



enactus

United Kingdom



TRUSTEE'S REPORT AND FINANCIAL STATEMENTS

For the year ended December 2021

Enactus UK Charity No: 1155261

#NextGenLeaders

REFERENCE AND ADMINISTRATIVE DETAILS

TRUSTEES	The following trustees have served throughout the period to which this report relates unless otherwise indicated: Robin Lassiter (Chair) Dr. Mel Fuller (appointed from 18.10.2021) Stuart Mitchell Chris Lane Helen Ots
COMPANY SECRETARY	Andrew Bacon OBE
REGISTERED OFFICE	Enactus UK, 7 Wadkins Way, Bushby, Leicestershire. LE7 9NA
INDEPENDENT EXAMINER	Azets, 1 st Floor, Copthall House, 1 New Road, Stourbridge, West Midlands. DY8 1PH
BANKERS	HSBC UK PLC
SOLICITORS	Bates Wells, London
WEBSITE	www.enactusuk.org
COMPANY NAME	Enactus UK
COMPANY NUMBER	04358202
CHARITY NUMBER	1155261

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the period ended 31st December 2021.

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FOREWORD

This, our eighth full year as a charity, has once again tested the ingenuity of our students as well as our executive team. As you will see from the results we have responded to these challenges magnificently. Once again I would like to thank our funders, volunteers and sponsors for their support in making this possible.

Promoting youth social action and social enterprise is at the heart of what we set out to do; encouraging and harnessing the energy and drive of our participating students while leveraging the capabilities and skills of industry and commerce through our sponsors and partners. The combination helps us deliver the fulfilment of good deeds and intentions on an ever-larger scale.

Importantly, the individual project beneficiaries - of all ages - both gain confidence and gain directly from learning and acquiring new skills; this helps increase their employability as well as their own capacity for self-help.

Young people under 25 years old are our key target in helping create and deliver their projects; critically they also benefit themselves from developing their own talents and social enterprise capabilities. As we recover from the pandemic our aims for creating more of a fair and engaged society while developing our young people are more critical than ever.



NextGenLeader programme workshops

We have this year structured our work into four main streams. Firstly, our well established university programme which has continued to go from strength to strength increasing the number of universities and students involved despite the difficulties caused by the pandemic.

Secondly, NextGenLeaders, which is our school programme. This is the area of our work that suffered most this year due to the immense challenges that schools faced during lockdown. This is an area we are targeting for re-launch and growth during the 2022/23 school year.

Thirdly, we have worked with the Badur Foundation to establish some very impactful 'deep-dive' projects in individual schools to address local issues and challenges where the results have been encouraging. We aim to continue this programme in the coming year.

In our fourth stream we have, for the first time ever, commissioned some research which will be published in 2022. This exciting development will allow us to focus on and make some recommendations on the big issues facing the education of young people both now and in the future.

The trustees have expanded on these streams, in their own words below. Though it occurred after the end of this year, we have given a flavor of our first physical event for three years that took place in April 2022.

Turning to the trustees, this year Stuart, Helen, Chris and I were joined by Dr. Mel Fuller and following the end of the year by Julia Dobson. I am really excited about the growing strength of our board and believe we have the right skills for maximising the opportunities that are open to us. I would also like to thank the trustees for the support, time and help they give to me and the executive team, it is really appreciated.



NextGenLeader programme events

Finally, I would like to thank all those involved - the students, our business partners and their employees, our funders, our Enactus UK alumni and also the many individual mentors and university/school staff for the encouragement of the students. I would like to thank the Enactus UK executive team for their dedication. They may be small in number but their impact is massive. Whatever we ask of them they respond positively with creativity, speed and always with a smile on their faces.

You will find a summary of the very wide range of activities undertaken in 2021 by Enactus UK, in order to successfully deliver against our aims and objectives, within this report.

Robin Lassiter
Chair

TRUSTEES' REPORT

Context

The United Nations Sustainable Development Goals (SDGs) provide the UK with a unique opportunity to eradicate poverty, reduce inequalities, combat catastrophic climate change and protect our natural environment by 2030. While there is an enormous amount to celebrate, the most vulnerable places and people in our society are increasingly being left behind. The social mobility gap is widening.

We have a food system that struggles to provide healthy, sustainable, diverse diets for everyone in the UK. We have high and growing levels of obesity, and the highest levels of household food insecurity in Europe. Calories from healthy food consistently cost more than calories from unhealthy foods. And the wealthier you are, the higher portion of household income is assigned to consuming vegetables. This has a direct impact on health and wellbeing, with obesity and poor diet linked to key health issues including heart disease, diabetes and cancer. Poverty was once considered a concern of more 'developing countries' than the UK. Yet we have recently seen the emergence into public awareness the levels of 'period poverty' among young girls in the UK and the fact that the number one reason why under ten-year-olds attend Accident & Emergency is dental poverty. We live surrounded by the 26% of young people on free school meals who will never fully participate in sports or the arts.

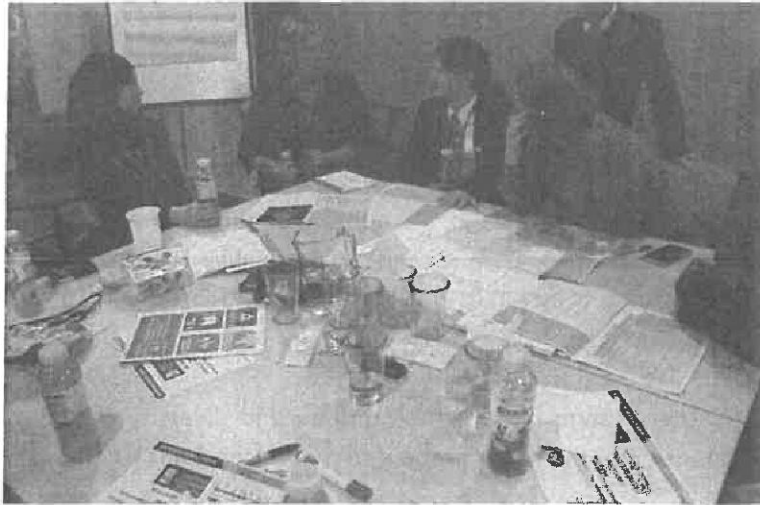
As well as government, responsible business and social enterprise has a critical role in delivering the solutions and support to the above, and in so doing, aid the implementation of the SDGs. Some UK businesses and social enterprises have already positively responded to these challenges and the SDG agenda, recognising the economic opportunities as well as the environmental urgency. We work to engage businesses of all sizes to review how they can collaborate with and to develop the future generation of responsible leaders to address these challenges and meet the delivery of the SDGs in the UK, and to collaborate with others to address them. We call this environment Enactus – entrepreneurial action for the benefit of all of us.

Delivering our aims and objectives

Enactus is the UK's leading and most established youth social action and youth social enterprise charity supporting teams of over 3,000 young people from across the UK each year since 2001. Our mission in the UK is to grow the impact of a national network of more environmental and socially-minded young responsible leaders who experience and learn from the practical action of transforming local communities and society through real-life social action and sustainable enterprise.

Enactus UK is dedicated to creating a better world while developing the next generation of entrepreneurial young leaders and social innovators. The Enactus network of business, academic and young leaders are unified by our vision—to create a better, more sustainable world. At Enactus, we believe that investing in young leaders who take entrepreneurial action for others creates a better world for us all.

Our students each year are entrepreneurial, values-driven social innovators from across 60 university campuses and schools, positively impacting the lives of people each year. Guided by educators and supported by business leaders, our young teams conduct needs assessments in their communities, identify potential solutions to complex issues and implement community impact projects. This results in communities benefiting from collaboration and fresh innovation, plus students gain the valuable experience to advance their personal and professional lives. As in business, we believe that competition encourages innovation. For Enactus, this means more lives impacted every day.



NextGenLeader programme activity

With a head for business and a heart for the world, we live our values of integrity, passion, innovation and collaboration.

The charity aims to advance education and learning in business, commerce and entrepreneurship, with a particular focus on developing social enterprise. The charity aims to promote industry, commerce, and social enterprise which:

- relieves poverty
- enables employment
- advances health
- advances environmental protection
- delivers sustainability

This enables the advancement in life of young people through the provision and facilitation of support, training and development activities to deliver projects which develop their skills, capabilities, and leadership capacity. This helps them to participate in society as mature, responsible and socially conscious individuals.

IMPACT REPORT

Overview of the Enactus UK University Programme

Enactus UK succeeded in growing the programme of social impact and innovation in 2021 despite the lockdown. In terms of widening participation, the number of educational partners in Higher Education increased to 65. The number of young people registered as active Enactus team members numbered over 3,500 this year (an increase from 3,036 in 2020). Enactus UK invested £65,000 (£45,000 in 2020) in social enterprise projects in 2021.

We look forward to further growth in both the number, and diversity of young people involved in 2022, including the expansion of the programme into more areas of the UK.

Our network of 3,500 students invested 1 million hours of valuable time, supported by over 290 business, alumni and academic volunteers and mentors, and delivered:

- Over 230 social enterprise projects in the UK.
- A measureable improvement in the livelihoods of local people impacting 12,000 (7,128 in 2020) beneficiaries ranging in age from 0 to 94 years old.
- Projects impacting all 17 of the UN SDG's.

As a result of our impact assessment, we can report the following outcomes delivered by the programme, including:

- 116 (41 in 2020) new jobs created.
- 2,900 (1,762 in 2020) people given access to improved education.
- 500 (328 in 2020) tonnes of CO2 saved.
- 19 new businesses created.
- 2,500 people given access to healthy food.

Reflections on the national expo event by Dr. Mel Fuller, Trustee.

I've been an Enactus UK Trustee for just a few months, so this was my first experience of the UK Expo Competition finals. Brilliantly organised and orchestrated, the event brought together the UK's best, young, change-makers to showcase their socially-responsible businesses and to compete for a place at the World Cup in Puerto Rico later this year.

The Enactus university programme provides an experiential learning platform for students with a head for business and a heart for the world. Mentored by established business leaders, the teams create and manage their own community-focused businesses that strive to deliver a sustainable positive impact to benefit people, planet and prosperity. The competition framework enables participating teams to demonstrate their understanding of the social need, their business thinking and the progress they have made in the previous 12 months; and the national final is a culmination of months of hard work and success in preceding rounds of the competition.

Judging the national finals was a privilege, and I am in awe of the knowledge and life skills these young people have developed as a result of their involvement in the programme. Over 90 judges from a breadth of industries evaluated the 5 finalists based on very clear criteria:

- **Process:** how well did the team effectively state and align their project's purpose with their assessment of the social need.
- **Time:** how successfully did the team present the progress made specifically within the reporting year of their project.
- **Collaboration:** how well did the team define with whom they collaborated, and describe the Enactus team's specific role and their contribution toward the outcomes and impact.
- **Location:** how well did the team explain the project's impact and sustainability within the defined location.

Judging the 12-minute presentations was supported by an annual report from each team and a short question and answer session which enabled the judges to explore specific matters more deeply and challenge understanding.



Enactus UK National Expo 2022

These 5 talented entrepreneurial teams demonstrated everything that is needed in the UK's next generation leaders: teamwork, integrity, curiosity, confidence, commercial acumen, and an infectious passion for creating a better world. Every team strived to be the best they could be and if they are able to continue to shine as social entrepreneurs, our future is in very safe hands!

Overview of the schools programme - NextGenLeaders

Due to the challenges faced by schools because of the pandemic, we made the decision to put our NextGenLeaders schools programme on hold, with the aim of relaunching in both Yorkshire and the East Midlands in the 2022/23 school year. We will continue to focus on encouraging the participation of schools and colleges with the highest level of Pupil Premium and free school meals. The aims of our schools programme remains:

- Deliver a youth led and free to pupils (years 9-13) and schools, and concentrate on enabling practical action undertaken by young people in the service of others to create positive change in their local communities.
- Leverage our national recognised University programme we will install and run an annual regional competition to recognise the achievements in social action and enterprise for young people up to 18 year-old students.

- Provide support for teachers and students to equip them with the skills, knowledge and inspiration to help pupils learn about local communities, their challenges and the society that surrounds them.
- Provides opportunities for a diverse group of students to gain access to employment development, insights and inspiration into the world of work and to learn and be motivated to invest in learning by opportunities that exist, either in large employers or as an entrepreneur.

Deep Dive projects in individual schools

With our partner the Bahur Foundation, we worked with three schools across Nottinghamshire and Yorkshire exploring projects covering increasing access via technology, Sport and physical activity to improve wellbeing and using technology to aid the learning experience.

Stone Soup Academy trustee visit to review the ‘Closing the Digital Divide (Deep Dive) Project’ in action by Helen Ots, Trustee.

Back in November 2021, the trustees along with a project sponsor, the Badur Foundation, visited Stone Soup Academy to see first-hand how one of our ‘Closing the Digital Divide Project’ was progressing.

Stone Soup Academy is an Alternative Provision Free School, based in Nottingham City centre, providing young people who fail to thrive in a mainstream school environment with a genuine educational alternative. Stone Soup Academy’s goal is to prepare students to reintegrate into mainstream education or gain personal skills to be a successful member of the community and enter the world of work. The foundation of their work is the ambition to create systems that equip young people who would otherwise be left behind, as all too frequently, students who are deemed to be difficult or disruptive are faced with a future of unemployment or social disadvantage. The school has been rated as Outstanding by Ofsted.

Recognising a need to address the digital divide between students and technology, the Closing the Digital Divide projects are contributing to building technology-enabled systems to help develop employability, raise ambition and connect students directly with the world of work in person and digitally. In this project, thanks to grant funding from the Badur Foundation who enabled the purchase of four virtual reality headsets and two action cameras; Stone Soup Academy teachers and students have been exploring how virtual reality technology (VR) can be used to help build empathy skills.

Our visit, hosted by Stone Soup Academy’s Principal Kerrie Henton, began with a tour of the premises and explanation of the particular challenges faced by their young people, many of whom have special educational needs, meaning that they find it harder to learn than their peers, especially in traditional mainstream school settings.

We were then given a first-hand demonstration by the teachers of the VR technology, to better understand its potential to enable users to experience the day-to-day experiences and challenges faced by neuro-diverse people, to build understanding and empathy.

We also heard about the collaboration between the school and the Enactus Nottingham Trent team to develop a VR game to tackle the glorification of knife crime in Nottingham. The plan is to use VR technology to give young people an insight into the consequences of knife crime, from the perspectives of other people involved, such as the police officer who needs to inform the family of the victim about their death. This is another great example of how VR technology can help build empathy by exploring another person’s perspective.

Our trip to Stone Soup Academy was very enlightening and I look forward to seeing how this Closing the Digital Divide project develops in the future and the impact of technology on their student's skills.

Overview of the Enactus UK research programme by Chris Lane, Trustee.

During the reporting period, the board concluded that there was a gap in the evidence available to policy-makers and practitioners as to what outputs and outcomes we should target and what interventions work to achieve the impact we all want to see – responsible and adaptable young people who are equipped with the skills to succeed in the changing world of work. As such, Enactus UK decided to step in to ensure that our charity – and other stakeholders with an interest in the agenda – benefit from high quality, relevant, and accessible academic research to inform policy debates and guide the design and delivery of programmes.

Accordingly, Enactus UK commissioned two important pieces of work from the University of Winchester and Leeds Beckett University. Between these two reports, with its academic partners, Enactus UK will offer analysis and provide insights into the evidence relating to the state of self-learning skills among young people in the UK and the efficacy of existing or prospective relevant policy and programme interventions to measure and improve such skills. The research is wide-ranging, but includes a focus on existing or prospective co-curricular activities linked to social action, enterprise, and entrepreneurship.

In 2022, Enactus UK will launch its two research reports. The first, generated by Leeds Beckett University, examines the importance and current state of self-learning skills among young people in the UK. The second report, produced by the University of Winchester, reviews the links between experiential learning opportunities and the development of self-learning skills, including an analysis of the effectiveness of different characteristics of experiential learning.

Based on the reports, Enactus UK will develop a new organisational strategy, underpinned by a refreshed theory of change, and will seek to advocate widely for policy change and good practices that we believe could enhance the development of self-learning skills for young people through social action, enterprise, and entrepreneurship activities. We hope that this new research will provide interesting and informative insights to all those who seek to make a difference to the life chances of young people.

Future plans and impact of Covid-19 on our operations

Since March 2020 and throughout 2021, the CV-19 pandemic resulted in significant economic and societal disruption across the UK and significantly affected the operations of many of our university and corporate partners. We responded swiftly to the developing situation, following government and medical advice at all times in order to safeguard our people, network and project beneficiaries.

The gradual opening of schools and university campuses throughout 2021 impacted our programme activities. However, participation in the university programme actually increased. Four schools in the NextGenLeaders programme maintained student engagement in their projects and received certification in 2021 even though the competition events were cancelled.

In 2021, despite the challenges faced by many corporate partners, we maintained the engagement and support of all our sponsor and funders. In fact, we added the support of new sponsor and funders to build capacity.

As explained in more detail later in this report, the organisation remains on a solid financial footing despite the pandemic and has adequate reserves to sustain all core activities over the medium term. We are nevertheless continuing to look at costs and areas of low priority spend in risk mitigation of any volatility in future income levels. Now that the UK is emerging from the pandemic, the Board and staff look forward to a return to routine face-to-face engagement through our universities programme, a renewal of our NextGenLeaders schools programme, and the launch of our new research reports as part of a campaign to raise awareness and change practice around experiential learning and the skills young people will need to succeed.

GOVERNANCE

Governing document

Enactus UK is a charitable company limited by guarantee (under company number 04358202), incorporated on 22nd January 2002 and registered as a charity on 9th January 2014 (under charity number 11552621). The charity is governed by its Articles of Association which established the objectives and powers of the charitable company. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Public benefit

The charity's charitable purpose is enshrined in its objects which are for the public benefit:

A) the advancement of education and learning in business, commerce and entrepreneurship with a particular focus on social enterprise;

B) the promotion of industry, commerce and social enterprise which:

- 1) relieves poverty,
- 2) relieves unemployment,
- 3) advances health,
- 4) advances environmental protection or improvement and sustainable development; and

C) the advancement in life of young people up to the age of 25 (and mature or graduate students enrolled in a programme of further, higher or post-graduate education) through the provision and facilitation of support, training and projects which develop their skills, capacities and capabilities to enable them to participate in society as mature, responsible and socially conscious individuals.

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit" in setting the charity's objectives and carrying out its activities.

The trustees ensure that the charity's charitable purpose is carried out for the public benefit through planning and monitoring activities.

Charity Governance Code

The trustees are aware of the principles of the Charity Governance Code for smaller charities and regularly considers how to apply those principles in practice to its governance arrangements. The charity meets the key outcomes set out in the Code and implements much of recommended practice set out in the Code.

Equality, Diversity and Inclusion

The trustees recognise why EDI is important for the charity and regularly assess the current level of understanding across the organisation. This includes thinking about and setting appropriate targets tailored to the charity, monitoring their status and ensuring the right level of transparency of the charity's progress. Trustees understand their safeguarding responsibilities and have established appropriate procedures that are integrated with the risk management approach of the charity. This includes ensuring that everyone in contact with the charity knows how to speak up and raise concerns.

Recruitment and appointment of trustees

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2021. The trustees have adopted the provisions of the Statement of Recommended Practices (SORP) 'Accounting and Reporting by Charities' the latest version of which was issued in October 2019. Under the requirements of the company's articles the trustees are elected to serve for a period of three years after which they must be re-elected at the next Board Meeting.

All the trustees give their time and expertise voluntarily and receive no remuneration or other benefits from the charity. Any expenses reclaimed from the charity are set out in the notes to the accounts.

The more traditional business and trust governance skills are represented on the Board. In an effort to maintain and develop this broad skill mix, trustees will be requested to provide a list of their skills (and update it each year) and in the event of particular skills being lost due to retirements, individuals are approached to offer themselves for election to the Board.

Trustee induction and training

Where there is a requirement for a new trustee, this would be identified and the appointment made by the remaining trustees. The chair of the trustees is responsible for the induction of any new trustee, which involves awareness of a trustee's responsibilities, the governing document, administrative procedures, the history and philosophical approach of the charity.

Many trustees are already familiar with the practical work of the charity having been involved in activities such as the National Competition, and the training and mentoring of Enactus students and teams.

Additionally, new trustees will be invited and encouraged to attend a series of short sessions to familiarise themselves with the charity and the context within which it operates. These are jointly led by the Chair of the Board and the secretary of the charity. These cover:

- the obligations of Board members
- the main documents which set out the operational framework for the charity including the Memorandum and Articles
- resourcing and the current financial position as set out in the latest published accounts
- future plans and objectives

An information pack will be provided drawing guidance from the various Charity Commission

publications signposted through the Commission's guide "the Essential Trustee" as a follow up to these sessions. This will be distributed to all new trustees along with the Memorandum and Articles and the latest financial statements.

Risks and risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. In accordance with the Charity Commission's guidelines on risk management, with the assistance of management, the trustees oversee a risk register, outlining the potential financial, governance, operational, external and compliance risks the charity could face, weighing the likelihood and potential impact of each and the current and proposed actions required to mitigate those risks as appropriate. The register is reviewed regularly by the trustees, who are satisfied that systems are in place to mitigate identified risks to an acceptable level.

In general, all necessary insurance covers are in place having recently been upgraded, and are reviewed as part of this risk management process. Internal control risks are minimised by the implementation of authorisations for all major transactions and projects. Measures are in place to ensure compliance with the health and safety of staff, volunteers, clients and visitors to Enactus activities in the UK.

Where appropriate, further systems or procedures will be established to mitigate the risks the charity faces. Where significant risks to external funding arise a strategic plan which will allow for the diversification of funding and activities will be developed.

The principal risks and uncertainties identified by the trustees for the charity are as follows:

- Fundraising risk.
- Liquidity and income risk.
- Operational – loss of volunteers due to CV-19.
- Operational delivery – CV-19 general disruption and recovery of capacity loss following the covid pandemic.

The measures taken by the charity to mitigate these risks are as follows.

Fundraising risk.

This is the risk that the level or mix of unrestricted and restricted income is insufficient to maintain or expand our social mission and impact. Enactus UK Trading operates as a business-driven organisation governed by representatives of its corporate sponsors through strategic partnerships. Enactus UK Trading Ltd. has retained a pipeline of new sponsors to replace those lost in 2020 due to economic circumstances. The trustees are of the view that new revenue streams will come from target sponsors as a result of additional efforts in support of business development by the trustees and retained trading board members.

Liquidity and income risk.

Gross income streams can be volatile, whereas the underlying cost base, which is principally staff and associated costs, is relatively stable and recurring.

The board seeks to maintain a prudent level of free reserve cover to cope with any fluctuations in income and thereby ensure running costs can be met and that charitable activities can continue to be delivered without significant disruption. The combination of different income streams of the Trading subsidiary and the charitable company is also a key part of the strategy to manage volatility in income streams as it provides cost synergies as well as complementary income streams.

Operational – loss of volunteers.

The charitable group engages the support of 3,500 student volunteering over 1 million hours of time commitment in addition to the support of some 290 mentors and coaches from corporate partners and therefore we have the logistical risks associated with travel and engagement with teams and their projects during lockdown. We continue to monitor levels of virtual engagement and support and have plans for the re-establishment of face-to-face support in late 2021 and throughout 2022.

Operational delivery – general disruption and capacity loss.

The COVID-19 lockdown presented a key 'risk' and 'uncertainty' during the period in terms of our ability to maintain our capacity and ultimately the sustainability as an organisation. COVID-19 affected income levels and; programme delivery, and required provisions to be made to safeguard the health and safety of staff. The UK Government's support schemes as well as local grants were fully utilised as much as possible while maintaining programme delivery.

Organisational structure

Enactus UK has a Board of a minimum of four trustees who meet at least three times a year and are responsible for the strategic direction and policies of the charity. The membership is currently made up from a variety of professional backgrounds relevant to the work of the charity. The company secretary also participates in meetings of the board, but has no voting rights.

A scheme of delegation is in place and day to day responsibility for the provision of Enactus activity and services rests with the Chief Executive. The Chief Executive is responsible for ensuring the charity delivers the services specified and that key performance indicators are met. The Chief Operating Officer has responsibility for the day to day operational management of Enactus UK activities. The Chief Executive has responsibility for the supervision of all charity and trading company staff.

Related parties

The charity has a wholly-owned subsidiary, Enactus UK Trading Limited, which exists to carry out trading activities with a social purpose (social enterprise) in order to generate funds for the charity. The subsidiary is overseen by a Board of Directors appointed by the charity.

Responsibilities of the trustees

Company law requires the board of trustees to prepare financial statements for each financial year

which give a true and fair view of the state of the affairs of the Charitable Company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing the following statements, the trustees have selected suitable accounting policies and then applied them consistently, made judgements and estimates that are reasonable and prudent; and prepared the statement on the going concern basis.

Membership of the trust board

Members of the Board, who are directors for the purpose of company law and Trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 2.

In accordance with company law, as the company's directors, we certify that this report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Remuneration policy

The trustees consider the board of trustees and the Chief Executive Officer to comprise the key management personnel of the charity in charge of directing, controlling, running and operating the charity on a day-to-day basis.

The salaries of the CEO and all staff are reviewed periodically and benchmarked against comparable salary levels for similar roles in similar-sized charities, and salaries are adjusted as appropriate. In other years, a cost of living increase is considered for eligible staff.

FINANCIAL REVIEW

Overview

The Trustees present their report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)."

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Principal funding sources

The principal funding source for the charity in 2021 was income from Enactus UK Trading subsidiary and foundation grants including one from the Big Lottery Community Fund. Ongoing engagement and discussions with charitable foundations is proving useful in identifying possible opportunities for a much wider range of funding for the future. Discussions with potential partners are also centred on the potential for contract income in the future.

Investment policy

Aside from retaining a prudent amount in accessible cash reserves each year, the trustees have decided to invest the remaining reserves in investment funds.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to at least three and six month's expenditure of both the charity and the subsidiary. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

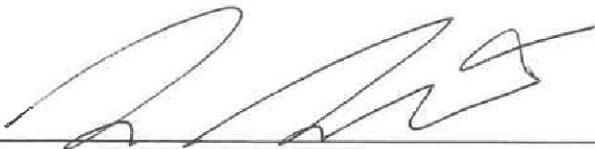
Preparation of accounts on a going concern basis

The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The review of our financial position, reserves levels and future plans give trustees confidence the charity remains a going concern for the foreseeable future. The trustees have reviewed the guidance on charity financial reporting in the preparation of this trustee report.

Plans for future periods

As noted above, the charity plans to continue the activities outlined above in the forthcoming years subject to satisfactory funding arrangements. Plans are also being developed to work on a number of schemes to increase the value and range of revenue streams.

Approved by order of the Trustees on 21st June 2022 and signed on its behalf by:



Signed by Robin Lassiter – Chair of the trustees.

Charity Registration No. 1155261

Company Registration No. 04358202 (England and Wales)

ENACTUS UK
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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ENACTUS UK

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ENACTUS UK

I report to the trustees on my examination of the financial statements of Enactus UK (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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



J L Swann BA (Hons) BFP FCA
Azets

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Stourbridge
West Midlands
DY8 1PH
United Kingdom

Dated: 21 June 2022

ENACTUS UK

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations and legacies	3	70,313	21,000	91,313	112,941	27,014	139,955
Charitable activities	4	2,333	-	2,333	2,000	-	2,000
Investments	5	650	-	650	854	-	854
Total income		73,296	21,000	94,296	115,795	27,014	142,809
Expenditure on:							
Charitable activities	6	52,494	5,000	57,494	44,824	27,014	71,838
Net income for the year/ Net movement in funds		20,802	16,000	36,802	70,971	-	70,971
Fund balances at 1 January 2021		375,494	-	375,494	304,523	-	304,523
Fund balances at 31 December 2021		396,296	16,000	412,296	375,494	-	375,494

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ENACTUS UK

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	11		1		1
Current assets					
Debtors	12	19,125		-	
Cash at bank and in hand		393,169		381,427	
		<u>412,294</u>		<u>381,427</u>	
Creditors: amounts falling due within one year	13	1		(5,934)	
Net current assets			412,295		375,493
Total assets less current liabilities			<u>412,296</u>		<u>375,494</u>
Income funds					
Restricted funds	14	16,000		-	
Unrestricted funds		396,296		375,494	
		<u>412,296</u>		<u>375,494</u>	

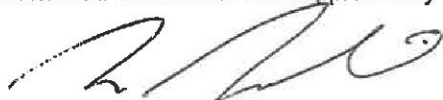
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 21 June 2022



Mr R B Lassiter
Trustee

Company Registration No. 04358202

ENACTUS UK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Enactus UK is a private company limited by guarantee incorporated in England and Wales. The registered office is 7 Wadkins Way, Bushby, Leicester, Leicestershire, LE7 9NA, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grant income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

ENACTUS UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

1.5 Expenditure

Expenses are included in the financial statements as they become due.

Expenses include VAT where applicable as the charity cannot reclaim it.

Support and governance costs are those costs that assist the work of the charity but do not represent charitable activities. They are incurred directly in support of expenditure on the objects of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33% on cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

ENACTUS UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure for the period.

2 Critical accounting estimates and judgements

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

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

ENACTUS UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	67,177	21,000	88,177	105,542	27,014	132,556
Grants receivable	3,136	-	3,136	7,399	-	7,399
	<u>70,313</u>	<u>21,000</u>	<u>91,313</u>	<u>112,941</u>	<u>27,014</u>	<u>139,955</u>

During the year the charity received government grants of £3,136 (2020: £7,399) for retaining staff unable to work and on furlough.

4 Charitable activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Other income	<u>2,333</u>	<u>2,000</u>

5 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	<u>650</u>	<u>854</u>

ENACTUS UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

6 Charitable activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Staff costs	23,323	31,156
Enactus worldwide fees	24,662	25,235
Travelling and meetings	29	945
Programme delivery costs	6,102	7,914
	<u>54,116</u>	<u>65,250</u>
Grant funding of activities (see note 7)	-	1,162
Share of support costs (see note 8)	253	2,252
Share of governance costs (see note 8)	3,125	3,174
	<u>57,494</u>	<u>71,838</u>
Analysis by fund		
Unrestricted funds	52,494	44,824
Restricted funds	5,000	27,014
	<u>57,494</u>	<u>71,838</u>

7 Grants payable

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Grants to institutions:		
Other	-	1,162
	<u>-</u>	<u>1,162</u>

ENACTUS UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Exchange (gains)/losses	(69)	-	(69)	212	-	212
General admin costs	240	-	240	1,961	-	1,961
Bank charges	82	-	82	79	-	79
Accountancy	-	3,125	3,125	-	3,174	3,174
	<u>253</u>	<u>3,125</u>	<u>3,378</u>	<u>2,252</u>	<u>3,174</u>	<u>5,426</u>
Analysed between						
Charitable activities	<u>253</u>	<u>3,125</u>	<u>3,378</u>	<u>2,252</u>	<u>3,174</u>	<u>5,426</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	<u>1</u>	<u>1</u>
Employment costs	2021	2020
	£	£
Wages and salaries	20,750	28,250
Social security costs	1,950	2,058
Other pension costs	623	848
	<u>23,323</u>	<u>31,156</u>

There are no employees who received total employee benefits (excluding employer pension costs) of more than £60,000.

11 Fixed asset investments

ENACTUS UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Fixed asset investments		(Continued)	
			Other investments
Cost or valuation			
At 1 January 2021 & 31 December 2021			1
Carrying amount			
At 31 December 2021			1
At 31 December 2020			1
Other investments comprise:		2021	2020
	Notes	£	£
Investments in subsidiaries	18	1	1
12 Debtors		2021	2020
		£	£
Amounts falling due within one year:			
Amounts owed by subsidiary undertakings		19,125	-
13 Creditors: amounts falling due within one year		2021	2020
		£	£
Other taxation and social security		-	760
Other creditors		(1)	214
Accruals and deferred income		-	4,960
		(1)	5,934

ENACTUS UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Incoming resources	Resources expended	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	£	£	£	£	£	£
D M Thomas Foundation	2,954	(2,954)	-	-	-	-
SAP	4,960	(4,960)	-	1,000	-	1,000
Big Lottery Grant	19,100	(19,100)	-	-	-	-
Schroders	-	-	-	15,000	-	15,000
Badhur Foundation	-	-	-	5,000	(5,000)	-
	<u>27,014</u>	<u>(27,014)</u>	<u>-</u>	<u>21,000</u>	<u>(5,000)</u>	<u>16,000</u>

Purpose of Restricted Funds

The D M Thomas Foundation provided funds for a special competition focused on waste management.

SAP provided funds to run a special competition which focussed on projects that used Tech for Good.

The Big Lottery Grant was to fund the Charity's schools' programme in Yorkshire and the East Midlands.

Schroders income is to be used for student event opportunities in 2022, including grants, travel bursaries, and event costs.

Badhur Foundation funds are to be used for laptops for schools to help close digital divide.

15 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 December 2021 are represented by:						
Investments	1	-	1	1	-	1
Current assets/ (liabilities)	396,295	16,000	412,295	375,493	-	375,493
	<u>396,296</u>	<u>16,000</u>	<u>412,296</u>	<u>375,494</u>	<u>-</u>	<u>375,494</u>

16 Members' liability

The charity is limited by guarantee, not having a share capital and consequently the liability of the members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the charity on winding up such amounts as maybe required not exceeding £1.

17 Related party transactions

ENACTUS UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

17 Related party transactions

(Continued)

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

During the year the charity received donations of £NIL (2020 £nil) from Enactus UK Trading Limited, its trading subsidiary.

At 31 December 2021, there was an amount of £19,125 owed from Enactus UK Trading Limited. (2020 £nil).

18 Subsidiaries

These financial statements are separate charity financial statements for Enactus UK.

Details of the charity's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Enactus UK Trading Limited	United Kingdom	Training and Sponsorship	No shares issued	100.00	