	01-Feb-20	0	0	0
Charge		220	0	220
Depreciation at	31-Jan-21	<u>220</u>	<u>0</u>	<u>220</u>
Net Book Value	31-Jan-21	<u><b>3,411</b></u>	<u><b>0</b></u>	<u><b>3,411</b></u>
Net Book Value	31-Jan-20	0	0	0

**3. INCOME**

Notes	Unrestricted Funds £	Restricted Funds £	<b>TOTAL 2021/20 £</b>	<b>TOTAL 2020/19 £</b>
<b>a) Donations and legacies</b>				
Funding for Training	43,932	22,379	66,311	107,011
Funding Contribution for Charitable Activities	15,120	0	15,120	32,060
Funding Contribution for Administrative Costs	22,965	0	22,965	24,855
Grants and Donations	71,475	0	71,475	137,169
Grants - HMRC Job Retention Scheme	7,978	0	7,978	0
Fees for Service	250	0	250	0
	<b>161,720</b>	<b>22,379</b>	<b>184,099</b>	<b>301,095</b>

**b) Other trading activities**

Licence Fee	0	0	0	500
	<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>

**c) Charitable Activities**

Fundraising	0	0	0	147
	<b>0</b>	<b>0</b>	<b>0</b>	<b>147</b>

**4. EXPENSES**

	Unrestricted Funds £	Restricted Funds £	<b>TOTAL 2021/20 £</b>	<b>TOTAL 2020/19 £</b>
<b>a) Expenditure on Raising Funds</b>				
Fundraising	297	0	297	362
Promotional/Networking	0	0	0	1,100
Website Costs	1,633	0	1,633	4,512
	<b>1,930</b>	<b>0</b>	<b>1,930</b>	<b>5,974</b>

**EMERGING LEADERS  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31ST JANUARY 2021**

**4. EXPENSES**

	Unrestricted Funds £	Restricted Funds £	TOTAL 2021/20 £	TOTAL 2020/19 £
<b>b) Expenditure on charitable activities</b>				
Administration	1,200	0	1,200	353
Accommodation	0	0	0	6,841
Bank Charges (Inc. ATM machine)	750	0	750	841
Board Expenses	0	0	0	250
Bookkeeping and Payroll Fees	1,152	0	1,152	1,149
Computer & Internet	107	0	107	255
Consultancy Costs	9,025	0	9,025	5,540
Country Office (Inc. Salaries):				
India Office	24,000	7,000	31,000	0
Kenya Office	13,600	4,685	18,285	26,592
South Africa Office	0	0	0	14,061
Depreciation	220	0	220	0
Employee Development and Expenses (related to professional development)	0	0	0	4,480
Equipment Expensed	146	155	301	43
Exchange Rate Variance	971	0	971	201
Independent Examiners Fee	1,290	0	1,290	1,275
Insurance	1,210	0	1,210	1,708
Meeting Costs	308	0	308	1,815
Monitoring and Evaluation	645	296	941	401
Other Miscellaneous Expenses	62	0	62	329
Postage & Delivery	0	0	0	180
Printing & Reproduction	0	0	0	14
Professional Fees	354	0	354	1,591
Project Based Salaries	28,298	0	28,298	116,730
Project Expenses - Other	0	0	0	22,508
Recruitment Expenses	0	0	0	85
Refreshments, Entertainment and Gifts	202	0	202	2,065
Salaries	68,923	0	68,923	35,242
Subscriptions and Licences	593	0	593	776
Tax, NI and Pension Contributions	27,774	0	27,774	10,916
Telephone Expenses	0	0	0	105
Training - Other	0	0	0	45
Training - Materials and Incentives for Participants	109	0	109	2,836
Training - Supplies and Equipment	0	0	0	216
Translation Costs	0	0	0	765
Travel Costs	710	0	710	19,914
	<b>181,649</b>	<b>12,136</b>	<b>193,785</b>	<b>280,122</b>

**Support and Governance Costs**

	Support	Governance	2021/20 Total	Basis of Apportionment
	£	£	£	
Bookkeeping and payroll fees	1,152	0	1,152	Direct cost
Office and administration	1,200	0	1,200	Direct cost
Independent examiners fees	0	1,290	1,290	Direct cost
Professional fees	354	0	354	Direct cost
	<b>2,706</b>	<b>1,290</b>	<b>3,996</b>	

**EMERGING LEADERS  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31ST JANUARY 2021**

**Details of certain types of expenditure**

	2021/20 £	2020/19 £
Independent examiner's fees	1,290	1,275
Assurance services other than audit or independent examination	0	0
Tax advisory fees	0	0
Other fees (for example: financial advice, consultancy, accountancy services) paid to the independent examiner	0	0
	<u>1,290</u>	<u>1,275</u>

**5. RESTRICTED FUNDS**

<b><u>This year</u></b>	Balance 01-Feb-20 £	Income £	Expenditure £	Capital Expenditure £	Transfers Btw Funds £	Balance 31-Jan-21 £
M&S CAF	10,007	0	12,136	0	2,129	0
Rising Tide Foundation	0	22,379	0	0	0	22,379
	<u>10,007</u>	<u>22,379</u>	<u>12,136</u>	<u>0</u>	<u>2,129</u>	<u>22,379</u>

The restricted funds principally relate to the services we provide to donors and partners that we work with in providing training in supply chain and community projects. The restrictions are applied on a project by project basis. Any held balances reflect a timing difference between financial reporting and ongoing commitments and any unplanned surpluses are transferred to general funds to be spent on the charitable objectives of the charity .

The restricted funds are represented by:

	31-Jan-21 £
Cash at bank and in hand	<u>22,379</u>
	<u>22,379</u>

**Last year**

	Balance 01-Feb-19 £	Income £	Expenditure £	Capital Expenditure £	Transfers Btw Funds £	Balance 31-Jan-20 £
M&S CAF	0	130,000	100,493	0	(19,500)	10,007
	<u>0</u>	<u>130,000</u>	<u>100,493</u>	<u>0</u>	<u>(19,500)</u>	<u>10,007</u>

The restricted funds are represented by:

	31-Jan-20 £
Cash at bank and in hand	<u>10,007</u>
	<u>10,007</u>

**6. DEBTORS AND PREPAYMENTS**

	Unrestricted Fund £	Restricted Fund £	Total 31-Jan-21 £	Total 31-Jan-20 £
Insurance	0	0	0	327
Training Funding	20,000	0	20,000	5,831
	<u>20,000</u>	<u>0</u>	<u>20,000</u>	<u>6,158</u>



**EMERGING LEADERS  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31ST JANUARY 2021**

**7. CREDITORS AND ACCRUALS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Unrestricted Fund £	Restricted Fund £	<b>Total 31-Jan-21 £</b>	<b>Total 31-Jan-20 £</b>
Deferred Income	34,467	0	34,467	28,884
Independent Examiners Fees	1,290	0	1,290	1,275
Pension Contributions	255	0	255	0
Professional Fees	0	0	0	240
Salary/Expenses/HMRC	2,958	0	2,958	284
Sundry Creditors	4	0	4	0
Training	0	0	0	660
	<b>38,974</b>	<b>0</b>	<b>38,974</b>	<b>31,343</b>

**8. STAFF COSTS AND NUMBERS**

	31-Jan-21 £	31-Jan-20 £
Gross Wages and Salaries	116,134	150,314
Employer's National Insurance Costs (after allowance)	7,272	11,802
Employer Pension Contributions	1,612	773
	<b>125,018</b>	<b>162,889</b>

Employees who were engaged in each of the following activities:

	31-Jan-21 TOTAL	31-Jan-20 TOTAL
Activities in furtherance of organisation's objects	3	5

Number of employees whose total employee benefits (excluding employer pension costs) fell within each band of £10,000 from £60,000 upwards:

Band	Number of employees
£60,000 to £69,999	1
£70,000 to £79,999	0
£80,000 to £89,999	0
£90,000 to £99,999	0
£100,000 to £109,999	0

Five employees were paid through the PAYE system until April 2020. From May 2020, three employees were paid through the PAYE system (2020/19: No employees received emoluments in excess of £60,000)

The total amount paid to key management personnel (includes trustees and senior management) for their services to the charity was £82,765 (2020/19: £55,126) as detailed in note 10.

## EMERGING LEADERS (A COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST JANUARY 2021

#### 9. PENSION SCHEME

The charity operates a government backed workplace pension scheme and all eligible employees were enrolled and given the option to opt out if they so wish. The charity paid employer contributions totalling £1,612 during this financial year on behalf of three employees (2020/19: £773 on behalf of five employees), and this amount is recognised as an expense in the Statement of Financial Activities.

#### 10. DIRECTORS AND OTHER RELATED PARTIES

In this financial period the charity has paid directors remuneration and benefits (including Employer NI and Employer Pension contributions) as follows:

Name of Director	Legal authority	Amounts paid or benefit value			
		Remuneration £	Consultancy £	2021/20 TOTAL £	2020/19 TOTAL £
Trevor Waldock (until April 2020)	Governing document	14,878	0	14,878	55,126
Stephen Miles (from February 2020)	Governing document	67,887	0	67,887	0
		<b>82,765</b>	<b>0</b>	<b>82,765</b>	<b>55,126</b>

In the period the charity has paid directors expenses as follows:

	2021/20	
Number of directors who were paid expenses	2	
<u>Amount Paid</u>	£	
Contribution to home working	358	*
Mileage	255	
Meetings, events and refreshments	381	
Other travel (flights, parking, accommodation)	385	
Telephone	0	
Total amount paid	£ <u>1,379</u>	

\* note that the contribution to home working is processed via the payroll.

Reimbursement to directors of items purchased on behalf of the charity totalled £518 during this financial year.

A related party to one director received remuneration of £3,835 for their role as programme director for the charity (note: this director resigned from the Board in April 2020). They also received contribution to home working of £62 (2020/19: remuneration of £14,232 and contribution to home working of £18)).

No other payments were made to directors or any persons connected with them during this financial period. No material transaction took place between the organisation and a trustee or any person connected with them.

There were no donations from related parties that require disclosure (2020/19: Nil).

Trustee Indemnity Insurance of £343 was paid during the year.

#### 11. RISK ASSESSMENT

The Directors actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems carried out on an annual basis will provide sufficient resources in the event of adverse conditions. The Directors have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

#### 12. RESERVES POLICY

The Directors have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The Directors aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The directors will endeavour not to set aside funds unnecessarily.

**EMERGING LEADERS  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31ST JANUARY 2021**

**13. PUBLIC BENEFIT**

The charity acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the charity has achieved this are provided in the Directors report. The Directors confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the charity should undertake.

**14. MOVEMENT IN FUNDS**

The Company is Limited by Guarantee (07127238) and is a Charity registered with the Charity Commission (1139295) and does not have a Share capital and has no income subject to Corporation Tax.

<u>Current year movement in funds</u>	At 01-Feb-20 £	Net movement in funds £	Transfers btw funds £	At 31-Jan-21 £
<b>Unrestricted Funds</b>				
General Funds	116,653	(21,859)	(2,129)	92,665
<b>Restricted Funds</b>				
Restricted Funds	10,007	10,243	2,129	22,379
<b>TOTAL FUNDS</b>	<u>126,660</u>	<u>(11,616)</u>	<u>0</u>	<u>115,044</u>

Net movement in funds, included in the above are as follows:

	Income £	Expenditure £	Movement in funds £
<b>Unrestricted Funds</b>			
General Funds	161,720	(183,579)	(21,859)
<b>Restricted Funds</b>			
Restricted Funds	22,379	(12,136)	10,243
<b>TOTAL FUNDS</b>	<u>184,099</u>	<u>(195,715)</u>	<u>(11,616)</u>

<u>Comparatives for movement in funds</u>	At 01-Feb-19 £	Net movement in funds £	Transfers btw funds £	At 31-Jan-20 £
<b>Unrestricted Funds</b>				
General Funds	111,014	(13,861)	19,500	116,653
<b>Restricted Funds</b>				
Restricted Funds	0	29,507	(19,500)	10,007
<b>TOTAL FUNDS</b>	<u>111,014</u>	<u>15,646</u>	<u>0</u>	<u>126,660</u>

Net movement in funds, included in the above are as follows:

	Income £	Expenditure £	Movement in funds £
<b>Unrestricted Funds</b>			
General Funds	171,742	(185,603)	(13,861)
<b>Restricted Funds</b>			
Restricted Funds	130,000	(100,493)	29,507
<b>TOTAL FUNDS</b>	<u>301,742</u>	<u>(286,096)</u>	<u>15,646</u>

## **INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS**

### **INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS**

I report to the trustees on my examination of the accounts of Emerging Leaders for the year ended 31st January 2021.

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

#### **Responsibilities and basis of report**

I report in respect of my examination of the charitable company's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Independent examiner's statement**

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: J Irvinesmith FCIE

Date: 16th October 2021

Independent Examiners Ltd  
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