

**Annual Report of the Board of Trustees**

**SMART WORKS (GREATER MANCHESTER)**

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## Annual Report of the Board of Trustees for the Year Ending 31 March 2021

The Trustees, who are also the directors of the charity for the purposes of the Companies Act, present their annual report together with the accounts of Smart Works (Greater Manchester) for the year ended 31 March 2021.

The accounts have been prepared in accordance with the accounting policies set out on page 16 and comply with the charity's governing document, applicable laws and the requirements of Statement of Recommended Practice on 'Accounting and Reporting by Charities' issued in 2019.

### 1. Objectives and activities

Smart Works (Greater Manchester) is a UK charity that provides high quality interview clothes, styling advice and interview training to women in need. We give women the confidence, the self-belief and the practical tools they require to succeed at interview and start a new chapter of their life.

The charity's objects are the relief of financial hardship and the relief of unemployment for the public benefit through the promotion of economic independence among women in Greater Manchester. Smart Works (Greater Manchester) is part of a network of 6 other regional charities that deliver the Smart Works Charity service in their area. To deliver this, Smart Works (Greater Manchester) was created in 2015 with a clear mission and vision to help more women back into the workplace by giving them the clothes and the confidence they need to succeed at job interview.

Prior to March 2020, the core of the Smart Works (Greater Manchester) service was a 1-2-1 two-hour First Dressing appointment delivered with clients in our operational centre in the centre of Stockport. During the first hour, working with a Styling Volunteer, each woman would receive a complete outfit of high quality clothing and accessories (theirs to keep). The second hour is spent with a Coaching Volunteer providing personalised interview training and during which the client populates an interview preparation booklet. This short intervention has a significant impact as our clients start believing in their own ability to succeed. Once they get the job, we offer clients a one-hour Second Dressing to return for an additional 5 to 7 items of clothing to help them build a working wardrobe to see them through to their first pay cheque.

In response to the Covid-19 pandemic and government regulations regarding travel and business operating restrictions, in early 2020 Smart Works (Greater Manchester) adapted its core services to create a new, online personalised Career Coaching service to support unemployed women with everything from confidence building, interview skills development, how to apply for a job, how to write a CV etc. The charity also adapted its core Styling and Interview Coaching services enabling these to be delivered remotely to clients during periods of travel and business opening restrictions, and face to face when this was permissible.

## 2. Achievements and performance

### Highlights

Throughout 2020/21 Smart Works (Greater Manchester) has evolved its services and key aspects of its funding approach to the multiple challenges represented by the Covid-19 pandemic and adhered to all rules and regulations to protect the health, safety and well-being of its clients, its volunteers and its staff. The charity has stayed free from any Covid-19 related incidents throughout the financial year, which is a credit to its staff team, to its volunteers and to the Board.

Our highlights for the year can be summarized as:

- Adapting and delivering all aspects of our service online during lockdowns
- Supported over 250 unemployed women with adapted, online and high quality services, 69% of who went on the secure employment
- Appointing and developing a new Business Manager who joined in October and who has led the day-to-day activities of the charity through the second half of the financial year
- Retaining and reskilling our entire volunteer community to deliver a fully virtual service during the many months the charity was required to remain closed to clients, supported by enhanced online safeguarding training and processes
- Signed a new and potentially large referral partner agreement with Ingeus, a key provider of employment and skills services to unemployed people in multiple boroughs of Greater Manchester
- Delivered two online volunteer events – an Afternoon Tea delivered to all of our volunteers in their homes with the help of the National Lottery Connecting Communities Fund, and a Styling Session delivered in partnership with John Lewis Partnership in Cheadle
- Growing awareness of the charity as a strong and supportive voice for unemployed women disproportionately affected by the economic impact of the Covid-19 pandemic across Greater Manchester and the wider North West region
- Agile and effective revised financial planning to end the year in a stronger financial position than at the start of the year including securing essential grant funding throughout the year and our highly successful Cycle for Smart Works Campaign in March 2021 with 42 teams raising over £52k
- Continued regular support from our Corporate Partners Timetastic and Trinno as well as Smart Works Charity which was particularly helpful as we adjusted to the impact of the pandemic
- Appointed as Charity Partner at the Stockport Business Awards in September 2020 (this was cancelled however the honour has been carried forward to the 10<sup>th</sup> Anniversary Award event in September 2021)

### Operational Performance:

Smart Works (Greater Manchester) supported over 250 women with 373 appointments throughout the year and are the only one of 6 regional Smart Works centres to have adapted and delivered all aspects of its services independently of the London headquarters operation.

During the first 4+ months of the Covid-19 pandemic, from mid-March to August 2020, key referral partners were closed and there was little pre-employment support available for the increasing numbers of unemployed women across Greater Manchester. The charity made use of the Government's furlough scheme for 1 member of staff. Smart Works Charity stepped in and delivered the Smart Works service virtually during this first lockdown when it was not possible to access our centre.

In line with government regulations for non-essential retail spaces, the charity re-opened its in person styling services welcoming clients back into its centre from 10<sup>th</sup> August, while maintaining online services for all Career Coaching and Interview coaching and to support those women unable or unwilling to travel to the Stockport centre. Consequently, for the first half of 2020/21, Smart Works (Greater Manchester) supported 111 women in their search for employment.

When Greater Manchester was placed into Tier 3 in October 2020, a month prior to the second national lockdown in November, and Tier 4 in early December, Smart Works (Greater Manchester) adapted its services for the final time by adding online Styling followed by a "Pack and Post" service to get clothes to our clients ahead of any online interviews. Career Coaching and Interview coaching remained online through this period and until the end of the financial year. Consequently, for the second half of 2020/21, Smart Works (Greater Manchester) delivered 201 appointments in total supporting women in their search for employment, including 71 appointments delivered in the month of March 2021, ahead of planned re-opening on 12<sup>th</sup> April 2021.

As well as the traditional 2-hour First Dressing appointment (Styling + Interview Coaching), from June 2020, we adapted to successfully deliver the new, online personalised Career Coaching service to support unemployed women with multiple aspects of support as she begins her search for work, without the pre-requisite of having an interview already lined up. Multiple referral partners of the charity had asked for this service to be developed during the first lockdown and by June Smart Works (Greater Manchester) was able to start delivering a service supporting unemployed women in everything from confidence building, interview skills development, to how to apply for a job, how to write a CV etc. While this new service was slow to take off, by year end the charity had delivered 77 Career Coaching appointments.

In October 2020, the charity appointed a new Business Manager to run all aspects of the day-to-day operational service. The new Business Manager brings extensive third sector service delivery experience and has settled down very well into the organisation. She has materially increased the activity with Referral Partners and has worked with the Board to develop a new strategy for 2021/22 to better enable the charity to target unemployed women living in the five boroughs of Greater Manchester from where a low percentage of our overall number of clients. The approach is referred to as our "1% Boroughs" and we are working with local Housing Associations to deliver effective "hyper local" services to ensure we make every endeavour to connect with them in their local area.

In September, the charity revised its annual client targets from pre-pandemic norms to 171 women supported by First Dressing and Interview coaching plus a further 60 Career Coaching appointments. We are delighted to confirm we delivered 173 and 77 appointments respectively, and achieved a Job Success Rate of 69% for the year.

## **Management of the charity**

The Board is effective and focussed on the strong operational performance of the charity underpinned by prudent financial management and robust governance. All Trustees have formalised areas of leadership of the charity such as Wardrobe, Risk and Compliance, Staffing, Referral Partnerships and Fund Raising. One Trustee resigned in August due to workload outside of the charity and will be replaced in the new financial year. Due to the extra demands on the Board from changing circumstances through the year regarding Covid-19, the Board settled into a rhythm of 6-weekly online board calls and it is pleasing to note that, since September 2020, there has been full attendance at every board meeting.

A Covid-19 Risk Assessment was undertaken in July 2020 to ensure all processes and safety guidelines were in place ahead of the initial re-opening in August. A grant from The Manchester Airport Community Fund and support from our Landlord helped ensure the office space was redecorated and re-equipped on reopening. The charity has followed guidance from the national Smart Works Charity regarding its classification as non-essential retail throughout 2020/21 when lockdown and travel restrictions have been in place.

Smart Works (Greater Manchester) now has 3 members of staff (2.4 FTE) following the appointments of a new Business Manager along with a project assistant for our ESF grant funded Young Women's Programme. We plan to recruit additional staff as the economy reopens to help support more unemployed women.

To deliver our services to clients, our charity relies on the loyal support and dedication of our regular team of Styling and Coaching volunteers, as well as ad hoc volunteers for stock management. In the year to 31<sup>st</sup> March 2021, we benefited from over 500 core volunteering hours.

We have retained the Smart Works (Greater Manchester) Ambassadors who promote the good works of the charity and raise awareness of our activities across the region, these being Caroline Roberts-Cherry, a TV Producer and Michelle Ackerley, a TV Broadcaster. Both Ambassadors promoted our 5<sup>th</sup> Birthday celebration in June which raised £5k and have continued to amplify the voice of Smart Works (Greater Manchester), however activities have been restricted due to the inability to host live events throughout the year. In October 2020, we appointed a third Ambassador, Katy Leeson, who is a leading social media and brand expert as well as a "Top Voice" on LinkedIn.

## **Growing Awareness of the Charity**

From a corporate awareness perspective, the charity continues to promote the services it provides across the 10 Boroughs of Greater Manchester and the wider North West region. Being "open" and continuing to deliver client appointments whenever possible during the year, and adapting quickly to online service delivery, has garnered additional respect from organisations who have become newly or more aware of what we do, especially when so many organisations chose to close-down completely. Of particular note is the strong relationship the charity has developed with private and public sector organisations right across the Borough of Stockport itself and with the large and potentially major referral partner, Ingeus.

We have sought to ensure that both the public sector bodies commissioning support services to unemployed women, and those public and private sector organisations responsible for awarding

grants, understand the effectiveness of the services we provide and the robustness of our organisation. Two examples of this are being selected as the Charity Partner at the Stockport Business Awards (now taking place in September 2021) and being able to secure 42 teams to participate on Cycle for Smart Works 2021 and those teams and individuals raising c. £54k for the charity.

Social media has been impacted by the Covid-19 pandemic and we have been careful to both adjust our tone to be mindful of the many personal challenges faced across society, and to amplify our voice with respect to the disproportionate impact of the pandemic on women's unemployment from an economic perspective. We had hoped to build our community during 2020/21 so that more women were directly aware of our support and would start to challenge their Job Centre coach or others supporting them in their search for work to come to us. It remains our plan to build our social media reach and build this community through compelling and engaging content including "She Got The Job" posts and showcasing the excellent clothing that Smart Works (Greater Manchester) has within its showroom. We will encourage unemployed, disadvantaged women to come to us through a positive portrayal of our activities in a year-round stream of posts across our platforms. Through social marketing, we also ensure volunteers remain engaged in, and are motivated by, our social media activities and that we convert our loyal but passive charity supporters into active and engaged social media followers so they feel personally connected with our charity.

In the year, we improved our social media awareness across platforms as shown below:

- Instagram: 34% growth (726 followers to 971 followers)
- Twitter: 11% growth (1,784 followers to 1,970 followers)
- Facebook: 18% growth (686 followers to 812 followers)
- LinkedIn 101% (302 followers to 607).

### 3. Financial review

#### Results for the Year

To provide our service we require funding to cover our costs which are mainly salaries, premises and essential operation costs. Fundraising has been a particular focus and the charity is ending the year in robust financial health.

Income for the full year is £171,735 (2020 £106,996) and total expenditure £88,072 (2020 £92,026). This results in an increase in funds of £83,663 (2020 £14,970) and an increase in total funds carried forward to £141,521 (2020 £57,858) at 31 March 2021.

Income includes donated dressing stock of £7,800 (2020 £27,381) which has reduced significantly in the year as a result of the lockdowns. Total income minus stock donations is £163,935 (2020 £79,615), a 48% increase overall.

This overall increase in income for the year disguises the initial impact of the pandemic in the first part of the year when all face-to-face fund-raising events were cancelled.

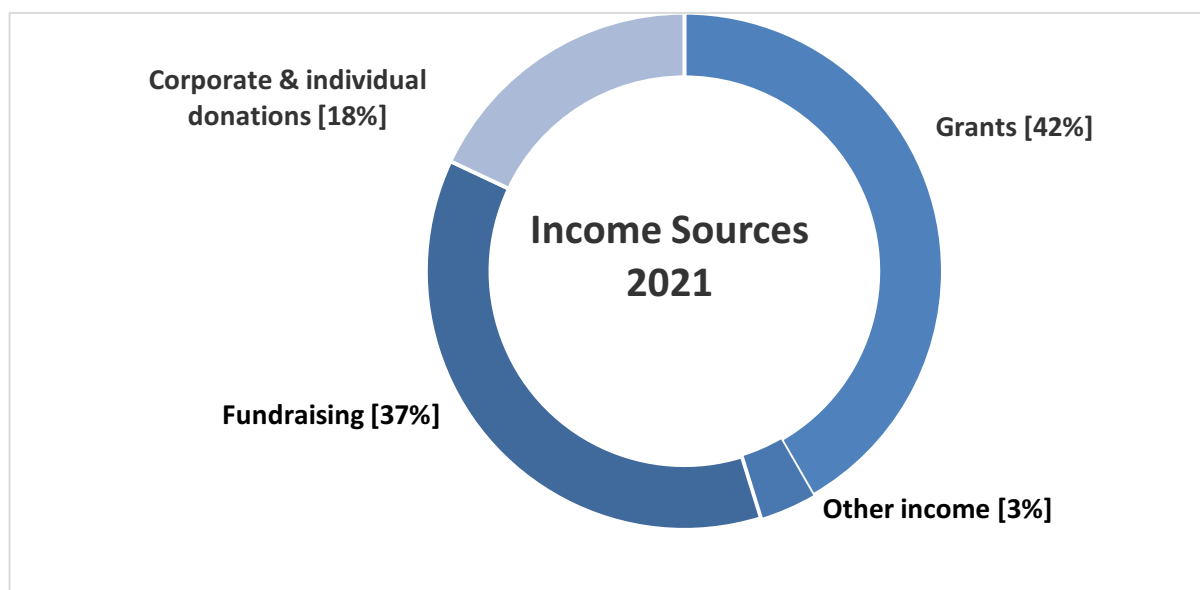
As we adjusted to the impact of the first lockdown and a major change in our fundraising plans, we were very grateful for the continued support of our Corporate Partners Timetastic and Trinnovo and all other supporters. We were also fortunate to receive grants from Stockport Metropolitan Borough Council, AJ Bell and The Manchester Airport Community Fund. These contributed to our costs to help us through the first lockdown and support us with costs for reopening our service in the summer of 2020. We furloughed one member of staff until July 2020 receiving £5.7k in Coronavirus Job Retention Scheme Grants and paying the employer contribution to an amount equivalent to full pay.

As we reopened in August 2020 we were successful in receiving an ESF Communities Grant from Workers' Education Association for our Young Women's Programme: Fashion Your Own Future, to enable us to recruit a Project Assistant to focus on supporting more unemployed Young Women.

Over 60% of our income and most of the surplus for the year arose in the last quarter. At the start of this period we were delighted to receive grants from the Smallwood Trust Women's Frontline Fund and the CAF Resilience Fund towards our staff and running costs, together with a share of grants received by Smart Works Charity.

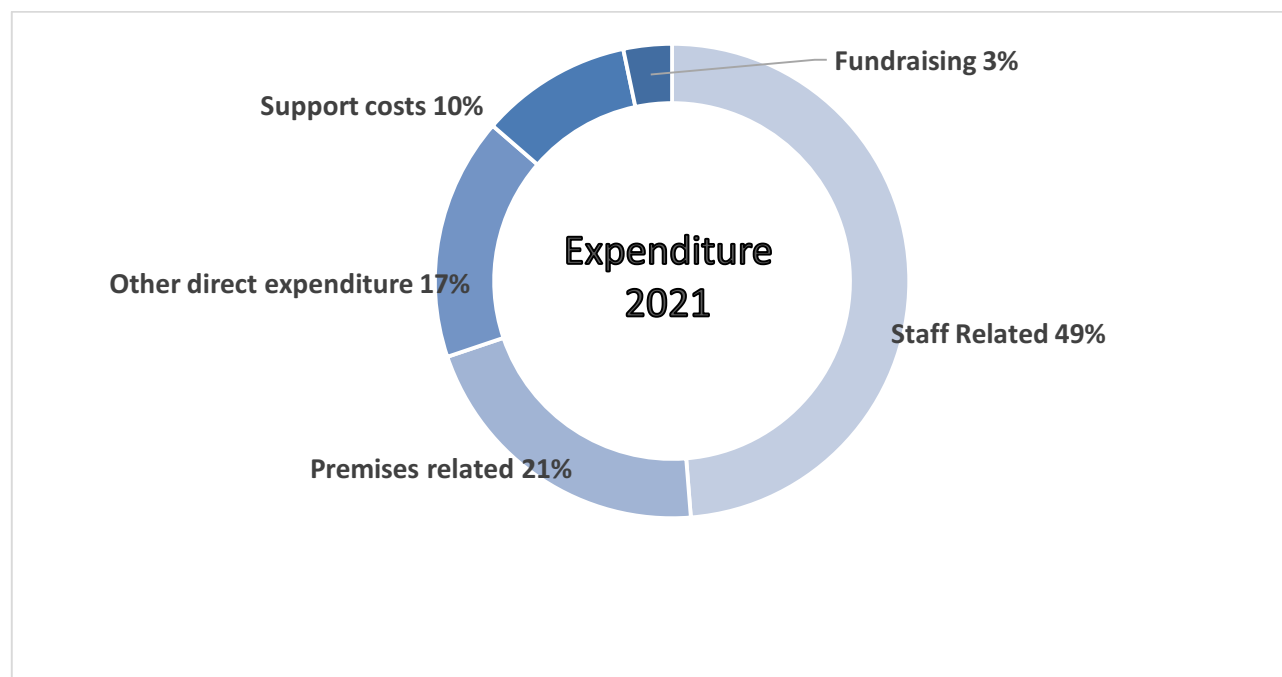
Subsequently in March 2021, 273 supporters raised over £52k taking part in Cycle for Smart Works 2021 cycling, running, rowing and walking in the week leading up to International Women's Day.

Over the year as a whole our income continued to be diversified between grants, donations and fundraising. There has been an increase in the proportion received from grants (42%). Fundraising (37%) was mainly Cycle for Smart Works plus online fundraising for our 5<sup>th</sup> birthday in June and at Christmas. Once again generous donations from local companies and individuals made up around 18% of our overall income.



Total expenditure of £88,072 (2020 £92,026) includes the value of clothing donated to clients of £7,800 (2020 £27,381) and thus our cash costs have increased to £80,554 from £67,380.

Our costs are mainly for staff, premises and direct client service costs which together make up 87% of our overall costs. The increase in the year is largely due to additional staff costs, following an increase in staff from 1.6FTE to 2.5FTE along with grant funded costs of getting our office refreshed and re-equipped for reopening in August 2020.



The lease on our premises was due to expire early in the financial year however we were able to negotiate an extension along with a rent reduction for 1 quarter. The closure of our office during lockdowns resulted in lower than expected office and client service costs. We appreciated the support of our Landlord and other suppliers during this period.

Our funds carried forward of £141,521 includes £127,562 of unrestricted reserves and £13,959 of restricted reserves which relate to donated goods available for our clients.

Following the success of Cycle for Smart Works 2021 and in anticipation of an increased number of potential beneficiaries for our support, the trustees plan to invest some of the 2020/21 surplus in additional staff to help with outreach with referral partners and potential clients, and to extend the opening hours of our service. It is anticipated this will increase staff costs by approximately £30,000.

### Investment policy

The trustees, having regard to the liquidity requirements of operating the Charity and to the reserves policy, have operated a policy of keeping available funds in interest-bearing deposit accounts. At the year end we have over 6 months of cash reserves held with the majority in our deposit account.



## Reserves policy

The trustees have considered the requirement for free reserves, i.e. those unrestricted funds not designated for specific purpose or otherwise committed. It has been determined that, given the nature of the charity's work, the level of free reserves should be equivalent to 6 to 12 months of annual expenditure which is between £70k and £140K. This provides sufficient flexibility to cover any temporary shortfall in income and will allow the charity to cope and respond immediately to a reasonable range of unforeseen adverse circumstances prior to specific remedial plans being implemented. The Unrestricted fund of £127,562 meets this requirement.

## 4. Plans for the future

Smart Works (Greater Manchester) started 2020/21 with ambitious plans to increase the number of clients we support by 15%, reaching a total of 460 women supported. Due to the Covid-19 pandemic, we have delivered 250 client appointments and are extremely proud of the flexibility we have shown to rapidly changing circumstances and the flexibility of our staff team and of our volunteers in delivering online services to help all of the women who were referred to us.

Our plan for 2021/2022 is to quickly rebuild client referrals on reopening and deliver the following

- 525 client appointments including First dressings (Styling and Interview coaching) and Career Coaching both face to face and online
- Implement our pilot “hyper local” focus, working with housing associations and grass root organisations in local communities, supported initially by Stockport Local Fund, Great Places Resilience Fund and Places for People Community Fund
- Develop the next phase of the Smart Works (Greater Manchester) Young Women's Programme to support more 18-25 year old unemployed women
- Increase activity with Referral Partners to better enable the charity to target unemployed women living in the five boroughs of Greater Manchester from where we source very low numbers of clients (the “1% boroughs”)
- Develop the relationship with Ingeus to ensure 2021/22 gets off to a strong start with clients from their employment and skills programme referred to Smart Works
- Grow our staff team to include an Outreach Manager to enable key referral partner relationships to grow along with additional office support
- Attend Redundancy Fairs and economic and employment forums to ensure our voice is heard when Greater Manchester commences its recovery and try to reach those women who have lost their jobs as a direct consequence of the Covid-19 pandemic, providing them with the confidence and skills they need to look for, and secure, a job
- Continue to leverage business associations across the community such as Pro Manchester and the Chambers of Commerce and implement a CRM system to improve regular communications with corporate donors and supporters.

## 5. Structure, governance and management

### **Governance**

Smart Works (Greater Manchester) and its trustees are bound by the Memorandum and Articles of Association. The names of the trustees who served during the year are set out in the reference and administrative information on page 26.

Smart Works Charity is the sole member of Smart Works (Greater Manchester). Smart Works (Greater Manchester) has been granted a license to operate by Smart Works Charity and it has the same objectives and similar activities as the parent company.

### **Recruitment and appointment of new trustees**

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

### **Induction and training of new trustees**

New trustees are provided with an induction to familiarise themselves with the charity and the not for profit sector. They are briefed on their responsibilities by the existing trustees. A Trustee Welcome Pack is shared with all Smart Works Trustees when they join the charity setting out roles, responsibilities and the structure of Smart Works both regionally and nationally. New trustees are also referred to the Charity Commission's guide 'The Essential Trustee'.

### **Organisational structure and decision making**

The Board of Trustees operate to a defined governance framework. Trustee meetings are held regularly and attended by the trustees and the office manager. Operational, Finance and Risk reports are presented. All decisions are included in the minutes after discussion and agreement. Between trustee meetings working parties have been set up to progress areas such as fundraising, finance, volunteers and risk.

### **Management**

The day to day running of the operation is undertaken by the Business Manager with support from the trustees where necessary. Operational and brand infrastructure is provided by Smart Works Charity.

### **Pay policy for key management personnel**

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

The pay of staff is review annually. The trustees benchmark salaries against pay levels in other similarly sized charities.

## Risk management

The trustees regularly review the major risks to which the charity is exposed, in particular those relating to governance, operations, finance, HR, compliance and external factors.

## Relationships with related parties

Smart Works Charity is the sole member of Smart Works (Greater Manchester).

## Policies

Policies for all relevant areas are maintained, including Vulnerable Adults, Data Protection, Health and Safety, Bribery, Conflict of Interest, Complaints Handling and Privacy Policy for Clients, Donors and Diversity. A staff handbook is made available to all staff and includes a summary of all these policies.

## Volunteers

The trustees are grateful for the invaluable contribution of those who give their time voluntarily to deliver the dressing and interview preparation for our clients. Arguably, one of the greatest assets Smart Works has its team of dedicated volunteers who play an enormous and very valuable role in delivering our service.


## Public benefit

The trustees have read and complied with the guidance contained in the Charity Commission's general guidance on public benefits when reviewing our aims and objectives and in planning our future activities. Our achievements above demonstrate how we have fulfilled this requirement during the year.

In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006

This report was approved by the Board on 17 June 2021 and signed on its behalf by

  
Chair \_\_\_\_\_  
Janette Iceton

  
Treasurer \_\_\_\_\_  
Alison Lever

## Trustees' responsibilities statement

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Independent examiner's report to the Trustees of Smart Works (Greater Manchester)

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2021 which are set out on pages 14 to 25.

### Responsibilities and basis of report

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

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

### Independent examiner's statement

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 company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

Katherine Wilkes FCA  
23-38 Hythe Bridge Street  
Oxford  
OX1 2EP  
21 June 2021

# Smart Works (Greater Manchester)

## Statement of Financial Activities including an Income and Expenditure Account

FOR THE YEAR ENDED 31 MARCH 2021

REGISTERED NUMBER 09425123

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
<b>Income from:</b>					
Donations	3	59,515	46,150	105,665	70,736
Other trading activities	4	60,298	-	60,298	36,260
Other income		-	5,772	5,772	-
<b>Total Income</b>		<b>119,813</b>	<b>51,922</b>	<b>171,735</b>	<b>106,996</b>
<b>Expenditure on:</b>					
Raising Funds	5	2,909	-	2,909	1,426
Charitable activities	6	33,523	51,640	85,163	90,600
<b>Total expenditure</b>		<b>36,432</b>	<b>51,640</b>	<b>88,072</b>	<b>92,026</b>
<b>Net income/(expenditure) for the year</b>		<b>83,381</b>	<b>282</b>	<b>83,663</b>	<b>14,970</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		44,181	13,677	57,858	42,888
<b>Total funds carried forward</b>		<b>127,562</b>	<b>13,959</b>	<b>141,521</b>	<b>57,858</b>

All of the company's activities are classed as continuing.

The charity had no gains or losses other than those shown above.

The notes of pages 16 to 25 form part of these accounts.

# Smart Works (Greater Manchester)

## Balance Sheet

FOR THE YEAR ENDED 31 MARCH 2021

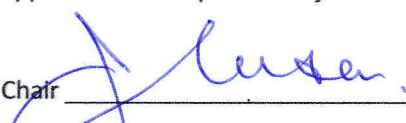
REGISTERED NUMBER 09425123

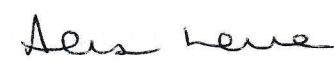
	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
<b>Current Assets</b>					
Stock	10	-	13,959	13,959	13,677
Debtors	11	59,003	-	59,003	6,878
Cash at bank and in hand		70,635	6,600	77,235	38,943
		129,638	20,559	150,197	59,498
<b>Creditors: amounts falling due within one year</b>	12	2,076	6,600	8,676	1,640
<b>Net current assets</b>		127,562	13,959	141,521	57,858
<b>Net assets</b>		127,562	13,959	141,521	57,858
<b>The funds of the charity</b>					
Restricted funds	13	-	13,959	13,959	13,677
Unrestricted funds		127,562	-	127,562	44,181
<b>Total charity funds</b>		127,562	13,959	141,521	57,858

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 479 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 477 of the Act. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

Chair   
Janette Iceton

Treasurer   
Alison Lever

Approved by the Board on 17 June 2021

The notes on pages 16 to 25 form part of these accounts.



## Smart Works (Greater Manchester)

### Notes to the Accounts

FOR THE YEAR ENDED 31 MARCH 2021

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#### 1. GENERAL INFORMATION

Smart Works (Greater Manchester) is a company limited by guarantee and incorporated in England and Wales. The registered office is Mellor House, 65-81 Petersgate, Stockport, SK1 1DH.

#### 2. ACCOUNTING POLICIES

##### Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Smart Works (Greater Manchester) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The charity's presentational and functional currency is Pounds Sterling.

The financial statements are prepared on a going concern basis. Towards the end of the financial year, the UK went into lockdown as a result of the COVID-19 pandemic. The services the charity provides had continued to be provided on a smaller scale and with use of the furlough scheme, rent reductions, and a revised budget, the charity is on track to break even in the year despite a planned decrease in income. There are sufficient reserves in place if the income target is not met. Therefore, there are no material uncertainties in respect of the charity's ability to continue as a going concern for the foreseeable future, based on latest strategic plans and financial budgets.

##### Income

Income is included in the period in which the charity becomes entitled to the resources, the trustees have sufficient certainty that they will receive the resources and the monetary value can be measured with sufficient reliability. The main income sources are corporate and individual donations, grants, fundraising income and sales of surplus of donated stock.

##### Donated Goods and Services

Donated stock for dressing clients is recognised in the financial statements when the goods are received by the charity and their value can be measured with reasonable accuracy. The value placed on these resources is their value to the charity. The trustees consider it impractical to measure the value of volunteer help and consequently, as permitted by the SORP, their value is not recognised in the financial statements but is described in the trustees' annual report.



## **Investment Income**

This is included in the accounts when receivable.

## **Expenditure**

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered. All expenditure is allocated to the particular activity where the cost relates directly to that activity. Indirect costs and overhead expenses are apportioned on a judgemental basis in proportion to floor space used.

## **Tax reclaims on donations and gifts**

Income from tax reclaims are included in the SOFA at the same time as the gift to which they relate.

## **Stocks**

The cost of donated dressing stock for distribution to beneficiaries is valued at fair value, which has been estimated by the trustees.

## **Debtors**

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

## **Creditors**

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

## **Tangible fixed assets**

Assets are capitalised if they can be used for more than one year and cost at least £1,000. Tangible fixed assets are stated at cost less depreciation.

## **Depreciation**

Depreciation has been provided at the following rates in order to write off the assets, less their estimated residual value, over their estimated useful economic lives:

Computer equipment	30% on the straight line basis
Office fixtures and fittings	20% on the straight line basis

## **Fund Accounting**

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

Income and expenditure is allocated to the Funds on a direct or time apportioned basis as appropriate.

## **Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Fixed assets are recorded at depreciated historic cost, stock at fair value and all other assets and liabilities are recorded at cost which is their fair value.

## **Cash at bank and in hand**

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

## **Operating lease agreements**

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

## **Significant Accounting Estimates**

The Trustees make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## **2. TAXATION**

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### 3. DONATIONS

	Unrestricted Fund £	Restricted Funds £	2021 Total £
<b>Current Year</b>			
Corporate and individual donations	29,515	-	29,515
Donated goods and services	-	7,800	7,800
Grants	30,000	38,350	68,350
	59,515	46,150	105,665

	Unrestricted Fund £	Restricted Funds £	2020 Total £
<b>Prior Year</b>			
Corporate and individual donations	16,124	-	16,124
Donated goods and services	-	27,381	27,381
Grants	22,531	4,700	27,231
	38,655	32,081	70,736

### 4. OTHER TRADING ACTIVITIES

	Unrestricted Funds £	2021 Total £
<b>Current Year</b>		
Cycle for Smart Works 2021	51,714	51,714
Other fundraising activities	8,200	8,200
Sale of surplus donated stock	384	384
	60,298	60,298

	Unrestricted Funds £	2020 Total £
<b>Prior Year</b>		
Cycle for Smart Works 2020	21,896	21,896
Other fundraising activities	8,898	8,898
Sale of surplus donated stock	5,466	5,466
	36,260	36,260

## 5. EXPENDITURE ON RAISING FUNDS

<b>Current Year</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2021 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Event costs	2,103	-	2,103
Marketing costs	806	-	806
	<b>2,909</b>	<b>-</b>	<b>2,909</b>

<b>Prior Year</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2020 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Event costs	1,426	-	1,426

## 6. EXPENDITURE ON CHARITABLE ACTIVITIES

<b>Current Year</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2021 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Staff related direct expenditure	12,538	30,565	43,103
Premises related direct expenditure	11,239	7,334	18,573
Other direct expenditure	1,380	13,179	14,559
Administrative costs	248	562	810
Support costs (note 7)	8,118	-	8,118
	<b>33,523</b>	<b>51,640</b>	<b>85,163</b>

<b>Prior Year</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2020 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Staff related direct expenditure	24,205	7,250	31,455
Premises related direct expenditure	17,912	-	17,912
Other direct expenditure	587	20,628	21,215
Administrative costs	4,193	808	5,001
Support costs (note 7)	9,639	5,378	15,017
	<b>56,536</b>	<b>34,064</b>	<b>90,600</b>

## 7. SUPPORT COSTS

	2021	2020
	£	£
Staff related support costs	4,577	8,068
Premises related support costs	2,810	4,478
Administrative support costs	83	1,411
Governance	648	1,060
	<hr/>	<hr/>
	8,118	15,017
	<hr/>	<hr/>

## 8. NET INCOME STATED AFTER CHARGING

	2021	2020
	£	£
Depreciation of owned fixed assets	-	83
Operating lease payments	16,688	18,500
Wages and salaries	45,915	38,834
Pension	730	687
Independent Examiner's remuneration	600	1,060

Operating lease payments relate to the office building rent.

Average number of employees during the year	2.5	2
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No member of staff was paid more than £60,000 in the year

The key management personnel of the Charity comprise the Trustees as listed on page 26. The total amount of employee benefits (including employer pension contributions) received by the key management team for their services to the Charity was £ NIL (2020: £ NIL).

## 9. TRUSTEE REMUNERATION AND EXPENSES

No Trustee received any remuneration or expenses from the Charity in relation to the performance of their duties as trustees. (2020: £NIL)

## 10. STOCK

	2021	2020
	£	£
Dressing stock	13,959	13,677

As detailed in note 1, the charity's donated stock for beneficiaries is valued at fair value.

## 11. DEBTORS

	2021	2020
	£	£
Cycle for Smart Works accrued Income	50,145	2,110
Other prepayments and accrued income	8,858	4,768
	59,003	6,878

## 12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other Creditors	271	193
Accruals	7,613	1,115
Other tax and social security	792	332
	8,676	1,640

## 13. OTHER FINANCIAL COMMITMENTS

	2021	2020
	£	£
At the year end the company had annual commitments under non cancellable operating leases as set out below:		
Operating leases – within one year	13,875	9,250

## 14. RESTRICTED FUNDS

Current year Restricted Funds	Balance 1 April 2020 £	Income £	Expenditure £	Transfer £	Balance 31 March 2021 £
Analysis of fund balance by project:					
Dressing Stock	13,677	7,800	7,518	-	13,959
National Lottery Connecting Communities Fund	-	1,000	1,000	-	-
Manchester Airport Community Fund	-	3,000	3,000	-	-
Workers' Education Association, European Social Fund Communities Grant	-	7,792	7,792	-	-
Smallwood Trust Frontline Women's Fund	-	10,000	10,000	-	-
CAF Resilience Fund	-	12,158	12,158	-	-
Smart Works Charity (Bank of America)	-	900	900	-	-
National Lottery Coronavirus Community Support Fund	-	3,500	3,500	-	-
Coronavirus Job Retention Scheme	-	5,772	5,772	-	-
	13,677	51,922	51,640	-	13,959

The balance on restricted funds represents the unexpended portion of funding received which will be returnable to the funder if not used for the project.

The Dressing Stock fund represents donations received for the specific purpose of providing beneficiaries with clothing for interview.

The National Lottery Connecting Communities Fund is a grant to fund a celebration with our volunteer community.

The Manchester Airport Community Fund is a grant towards office equipment to help make the office space suitable and safe for clients, staff and volunteers for reopening in August 2020.

The Workers' Education Association, European Social Fund Communities Grant is funding for staff and running costs to support our Young Women's Programme from August 2020

The Smallwood Trust Frontline Women's Fund is a grant towards staff and running costs.

The CAF Resilience Fund is a grant towards staff and running costs.

The National Lottery Connecting Communities Fund (collected via Smart Works Charity) is a grant for core costs.

Smart Works Charity Career Coaching (Bank of America 2021) is a grant towards core costs.

The Coronavirus Job Retention Scheme income is funding received toward staff costs.

Prior year Restricted Funds	Balance 1 April 2019	Income	Expenditure	Transfer	Balance 31 March 2020
	£	£	£	£	£
Analysis of fund balance by project:					
Dressing Stock	4,356	27,381	18,060	-	13,677
Community Fund	6,000	-	6,000	-	-
Manchester Guardian	1,792	-	1,792	-	-
Peter Kershaw Trust	2,512	-	2,512	-	-
Woodward Charitable Trust	1,000	-	1,000	-	-
Ford Trust	-	3,000	3,000	-	-
Carling Made Local	-	1,500	1,500	-	-
Forever Manchester		200	200		
	15,660	32,081	34,064	-	13,677

The Dressing Stock fund represents donations received for the specific purpose of providing beneficiaries with clothing for interview.

The Community Fund is a grant to fund a project to help women who have suffered physical and mental health challenges on their journey back to work.

The Manchester Guardian Fund, Peter Kershaw Fund and Woodward Charitable Trust Fund are grants to expand reach to clients across Greater Manchester through funding travelling expenses.

The Ford Trust funding is a grant to fund display equipment for our mobile pop up which helps us promote our services across Greater Manchester.

The Carling Made Local funding is to fund the initial planning and set up of our Young Women's Programme.

The Forever Manchester grant funded our Volunteer Christmas Celebration and thank you.



## 15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current Year	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total 2021 £
Current assets	20,559	129,638	150,197
Creditors due within one year	(6,600)	(2,076)	(8,676)
	13,959	127,562	141,521

Prior Year	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total 2020 £
Current assets	13,677	45,821	59,498
Creditors due within one year	-	(1,640)	(1,640)
	13,677	44,181	57,858

## 16. MEMBERS' LIABILITIES

The company is limited by guarantee. The member of the company undertakes to contribute to the assets of the company, in the event of the same being wound up while they are a member, or within one year after they cease to be a member, for payment of the debts and liabilities of the company contracted before they ceased to be a member, and of the costs, charges and expenses of winding up such amount as may be required not exceeding £1. At the balance sheet date there was 1 member, Smart Works Charity.

## 17. RELATED PARTY TRANSACTIONS

During the year the charity received donations of £20,000 (2020 £20,000) from Smart Works Charity, its immediate parent. In addition most of the Cycle for Smart Works proceeds were received via Smart Works Charity. £855 has been received in the year and £50,145 is due. Grants from The National Lottery and Bank of America will also be paid via Smart Works Charity and £4,400 is due at 31 March 2021.

The charity received donations of £246 (2020: £433) from Trustees. There are no other related party transactions.

## 18. CONTROL

The charity is controlled by Smart Works Charity (Company number 03870671 and Charity Number 1080609) who is the sole member of this charity. Smart Works Charity has the same principal activity as this charity.

## Reference and administrative information

<b>Registered name</b>	Smart Works (Greater Manchester)
<b>Charity registration number</b>	1163594
<b>Company registration number</b>	09425123
<b>Corporate status</b>	The Company is limited by guarantee
<b>Registered office</b>	Mellor House 65-81 Petersgate Stockport SK1 1DH
<b>Telephone</b>	0161 974 0669
<b>Website</b>	<a href="http://www.smartworks.org.uk/manchester-smart-works">www.smartworks.org.uk/manchester-smart-works</a>
<b>Current Trustees</b>	Janette Icton - Chair Alison Lever - Treasurer Susan Weighell Samantha Reed Sarah Martin Jane Nugent Sheena Bedi Kay Truelove-Barratt Abigail Shapiro (resigned 24 August 2020)
<b>Independent Examiner</b>	Katherine Wilkes Critchleys Audit LLP 23-28 Hythe Bridge Street Oxford OX1 2EP
<b>Bankers</b>	Barclays Bank plc