

STEEL WARRIORS

**Trustees' Report and Accounts
for the year ended 31 December 2021**

Charity No: 1175317

STEEL WARRIORS

TRUSTEES' REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

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STEEL WARRIORS

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

REFERENCE AND ADMINISTRATIVE INFORMATION

Legal status:	Charitable Incorporated Organisation incorporated on 24 October 2017
Registered Charity Number:	1175317
Principal Office:	Ground Floor 184-192 Drummond Street London NW1 3HP
Trustees:	Ben Wintour Co-founder (24 October 2017) Pia Fontes Co-founder (24 October 2017) Harry Edwards (Appointed 10 June 2019) Chudozie Okongwu (Appointed 1 July 2019) Blair Wright (Appointed 15 August 2019) Gethin Evans (Appointed 21 October 2019)
Bankers:	Metro Bank One Southampton Row London WC1B 5HA
Independent Examiner:	Simon Goodridge FCA Knox Cropper LLP Chartered Accountants 65 Leadenhall Street London EC3A 2AD
Solicitors:	Herbert Smith Freehills LLP Exchange House Primrose Street London EC2A 2EG

STEEL WARRIORS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees submit their Annual Report together with the financial statements for the year ended 31 December 2021. The financial statements comply with the Charities Act 2011, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 second edition - effective 1 January 2019).

Objectives and Activities

We melt down knives taken off the streets and recycle the steel into outdoor community gyms. We provide young people with a free space that not only gets them talking about knife crime, but also enables them to build the physical and mental confidence to walk away from gangs and serious youth violence. Using street workout, also known as callisthenics, as a platform, we teach young people how to achieve seemingly impossible goals. We help them to unlock their talents and challenge 'the impossible', so they can realise their aspirations and live the life they want. Our three pillars are:

- Physical activity, health and wellbeing
- Personal development
- Community engagement

Since our inception, Steel Warriors has successfully funded and built three gyms in inner London, located in Haringey, Lambeth and Tower Hamlets. These boroughs have been impacted by high levels of knife crime. Working closely with councils, residents, education, health and youth services, each gym acts as a community hub, a safe space where people can train, hang out and build new relationships. We also employ local coaches to run free, weekly training sessions, including during the summer holidays, for all ages and levels of fitness.

Our vision is to build a UK-wide network of outdoor community gyms – a street workout movement – that empowers young people to succeed in life and fosters stronger, safer and better-connected neighbourhoods. Our purposes are:

1. To help young people aged 13-24 years old by:
 - a. Providing, or assisting in the provision of facilities for, recreation or other leisure time activities provided in the interests of social welfare and designed to improve quality of life;
 - b. Providing support, activities and interventions which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals.
2. To promote the prevention of crime and youth violence, in particular, but not exclusively, by providing information and advice to young people on how to reach their personal goals both at our gyms and in day-to-day life, so they can succeed in mainstream society.
3. To provide, or assist in the provision of, facilities in the interests of social welfare for recreation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their living conditions.

Our strategy is to continue to support and invest in disadvantaged young people by:

- Building further outdoor community gyms in inner-city areas impacted by knife crime;
- Rolling out the new Street Workout and Mentality Programmes online through our Steel Warriors App;
- Rolling out our Intervention Programme across our gyms;
- Continuing to develop local partnerships and networks to ensure our work is embedded in the community;

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2021

- Implementing robust monitoring, measuring and learning systems that focus on the impact of our work; and
- Growing income and achieving a sustainable business model.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (P82)'.

Achievements and Performance

During 2021 we commenced new relationships with corporate partners and used these generous donations to fund free-to-all calisthenics training sessions at our three gyms.

Financial Review

Total income reduced to £66k in 2021 from £606K during 2020, predominantly due to the cessation of previous corporate partnerships. Expenditure also decreased, in line with our decision to pause the manufacture and installation of gym equipment. At 31 December 2021, we had unrestricted funds of £46K (2020: £56K).

Structure, Governance and Management

Steel Warriors is a Charitable Incorporated Organisation (Foundation Structure) whose only voting members are its trustees. Its governing document is its constitution.

Steel Warriors was formed and registered as a Charitable Incorporated Organisation on 24 October 2017. Its registration with the Charity Commission is numbered 1175317.

The Board of Trustees

- Ben Wintour, Steel Warriors Co-founder – supports with marketing and stakeholders.
- Pia Fontes Steel Warriors Co-founder – supports with public relations and marketing.
- Harry Edwards, Partner, Herbert Smith Freehills – supports with legal matters.
- Chudozie Okongwu, Managing Director, NERA – supports with financial matters.
- Blair Wright, Partner, Fox Williams LLP – supports with human resources matters.
- Gethin Evans, Director, PricewaterhouseCoopers LLP – supports with financial matters.

Our trustees have a varied experience in Legal, Finance, HR and PR and Marketing. There are no formal procedures for the induction or training of trustees.

The board of trustees performs the administration, including financial management of the charity and works with volunteers to support the manufacture and construction of the gyms. External professional service providers are engaged where necessary, including in the production of the financial statements.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees periodically review the skills and experience of the board. Where gaps are identified, additional trustees are recruited. Trustees discuss and approve the pay and remuneration of the full-time staff each year.

Statement of Trustees Responsibilities

The trustees are responsible for preparing the trustees' report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustees to prepare accounts for each financial year that give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for the year. In preparing those accounts the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011 and regulations made thereunder. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVAL

This report was approved by the Board of Trustees on 6 December 2022 and signed on their behalf by:



.....
Gethin Evans

STEEL WARRIORS

INDEPENDENT EXAMINER'S REPORT TO STEEL WARRIORS

I report to the charity trustees on my examination of the accounts of Steel Warriors for the year ended 31 December 2021.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which give me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the 2011 Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have 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.

Simon Goodridge

Simon Goodridge FCA

Knox Cropper LLP

Chartered Accountants

65 Leadenhall St, London, EC3A 2AD

Date: 6 December 2022

STEEL WARRIORS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted Funds 2021 £	Unrestricted Funds 2020 £
	Notes		
INCOME FROM			
Grants and donations	2	17,139	5,809
Charitable activities	3	49,105	600,623
TOTAL INCOMING RESOURCES		<u>66,244</u>	<u>606,432</u>
EXPENDITURE ON			
Raising funds		5,614	216
Charitable Activities	4	71,108	583,650
TOTAL RESOURCES EXPENDED		<u>76,722</u>	<u>583,866</u>
Net Income		(10,478)	22,566
Net movement in funds		<u>(10,478)</u>	<u>22,566</u>
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>56,249</u>	<u>33,683</u>
BALANCE CARRIED FORWARD		<u><u>45,771</u></u>	<u><u>56,249</u></u>

STEEL WARRIORS

BALANCE SHEET AS AT 31 DECEMBER 2021

		2021	2020
	Notes	£	£
FIXED ASSETS	7	1,238	1,857
CURRENT ASSETS			
Debtors	8	-	5,000
Cash at Bank and In Hand		<u>45,856</u>	<u>55,716</u>
		45,856	60,716
CREDITORS: Amounts falling due within one year	9	<u>(1,323)</u>	<u>(6,324)</u>
NET CURRENT ASSETS		<u>44,533</u>	<u>54,392</u>
NET ASSETS		<u>45,771</u>	<u>56,249</u>
FUNDS			
Unrestricted Funds :			
General Reserve	10	<u>45,771</u>	<u>56,249</u>
		<u>45,771</u>	<u>56,249</u>

The accounts were approved by the Trustees on 6 December 2022 and were signed on their behalf by:



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Gethin Evans

STEEL WARRIORS

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash provided by/(used in) operating activities	<u>(9,860)</u>	<u>21,185</u>
Cash flows from investing activities:		
Purchase of property, plant and equipment	<u>-</u>	<u>(2,476)</u>
Net cash provided by/(used in) investing activities	<u>-</u>	<u>(2,476)</u>
Change in cash and cash equivalents in the reporting period	(9,860)	18,709
Cash and cash equivalents at the beginning of the reporting period	<u>55,716</u>	<u>37,007</u>
Cash and cash equivalents at the end of the reporting period	<u><u>45,856</u></u>	<u><u>55,716</u></u>

Reconciliation of (expenditure) / income to net cash flow from operating activities

	2021 £	2020 £
Net (expenditure) / income for the reporting period	(10,478)	22,566
Depreciation charges	619	619
Decrease in debtors	5,000	304,391
Decrease in creditors	<u>(5,001)</u>	<u>(306,391)</u>
Net cash (used in) / provided by operating activities	<u><u>(9,860)</u></u>	<u><u>21,185</u></u>

STEEL WARRIORS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS102 second edition) '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 (FRS102), Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in pounds sterling.

(b) Grants and other charitable expenditure

Grants and other charitable expenditure are accounted for when qualifying conditions, if any, have been met, or in particular cases on payment dates agreed between the Trustees and the recipient.

(c) Income resources

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

(d) Donations in kind

Donations in kind are included in the Statement of Financial Activities at their economic value to the charity where qualifiable and measurable.

(e) Taxation

The charity is exempt from tax on its charitable activities.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment - 25% straight line

(g) Going concern

The trustees have reviewed our committed cash outflows and likely sources of further inflows, predominantly grants from corporate entities and public bodies, and have concluded that we have sufficient reserves to cover at least the 12 month period following the signing of the balance sheet. The key factors in this assessment are our low overheads and extensive range of opportunities for inflows.

On this basis the trustees are satisfied that the charity remains a going concern for the foreseeable future.

(h) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives of the charity.

STEEL WARRIORS

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

2. GRANTS AND DONATIONS

	2021	2020
	£	£
Donations	17,139	5,809
	<u>17,139</u>	<u>5,809</u>

3. CHARITABLE ACTIVITIES

	2021	2020
	£	£
Corporate Partners	28,900	268,823
Other income	5,205	5,000
Donations in kind		
Gym programme	-	149,280
Legal advice	15,000	105,520
Office premises	-	72,000
	<u>49,105</u>	<u>600,623</u>

4. CHARITABLE ACTIVITIES

	2021	2020
	£	£
Gym programme	56,888	485,265
Rent	430	72,204
Community Outreach	1,229	1,100
Street Workout programme	8,495	18,017
Support costs	4,066	7,064
	<u>71,108</u>	<u>583,650</u>

Governance costs included in Charitable activities:

	2021	2020
	£	£
Independent examination	1,800	1,440
	<u>1,800</u>	<u>1,440</u>

5. SUPPORT COSTS

	2021	2020
	£	£
Administration costs	2,196	2,180
Travel	70	814
Governance costs	1,800	4,070
	<u>4,066</u>	<u>7,064</u>

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NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

6. STAFF COSTS

	2021	2020
	£	£
Gross salary costs	29,992	69,944
Social security costs	3,058	7,886
Employer's pension	729	1,812
	<u>33,779</u>	<u>79,642</u>
The average number of employees (full time equivalent)	1	2
The total employee benefits of the Key Management Personnel of the charity, defined as the Senior Management Team	15,301	51,166

No member of staff received remuneration over £60,000.

7. TANGIBLE FIXED ASSETS

	Computer Equipment	Total
	£	£
Cost		
At start of year	2,476	2,476
Additions	-	-
Disposals	-	-
At 31 st December 2021	<u>2,476</u>	<u>2,476</u>
Depreciation		
At start of year	619	619
Charge for the year	619	619
Disposals	-	-
At 31 st December 2021	<u>1,238</u>	<u>1,238</u>
Net Book Values		
At 31 st December 2021	<u>1,238</u>	<u>1,238</u>
At 31 st December 2020	<u>1,857</u>	<u>1,857</u>

STEEL WARRIORS

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2021

8. DEBTORS

	2021	2020
	£	£
Trade debtors	-	5,000
	-	5,000

9. CREDITORS

	2021	2020
	£	£
Accrued expenses	1,323	6,324
	1,323	6,324

10. UNRESTRICTED FUNDS

	2021	2020
	£	£
General funds		
As at 1 January	56,249	33,683
Income	66,244	606,432
Expenditure	(76,722)	(583,866)
As at 31 December	45,771	56,249

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Unrestricted funds	Total 2021	Total 2020
	£	£
Net Assets	45,771	56,249
	45,771	56,249

STEEL WARRIORS

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2021

12. RELATED PARTY TRANSACTIONS

The charity receives legal advice on a pro-bono basis from Herbert Smith Freehills LLP, of which one of the trustees is a partner. This advice has been valued at £15,000 (2020: £105,520) in these accounts. There were no other related party transactions.

13. COMMITMENTS UNDER OPERATING LEASES

There are no commitments under operating leases.

14. TRUSTEES REMUNERATION AND EXPENSES

The Trustees do not receive any remuneration or reimbursement of expenses for their services.