

Smart Works Reading

Annual Report and Accounts

For the year ended 31 March 2022



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Smart Works Reading celebrating receiving the Queen's Award for Voluntary Service, July 2021

Annual Report of the Board of Trustees for the Year Ended 31 March 2022

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 Reading for the year ended 31 March 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 17-19 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 Reading 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 objectives are the relief of financial hardship and the relief of unemployment for the public benefit through the promotion of economic independence among women in Reading and across the Thames Valley. To deliver this, Smart Works Reading was incorporated in June 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. Smart Works Reading is part of a network of six regional charities that deliver the Smart Works Charity service in their area.

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

2. Achievements and performance

Highlights

The year to 31 March 2022 has been one during which client activity has gradually returned to pre-pandemic levels and firm foundations have been laid for the next three years. We completed our planned premises move – on hold since the start of the pandemic – and now have a larger, light and accessible space to welcome clients which provides an improved working environment for staff and volunteers and capacity for growth. Our rate of client appointments increased as covid-restrictions lifted. For our core dressing and coaching service we were delighted to see activity return to spring 2020 levels by the end of the year in terms of number of clients helped and their job success rate. In addition we completed the first full year of delivering our career coaching service – developed during the pandemic and delivered to clients at an earlier stage of their employment journey.

The impact of Smart Works Reading in our local community has been recognised. We were honoured to be awarded the Queen's Award for Voluntary Service in June 2021. This award is equivalent to an MBE and recognises the fantastic success of our volunteer led service. We celebrated with our volunteers at a covid-safe outdoor gathering.

During the year ended 31 March 2022, Smart Works Reading completed its sixth year of helping women across the Thames Valley back into work assisted by volunteers, donors and supporters. By the end of the financial year we had delivered over 2,000 client appointments women and helped over 1,000 women enter or return to the workplace since we opened. While we prefer to see clients in person, and know that our service is most impactful when we do, we continue to offer adapted services online for those clients not able to visit our centre.

Job success rates were better than pre-pandemic levels with three in every four clients of our core service being successful at interview during the year. We delivered 407 (2021: 170) appointments during the year for clients across the Thames Valley area to 324 (2021: 140) unique clients. Of these clients, from their self-declared data (some prefer not to say),

- 25% (2021: 41%) had applied for more than 20 jobs before visiting us
- 25% (2021: 25%) had been unemployed for more than one year before visiting us
- 15% (2021: 16%) were lone parents
- 21% (2021: 33%) were black or minority ethnic
- 8% (2021: 14%) had a disability

Overall, by the end of the year we had a fabulous team of 72 (2021: 73) volunteers providing the core service and other expertise. We continue to manage and train them. We increased our group of referral partners and ended the year with 131 (2021: 101) across the Thames Valley who send us clients. We continue to engage with referral partners, in particular those in Berkshire.

The board prioritises delivering a high quality service to clients and is embarking on a period of ambitious growth. In parallel, the board continues to build operational and financial strength for the long term stability of the charity. This focus – together with fantastic support from our funders – means that we are well-placed as we transition from the pandemic to expand the number of clients seen. Notable grants received during the year include those from Berkshire Community Foundation and the John Lewis Partnership Foundation in addition to several which supported the premises move. In the latter part of the year we returned to in-person fundraising events including a sustainable sale in our new centre. We continue to attract donations from individual and corporate donors. We carefully manage our expenditure which this year included significant one-off spend related to the premises move. Most other expenditure is fixed in the short term. We pay close attention to our cashflow. We finished the year with unrestricted reserves in line with policy.

We have raised awareness of Smart Works Reading within our community through social media (including InstaLives and Podcasts), online events and coverage on Radio Berkshire. This exposure continues to generate volunteer interest, donations and support from local organisations. Fundraising events supported by our corporate partners include those for International Women's Day – this year our Cycle for Smart Works teams again raised significant funds - our thanks go to all who cycled and all who sponsored them. Thanks also to Corporate supporters Microsoft, PepsiCo and Vodafone.

We thank our ambassadors, Virginia Chadwyck-Healey, Nayna McIntosh and Emma-Jane Taylor whose support helps to raise awareness of our work locally with prospective clients as well as volunteers, donors and other supporters.

After the end of the financial year, in June 2022, our founding Chair, Sarah Burns, MBE stood down after seven years leading and inspiring everyone involved with Smart Works Reading. We thank Sarah for her passion to help all who identify as women across our community into employment. Her dedication and focus has grown our charity to its thriving position today with so many supporters across the region. We are delighted that Sarah continues to be part of the Smart Work Reading community. She moved to a new role as a Smart Works Reading ambassador after welcoming and handing over to our new Chair, Helen Francis, in July 2022.

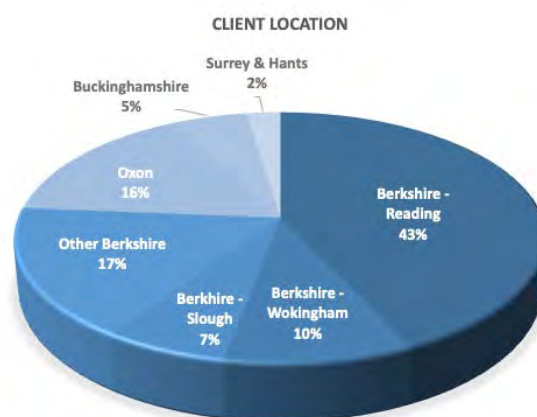
We're delighted that Helen Francis is appointed Chair of Smart Works Reading at an exciting time in our small charity's journey. Helen knows Smart Works Reading well having been a volunteer dresser and coach for four years and brings over 25 years' experience leading Global Professional Services teams. Helen takes on the leadership of the Smart Works Reading board as we embark on our new three year plan to March 2025 with ambitious goals to double the number of clients we help.

Operational achievements and performance

Client Base

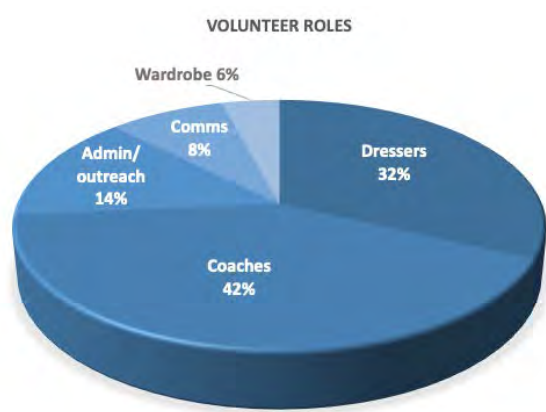
We delivered 175 (2021: 81) Interview Dressing and Preparation appointments and 67 (2021: 12) Second Dressings during the year to 31 March 2022 - an expected increase as we moved to a light and spacious centre during summer 2021 and pandemic restrictions eased. Our new centre is more easily covid-safe which is reassuring for clients, volunteers, staff and other visitors. In the latter part of the year we saw client appointments return to pre-pandemic levels. As well as delivering our service to women from Reading and across Berkshire, we supported clients from the surrounding areas of the Thames Valley.

In addition to our core dressing and coaching service and its follow up second dressing service for women who have secured a role, we extended our new career coaching service. This was piloted in the previous year with grant funding provided Bank of America and the National Lottery distributed by Smart Works Charity. The career coaching service is delivered by our coaching volunteers to women at an earlier stage in their journey to employment. It is offered in-person with a virtual option. We are delighted to see career coaching clients return to us for our core service once they have an interview. In this first full year of operation, we're pleased to have delivered 141 (2021: 41) career coaching appointments.



Volunteers

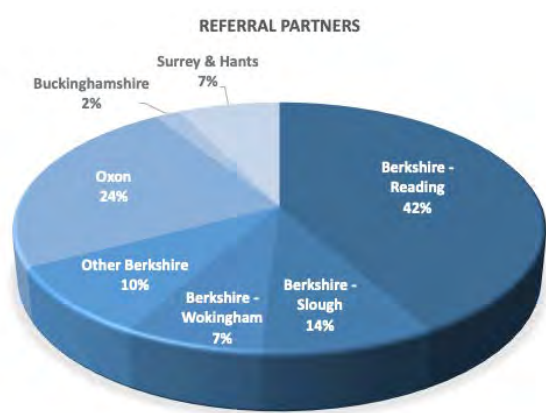
We have a strong team of volunteers but also recruit more in response to demand and as vacancies arise. Volunteer dressers and interview coaches deliver our services to clients. They operate on regular or cover rotas to respond to client needs. In addition to these dressers and coaches, other volunteers bring a wide range of expertise including social media skills, office administration and wardrobe management. As we transition from covid-19, most clients now visit our centre but we retain virtual options developed during the pandemic where there is client need. We’re trialling career coaches delivering appointments in Job Centre Plus locations for client convenience. This initiative supplements career coaching appointments in our centre and online.



Our volunteers and other supporters were celebrated at the official opening of our new centre with ribbon cutting by the Mayor of Reading. Quarterly training is arranged for volunteers. We continue to update volunteers as well as other stakeholders with our weekly newsletter and through our social channels.

Referral Partners

All our clients come to us through one of our referral partners. We have developed strategic partnerships with key agencies such as Job Centre Plus organisations to ensure that we reach as many potential clients as possible. We’ve hosted referral partners at our new centre and plan further events for them in future.



We have a solid base of partners in Reading and during the year focused on building our presence across the boroughs of Berkshire in Slough, Wokingham, Maidenhead and Bracknell while continuing to work with partners in other key areas such as Oxford. At the end of the year

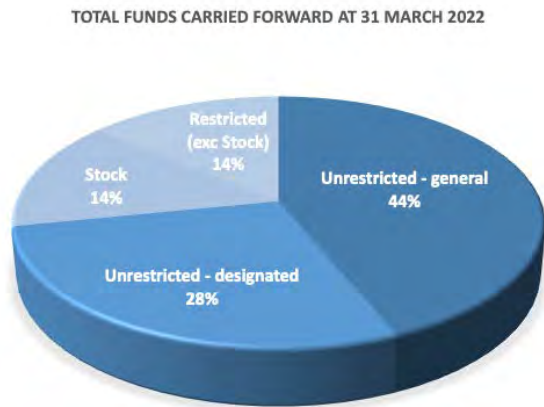
we had 131 (2021: 101) referral partners across the Thames Valley. As we enter our three year plan period to March 2025, we'll focus particularly on referral partners in Berkshire.

Stock Donations

We aim to maintain sufficient stock in all sizes. We are grateful to our individual donors many from corporates across the Thames Valley. We cherish our supportive local retail donors including Cecilia Quinn, Scamp & Dude, Fluidity, With Nothing Underneath and Hope. And we benefit from local relationships with retailers who support Smart Works nationally including Marks & Spencer and Hobbs.

3. Financial review

Results for the year

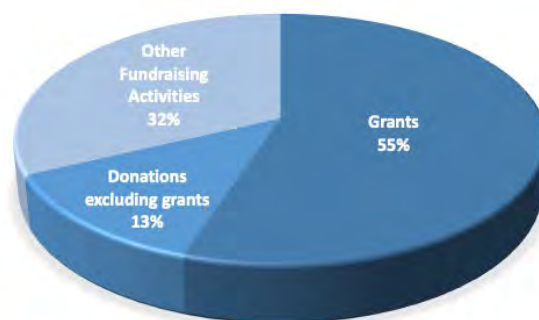


We continue to make applications to grant giving organisations where we assess there is alignment to our work and have been successful in attracting awards to help with our staff and premises costs. In this year, that included grants specifically to support the move to new premises supplementing funds designated by the trustees in the Expansion and Accessibility Fund. In line with our five year plan ending March 2022, we employed two full time equivalent staff members during the year in addition to supporting interns and work placement students. Restricted funds continue to provide significant support for our core operations.

Net income for the year was £7.6k (2021: £62.6k). Higher expenditure during the year reflects an increase in ongoing premises costs following the planned move to premises with capacity to grow the number of women we help into employment. Alterations to the new premises enabled us to create a light, welcoming and accessible space for clients to support the expansion of our operation. Alterations were covered by designated funds and are capitalised.

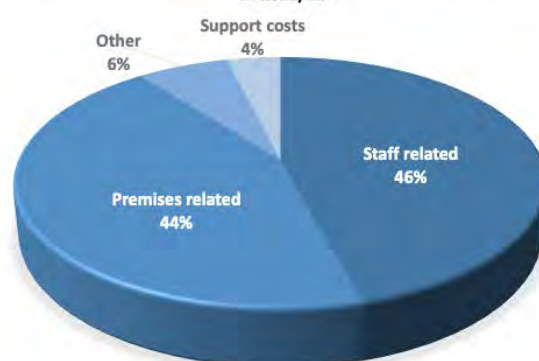
Total funds carried forward increased to £195.7k (2021: £188.0k) of which £55.1k (2021: £27.3k) was restricted and £140.5k (2021: £160.7k) was unrestricted. During the year we completed the premises move for which the Expansion and Accessibility fund was designated and that fund is now closed (2021: £38.0k). For the three year plan period from April 2022 to March 2025, the Board has designated £54.9k (2021: nil) to a new 2025 Fund to support growth in client appointments including to increase our staff to three full time equivalent roles. The balance on the unrestricted General Fund is £85.6k (2021: £122.7k).

INCOME (EXCLUDING STOCK) IN 2021/22



On the fundraising side, during the year, we were awarded fifteen restricted grants (excluding stock) totalling £78.4k (2021: £79.9k) notably grants through the Berkshire Community Foundation from Ascot Racecourse and the Vital for Berkshire fund as well as from John Lewis Partnership Foundation. One-off costs related to our premises move were supported by grants from Mobbs Memorial Trust and the Newbury Building Society. Increased property costs for the new premises were supported by grants from SC Johnson, Arnold Clark Automotive and the Gerald Palmer Eling Trust. For a fourth year we were pleased to receive a grant from Reading University enabling us to offer an undergraduate summer internship. We also received £23.2k (2021: £30.3k) from many individual and corporate donors including Millenium Global Foundation, RAWTalks Academy and Toni Kent Business Consulting. In addition to our annual Cycle for Smart Works event we were delighted to return to in-person fundraising events. These included our popular Fashion Brunch and a Sustainable Sale in our new centre both of which were supported by corporate volunteers. Overall, fundraising events raised £48.2k (2021: £38.6k). We are grateful to all our funders, donors, ambassadors and all those who supported online events for their financial support.

CHARITABLE ACTIVITIES EXPENDITURE (EXCLUDING STOCK)
IN 2021/22



Total expenditure on charitable activities (excluding stock) is £140.4k (2021: £89.3k) including an increase in premises related expenditure. Most staff and property costs are largely fixed in the short term. Smart Works Reading is a volunteer led organization which maintains a highly efficient business model: in the year to 31 March 2022, 95% (2021: 99%) of expenditure was on charitable activities with the remaining 5% (2021: 1%) being spent on raising funds.

Investment policy

The trustees having regard to the liquidity requirements of a young charity hold working capital funds in instant-access accounts. During the year, we continued with our two banks – HSBC and Santander - to ensure all deposits are covered by the Financial Services Compensation Scheme.

Reserves policy

The trustees have reviewed 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 three to six months of regular annual expenditure (excluding stock). This provides sufficient flexibility to cover any temporary shortfall in incoming resources and will allow the charity to cope and respond immediately to a reasonable range of unforeseen adverse circumstances prior to specific remedial plans being implemented. The closing General Fund of £85.6k (2021: £122.7k) is in line with this policy as was anticipated. In addition, in line with Charity Commission guidance CC19, the trustees have designated funds to a 2025 Fund to support ambitious growth in client numbers. Further details are in note 17.

Coronavirus impact

Compared with the previous year, coronavirus impact has reduced but our service was impacted at key points during the year. Our core service offering is designed an in-person service to build our clients confidence and courage as they prepare for interview. The layout of our premises for the first half of the year – with poorly ventilated, narrow, shared staircases to our second floor space – continued to present logistical challenges for covid-secure operation. Schedules were impacted whenever clients, volunteers or staff tested positive. However, we were able to offer virtual, adapted services developed during the first year of the pandemic so were more resilient to this disruption. During the second half of the year, once we moved to new premises and local economies began to rebound, client appointments gradually returned to pre-pandemic levels.

Having made the investment in our new premises to create a welcoming space for clients, volunteers and staff, we're looking forward to a period of significant growth in client appointments in particular for our core dressing and coaching service and the new career coaching service. While we always prefer to see clients in our centre – and know this is the most successful way to deliver our services, we continue to offer virtual delivery as an alternative for clients who are not able to travel to our office. The reduced impact of coronavirus compared with the prior year is seen in the dramatic improvement in client numbers and augurs well for our next phase of growth. Notably, on the income side, we've been able to return to in-person fundraising events which we find most successful. In particular, we have space in the new centre to host our popular sustainable fashion sales. The first of these was run towards the end of the year and we were encouraged by the response from our supporters. The support we've received from grant funders, individual and corporate donors added to funds raised from our events, which means we entered the new financial year with a healthy unrestricted general fund balance between five and six months running costs in line with policy. Therefore, the trustees are confident we can continue operations for the next twelve months.

4. Plans for the future

April 2022 marks the beginning of our new three year plan following successful completion of our previous five year plan notwithstanding the challenges of the pandemic during its final two years. We enter the new plan period settled in our delightful, welcoming and accessible new premises and with ambitious growth plans. By March 2025, our target is to double the number of women we help across Berkshire with our core dressing and coaching service (delivered when a client has an interview) and the earlier stage career coaching service. We expect to see most clients in person in our premises but retain the ability to support harder to reach clients remotely - for example those for whom it is more difficult to travel to visit our Reading centre.

Our focus is to continue supporting vulnerable women who can benefit from our core service. We plan to maintain our excellent success rate (better than two in three) of clients securing employment. While we seek to increase the number of women we support, we also prioritise the service quality and pay attention to building a sustainable, financially stable operation.

In this three year plan period, we'll focus our effort in Berkshire – targeting urban areas across its six boroughs: Bracknell Forest, Reading, Slough, West Berkshire, Windsor & Maidenhead and Wokingham. We intend to raise our profile in Berkshire communities by taking part in local events such as job fairs and through local media. This county focus means that we'll target referral partner engagement in Berkshire. However, we will continue to help women from neighbouring counties who come to us for support.

We plan to increase headcount to three full-time equivalent staff during the next year and have designated funds to assist this growth in the 2025 Fund.

In order to maintain the quality of the service we offer our clients, we'll continue to focus on attracting and training a diverse team of high quality volunteers. Following the arrival of our new Chair, the board will review the matrix of skills and diversity represented on our Board and recruit to meet the needs of the three year plan. The board maintains and updates its risk register and considers mitigation of key risks. We'll continue to focus on our equity, diversity and inclusion initiative and to maintain focus on safeguarding including offering appropriate training to staff, volunteers and trustees. We'll engage with current and new referral partners to increase the number of clients we see.

During our three year plan period, our focus is on helping clients across the Berkshire area. We'll continue to build relationships with local retailers, individuals and corporates so we have quality clothing to pass on to our clients. And we'll continue to engage with our valued local ambassadors – now including our founding Chair - to raise the profile of our work across the county.

Financially, we plan to raise restricted and unrestricted funds to pay our expenses and maintain unrestricted general fund reserves in line with policy. In addition to engaging with grant funders, corporate and individual donors, we'll focus on face-to-face fundraising events but will supplement these with online events. Over the three year period, we plan to expand our work with multi-year funders who value the quality and success rate of our service and wish to have a positive impact on our clients and their families.

5. Structure, governance and management

Governance

Smart Works Reading and its trustees are bound by the Memorandum and Articles of Association last updated on 3 October 2019. The names of the trustees who served during the year are set out in the reference and administrative information on page 27.

Smart Works Charity (charity registration number 1080609, company registration number 3870671) is the sole member of Smart Works Reading. Smart Works Reading has been granted a licence to operate by Smart Works Charity and it has the same objectives and similar activities to the parent company.

During the year Smart Works Reading operated in line with their Safe and Sound Governance accreditation from Reading Voluntary Action and Fundraising Regulator registration. Smart Works Reading is registered with the Information Commissioner's Office.

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 once 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. New trustees are also referred to the Charity Commission's guide 'The Essential Trustee'. 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.

Organisational structure and decision making

Management

Operational and brand infrastructure is provided by Smart Works Charity.

Pay policy for key management personnel

All directors give their time voluntarily and no director received remuneration in the year. The pay of staff is reviewed annually. The directors benchmark pay against pay levels locally in other similarly sized charities.

Risk management

The trustees maintain a risk register and 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 Reading

Policies

Policies for all relevant areas are maintained, including Vulnerable Adults, Data Protection, Health and Safety, Bribery, Conflict of Interest, Complaints Handling, 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 as well as other roles. The total number of active volunteers at the end of the year was 72 and we have a high retention rate. Arguably, one of the greatest assets Smart Works Reading has is the enormous role played by its dedicated volunteers.

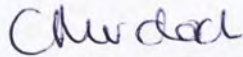
Employment of disabled people

Smart Works Reading has a policy of encouraging diversity and non-discrimination against disabled people.

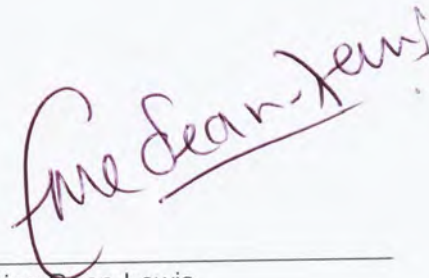
Public benefit

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. 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 27 July 2022 and signed on its behalf by:



Claire Murdoch
Vice Chair



Edwina Dean-Lewis
Treasurer, Company Secretary

Trustees' responsibilities statement

The trustees (who are also directors of Smart Works Reading 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Independent examiner's report to the Trustees of Smart Works Reading

I report to the trustees on my examination of the accounts of Smart Works Reading ("the Company") for the year ended 31 March 2022.

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 charity'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:

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.



.....
Hannah Ormston CIPFA

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

Date: 11 August 2022

STATEMENT OF FINANCIAL ACTIVITIES including an Income and Expenditure Account
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Income from:					
Donations	4	23,201	94,242	117,443	117,277
Other fundraising activities	5	48,153		48,153	38,565
Total income		71,354	94,242	165,596	155,842
Expenditure on:					
Raising funds	6	8,290	-	8,290	69
Charitable activities	7	83,257	66,411	149,668	93,173
Total expenditure		91,547	66,411	157,958	93,242
Net income/(expenditure)		(20,193)	27,831	7,638	62,600
Reconciliation of funds					
Total funds brought forward		160,726	27,310	188,036	125,436
Total funds carried forward		140,533	55,141	195,674	188,036

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

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

The notes on pages 17 to 27 form part of these accounts.

BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2022
Company Number 09626510

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Fixed Assets					
Tangible assets	11	26,624	-	26,624	-
		26,624	-	26,624	-
Current Assets					
Stock	12	-	27,971	27,971	21,435
Debtors	13	41,947	-	41,947	27,671
Cash at bank and in hand		76,073	27,170	103,243	139,808
		118,020	55,141	173,161	188,914
Creditors: amounts falling due within one year	14	(4,111)	-	(4,111)	(878)
Net current assets		113,909	55,141	169,050	188,036
Net assets		140,533	55,141	195,674	188,036
The funds of the charity					
Restricted funds	16	-	55,141	55,141	27,310
Unrestricted funds - designated	17	54,893	-	54,893	38,000
Unrestricted funds - general	17	85,640	-	85,640	122,726
Total charity funds		140,533	55,141	195,674	188,036

For the year ended 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

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

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

Claire Murdoch

Claire Murdoch
Vice Chair

Edwina Dean-Lewis

Edwina Dean-Lewis
Trustee, Company Secretary

Approved by the Board on 27 July 2022.

The notes of pages 17 to 27 form part of these accounts.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

1. GENERAL INFORMATION

Smart Works Reading is a company limited by guarantee and incorporated in England and Wales. The registered office is 95 London Street, Reading, RG1 4QA.

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 Reading 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 financial statements are prepared on a going concern basis. There are no material uncertainties in respect of the charity's ability to continue as a going concern for the foreseeable future, based on most recent strategic plans and financial budgets.

The charity's presentational and functional currency is Pounds Sterling.

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 and most common sources of income are grants received following application to awarding organisations, donations from corporate and individual supporters and income from fundraising events.

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.

Donated Goods and services

Donated goods (such as office consumables) and services (such as professional services) are recognised in the financial statements when the goods and services 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 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.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. The cost of donated 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 or amortisation.

Depreciation and amortisation

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

Depreciation on computer equipment	30% on the straight line basis
Depreciation on office fixtures and fittings	20% on the straight line basis
Amortisation on leasehold alterations	Over the remaining period of the lease 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. Designated funds are those which the Trustees have set aside 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 historical cost. Clothing stock is counted and valued based on cost of replacement from second hand sources.

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.

Pension costs

Employees are provided with an auto-enrolment pension with employee and employer contributions. Initial enrolment occurred during the year ended 31 March 2018 in accordance with Smart Works Reading's staging date from the Pensions Regulator. Pension costs are included in the SOFA.

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.

3. 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.

4. DONATIONS

	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Individual & Corporate Donations	23,201	-	23,201	30,303
Dressing stock donations	-	15,811	15,811	7,105
Grants	-	78,431	78,431	79,869
	23,201	94,242	117,443	117,277

Prior Year Donations

	Unrestricted Fund £	Restricted Funds £	2021 Total £
Individual & Corporate Donations	30,303	-	30,303
Dressing stock donations	-	7,105	7,105
Grants	-	79,869	79,869
	30,303	86,974	117,277

5. OTHER FUNDRAISING ACTIVITIES

	Unrestricted Funds	Restricted Funds	2022 Total	2021 Total
	£	£	£	£
Pop-up sales	3,341	-	3,341	2,021
Sustainable Fashion sales	10,204	-	10,204	-
Fundraising Lunch	12,371	-	12,371	-
Cycle for Smartworks	17,807	-	17,807	25,600
Guards Polo	-	-	-	6,227
5th Birthday Event	-	-	-	2,361
Other events	4,430	-	4,430	2,356
	<u>48,153</u>	<u>-</u>	<u>48,153</u>	<u>38,565</u>

In the year to 31 March 2021, all Other Fundraising Activities raised unrestricted funds.

6. RAISING FUNDS

	2022	2021
	£	£
Event Costs	8,182	69
Marketing	108	-
Total	<u>8,290</u>	<u>69</u>

7. CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	2022 Total
	£	£	£
Staff related direct expenditure	42,648	21,671	64,319
Premises related direct expenditure	30,167	31,185	61,352
Other direct expenditure	6,011	12,540	18,551
Support Costs	4,431	1,015	5,446
	<u>83,257</u>	<u>66,411</u>	<u>149,668</u>

Prior year Charitable Activities

	Unrestricted Fund	Restricted Funds	2021 Total
	£	£	£
Staff related direct expenditure	9,429	48,855	58,284
Premises related direct expenditure	(119)	26,361	26,242
Other direct expenditure	828	3,885	4,713
Support Costs	1,156	2,778	3,934
	<u>11,294</u>	<u>81,879</u>	<u>93,173</u>

8. SUPPORT COSTS

	Unrestricted Funds	Restricted Funds	2022 Total
	£	£	£
Independent Examination fees	720	-	720
Other legal and professional fees	20	-	20
Governance Costs	85	-	85
Stationery, printing and postage	2,639	-	2,639
Sundry expenditure	938	1,015	1,953
Bank charges	29	-	29
	<u>4,431</u>	<u>1,015</u>	<u>5,446</u>

Prior year Support Costs

	Unrestricted Fund	Restricted Funds	2021 Total
	£	£	£
Independent Examination fees	509	-	509
Other legal and professional fees	-	-	-
Governance Costs	85	-	85
Stationery, printing and postage	0	191	191
Sundry expenditure	562	2,587	3,149
Bank charges	-	-	-
	<u>1,156</u>	<u>2,778</u>	<u>3,934</u>

9. NET INCOME STATED AFTER CHARGING

	2022 £	2021 £
Operating lease payments	46,377	19,440
Wages and salaries	64,398	56,899
Employers' National Insurance contributions	(1,362)	1,385
Employers' Pension contributions	1,283	1,263
Independent Examiner's remuneration	720	509
 The average number of employees for the year	 3.3	 2.8

No member of staff received employee benefits exceeding £60,000.

The key management personnel of the Charity comprise the Trustees. The total amount of employee benefits (including employer pension contributions) received by the key management team for their services to the Charity was £0 (2021: £0).

10. TRUSTEE REMUNERATION AND EXPENSES

No trustee received any remuneration in the year (2021: £0). One trustee was reimbursed for their expenses in the period (2021: one). Total expenses reimbursed were £254 (2021: £18).

11. TANGIBLE FIXED ASSETS

	2022	2021
	£	£
Leasehold Alterations		
Cost		
Brought forward	-	-
Additions	29,696	-
Carried forward	29,696	-
Amortisation		
Brought forward	-	-
Charge for the year	3,072	-
Carried forward	3,072	-
Net book value		
As at 31 March 2022	26,624	
As at 31 March 2021		-

12. STOCK

	2022	2021
	£	£
Dressing stock	27,971	21,435

13. DEBTORS

	2022	2021
	£	£
Prepayments	23,737	-
Accruals	18,210	27,671
	41,947	27,671

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Accruals	4,111	878
	4,111	878

15. NET ASSETS BY FUND

	Unrestricted Funds £	Restricted Funds £	2022 Total £
Tangible Fixed Assets	26,624	-	26,624
Current Assets	118,020	55,141	173,161
Creditors due within one year	(4,111)	-	(4,111)
Total Net Assets	140,533	55,141	195,674

Prior year Net Assets by Fund

	Unrestricted Fund £	Restricted Funds £	2021 Total £
Tangible Fixed Assets	-	-	-
Current Assets	161,604	27,310	188,914
Creditors due within one year	(878)	-	(878)
Total Net Assets	160,726	27,310	188,036

16. RESTRICTED FUNDS

	Balance 01-Apr 2021 £	Income £	Expenditure £	Balance 31-Mar 2022 £
Analysis of fund balance by project:				
BCF Smart Works Direct to your Door 2020	1,015	-	(1,015)	-
BCF Reckitt 2021	4,860	-	(4,860)	-
SWC Career Coaching (Bank of America 2021)	-	6,275	(6,275)	-
Reading Borough Council Local Discretionary 2021	-	10,241	(10,241)	-
SC Johnson 2021	-	5,000	(5,000)	-
BCF Ascot Racecourse 2021	-	5,000	(5,000)	-
Arnold Clark Automotive 2021	-	1,000	(1,000)	-
University of Reading Interns 2021	-	1,890	(1,890)	-
Reading Borough Council - Outreach Intern 2021	-	1,260	(1,260)	-
Oxford Brookes 2021	-	400	(400)	-
Mobbs Memorial Trust 2021	-	3,065	(3,065)	-
Newbury Building Society 2021	-	500	(500)	-
BCF Vital for Berkshire 2021	-	5,000	(5,000)	-
John Lewis Partnership Foundation 2021	-	29,640	(2,470)	27,170
Louis Baylis Trust 2021	-	2,000	(2,000)	-
Gerald Palmer Eling Trust 2022	-	5,000	(5,000)	-
SWC Career Coaching (National Lottery 2021)	-	2,160	(2,160)	-
Total Restricted grants	5,875	78,431	(57,136)	27,170
 Dressing Stock	 21,435	 15,811	 (9,275)	 27,971
 Total Restricted funds	 27,310	 94,242	 (66,411)	 55,141

During the year, the remaining balance on two carried forward grants was spent. Those grants are completed.

- BCF Berkshire Community Foundation Smart Works Direct to your Door 2020 is a grant to support remote service provision during the pandemic
- BCF Berkshire Community Foundation Reckitt 2021 is a grant for property related costs

In addition, fourteen new grants were awarded and fully spent during the year. Those grants are completed.

- SWC Smart Works Charity Career Coaching (Bank of America 2021) is a grant for core costs
- Reading Borough Council Discretionary 2021 is a grant for property related costs
- SC Johnson 2021 is a grant for grant for property costs related to the move to new premises
- BCF Berkshire Community Foundation Ascot Racecourse 2021 is a grant for staff related costs
- Arnold Clark Automotive 2021 is a grant for property costs related to the move to new premises
- University of Reading Interns 2021 is grant for the staff costs for one undergraduate summer internship
- Reading Borough Council - Outreach Intern 2021 is a grant for internship staff costs for an outreach project
- Oxford Brookes 2021 is a grant for staff related costs for a work placement student
- Mobbs Memorial Trust 2021 is a grant to support the move to new premises
- Newbury Building Society 2021 is a grant to support the move to new premises
- BCF Berkshire Community Foundation Vital for Berkshire 2021 is a grant for staff related costs
- Louis Baylis Trust 2021 is a grant for IT related costs
- Gerald Palmer Eling Trust 2021 is a grant for property costs related to the move to new premises
- SWC Smart Works Charity Career Coaching (National Lottery 2021) is a grant for core costs

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.

- John Lewis Partnership Foundation 2021 is a grant for staff related costs

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

Prior year Restricted Funds

	Balance 01-Apr 2020 £	Income £	Expenditure £	Balance 31-Mar 2021 £
Analysis of fund balance by project:				
Grant BCF Vital For Berkshire (Reaching Reading) 2020	4,000	-	(4,000)	-
Grant Heathrow Youth Community Fund 2018 (MAPIS)	-	5,000	(5,000)	-
Grant Covid-19 Reading Borough Council Discretionary 2020	-	8,350	(8,350)	-
Grant BCF Segro 2020	-	26,868	(26,868)	-
Grant BCF Reckitt 2020	-	15,000	(15,000)	-
Grant University of Reading Interns 2020	-	2,520	(2,520)	-
Grant BCF Smart Works Direct to your Door 2020	-	1,918	(903)	1,015
Grant BCF Christmas Appeal 2020	-	1,875	(1,875)	-
Grant BCF Reckitt 2021	-	5,833	(973)	4,860
National Lottery Community Fund - Coronavirus Community Support Fund (Collected via Smart Works Charity)	-	3,600	(3,600)	-
SWC Career Coaching (Bank of America 2021)	-	900	(900)	-
Coronavirus Job Retention Scheme grant	-	8,005	(8,005)	-
Total Restricted grants	4,000	79,869	(77,994)	5,875
Dressing Stock	18,215	7,105	(3,885)	21,435
Total Restricted funds	22,215	86,974	(81,879)	27,310

17. UNRESTRICTED FUNDS

	Balance 01-Apr 2021 £	Incoming resources £	Outgoing resources £	Transfers £	Balance 31-Mar 2022 £
Designated Expansion and Accessibility Fund	38,000	-	(38,000)	-	-
Designated 2025 Fund	-	-	-	54,893	54,893
General Fund	122,726	71,354	(53,547)	(54,893)	85,640
Total Unrestricted Funds	160,726	71,354	(91,547)	-	140,533

The Expansion and Accessibility Fund is a designated fund to support the Board's strategic objective to move to larger and more accessible premises. The premises move will enable offering a better service to more clients and improve the working environment while reducing health and safety risks for staff and volunteers. The premises move was completed during the year and the fund used.

The 2025 Fund is a designated fund to support an increase in the number of women helped during the three year plan period from April 2022 to March 2025 which includes a moderate increase in headcount. Ambitious target growth in client numbers is enabled by the move to larger and more accessible premises completed in the year to 31 March 2022.

Prior year Unrestricted Funds

	Balance 01-Apr 2020 £	Incoming resources £	Outgoing resources £	Transfers £	Balance 31-Mar 2021 £
Designated Expansion and Accessibility Fund	-	-	-	38,000	38,000
General Fund	103,221	68,868	(11,363)	(38,000)	122,726
Total Unrestricted Funds	103,221	68,868	(11,363)	-	160,726

18. OTHER FINANCIAL COMMITMENTS

	2022 £	2021 £
At the year end the company had annual commitments under non-cancellable operating leases as set out below:		
Operating Leases - within one year	56,383	19,440
Operating Leases - between 2 and 5 years	187,298	14,580
Total	243,681	34,020

19. MEMBERS' LIABILITIES

The company is limited by guarantee. Every member of the company undertakes to contribute to the assets of the company, in the event of the same being wound up while 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 one member, Smart Works Charity.

20. RELATED PARTY TRANSACTIONS

During the year the charity received net payments of £12,797 (2020: £50,725) from Smart Works Charity, its immediate parent. There are no other related party transactions.

21. CONTROL

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

Reference and administrative information

Registered name	Smart Works Reading
Charity registration number	1164723
Company registration number	09626510
Corporate status	The Company is limited by guarantee
Registered office	95 London Street Reading RG1 4QA
Telephone	0118 959 4245
Email	reading@smartworks.org.uk
Website	www.smartworks.org.uk
Trustees	Sarah Burns – Chair (resigned 30 June 2022) Ana Perez (resigned 5 June 2021) Joanna Perrin Kim Wedderburn (resigned 3 May 2022) Annette Pendry Edwina Dean-Lewis - Treasurer Estelle Christmas (resigned 3 May 2022) Claire Murdoch – Vice Chair Candace Williams (resigned 31 May 2022) Aduke Onafowokan Alexandra Jones (appointed 29 April 2021) There were no other changes in trustees during the year. Sarah Burns resigned as trustee and Chair on 30 June 2022. Helen Francis was appointed a trustee on 30 June 2022 and became Chair on 1 July 2022.
Company Secretary	Edwina Dean-Lewis
Independent Examiner	Hannah Ormston CIPFA Critchleys Audit LLP Beaver House 23-38 Hythe Bridge Street Oxford OX1 2EP
Bankers	HSBC - 1 Corn Market, High Wycombe, HP11 2AY Santander - 100 Broad Street, Reading, RG1 2AX