

Smart Works Charity

Annual Report
2023/24

SMART
WORKS





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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 for the year ended 31 March 2024.

The accounts have been prepared in accordance with the accounting practice set out on pages 24-39 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.

(Cover image) Ruth, North London – Attended an appointment after being made redundant at 8 months pregnant. She got the job and has since passed all probations in her new role and has also connected her employers with the Smart Works Jobs Fair.

Collay, Newcastle – Referred by her work coach after applying to hundreds of job. She secured a job and is also part of the Smart Works Client Advisory Group.



Julietta Dexter

Introduction from our Chair of the Board of Trustees

We are proud to present our most recent Smart Works Annual Report.

It has been a fulfilling 12 months for the charity. On 1 April 2023, Smart Works began the second year of an ambitious Three-Year Plan to double in size by March 2025. Our commitment to this objective has been driven by the considerable needs of the client community we serve; rising in the face of the employment and the cost-of-living crises. As you will see in the pages of this report, Smart Works is on track to help 10,000 women a year by 2025, serving 8,221 women in this year. We are delighted that we are on course to hit the goals we set out in our Three-Year Plan.

This year we also celebrated our 10th birthday, an important mark of our sustainable and careful growth, that has allowed us to keep building centres across the UK, opening our 11th centre in April in Manchester city centre. Meanwhile, we continue to operate our virtual dressing service to ensure we can reach any woman in need, anywhere in the UK. As our client numbers continue to steadily increase, we maintain intense focus on sustaining our exceptional job success rate: 63% of our clients find employment within a month of accessing our service.

In 2023 we launched our ED&I strategy that sets out our mission to continuously better reflect the client base we serve, as well as to look after our staff. A significant component of this strategy has been in placing our clients at the heart of our decision-making. Our Client Advisory Group is now an essential stakeholder group in all our consultation.

We have made important progress in raising awareness of Smart Works nationwide. Our goal is to become a nationally recognised brand, ensuring that all potential clients know that we are here to help them, when they need us.

Our 10th birthday celebrations saw the launch of a podcast, and the creation of a Smart Works capsule collection in conjunction with well-known high street retailers such as Jigsaw and ME+EM. A celebratory event at Sotheby's in London allowed us to bring our community together and gave us the opportunity to thank many clients, staff, volunteers, trustees and all our vital donors and supporters, as well as gaining national news coverage for Smart Works.

Our second Smart Works Unemployment Index was launched with our Smart Works Ambassador, Baroness Merron, once again at the House of Lords. The report demonstrates our depth of insight, knowledge and data, as

well as valuable anecdotal experience from our clients that we can use to consistently improve our service. Our service is increasingly data driven and we are currently working on even more significant datasets for launch in 2025. Our Index went on to win the "Most Powerful Insight Using Research" award at the Chartered Institute of Fundraising Awards, of which we are very proud.

At the end of this year, our longstanding CEO, Kate Stephens stepped down after ten years of steering the charity to growth. We are so grateful for the enormous contribution Kate made to Smart Works during her tenure. An Interim CEO, Tiffanie Darke, was appointed to give the Board of Trustees appropriate time to find the next transformative leader for the charity.

We want to pay particular thanks to all our funders and supporters for making the last year possible, and for helping us to build such a robust platform for growth.

We also want to thank the Chairs of each local centre outside of London and all the trustee, staff, volunteer and client advisory teams across the UK. We can only achieve everything we do if we do it together. Smart Works is an extraordinary collective of skills and talent, and only together can we deliver our service, with such impact, to as many women we can reach.

Together, we have been able to respond to the real and growing need in our community. Our clients get into employment, enjoying vital independence and the ability to look after themselves and their families. We are proud to be delivering a service that offers women such a high chance of succeeding at job interview. We hope you enjoy reading the report and that you will join us in our mission to inspire and empower all women who need help getting into work.

Together, we can make this happen.

Kindest wishes,

Julietta Dexter
Chair

Objectives & activities

Smart Works is a UK service delivery charity that dresses and coaches unemployed women for interview and job success. 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. It is our purpose to inspire and empower all women who need help getting into work.

To deliver this, Smart Works was created in September 2013 to help women in disadvantaged circumstances with the clothes, coaching and confidence they need to succeed at their job interview and start a new chapter of their life. Women are referred to our service from Job Centres, homeless and women's shelters, mental health charities, the prison service, youth organisations and other charities and organisations supporting women into employment. Each woman is gifted a high-quality interview outfit (free and hers to keep), followed by a one-to-one interview coaching session. When she gets the job, she is welcomed back for a second dressing service to receive a capsule working wardrobe to last until her first pay cheque. Where possible, she is also invited

to join our Network, a professional networking group to help women advance in the workplace.

Smart Works retains an efficient, volunteer-powered model. Our dressing and interview coaching service is delivered nationwide by a team of nearly 800 skilled and trained volunteers. Our wardrobe is stocked with high-quality clothes donated by individuals and retailers.

Our strategic focus is to empower all women who need help getting into the workplace. To achieve this, we deliver our core dressing and interview coaching service to the best possible standard across the UK, operate a virtual service and plan to open more centres in new locations, so that any woman who needs our support can come to Smart Works. For those who have yet to secure an interview, we also offer a one to one career coaching service. Crucially, we listen to our clients and seek to understand the barriers they face in securing employment. Our two key performance indicators are the number of women that we help, and the proportion of those women who secure employment after their visit to Smart Works.

Achievements & performance



**Dressing volunteers,
Chloe and Patricia,
North London**

This report covers the second year of our ambitious Three Year Plan, in what has been a successful period of growth, innovation and expansion across all of the charity's activities. The sense of purpose is palpable across our community, brought to life by the significant increase in the number of women helped.

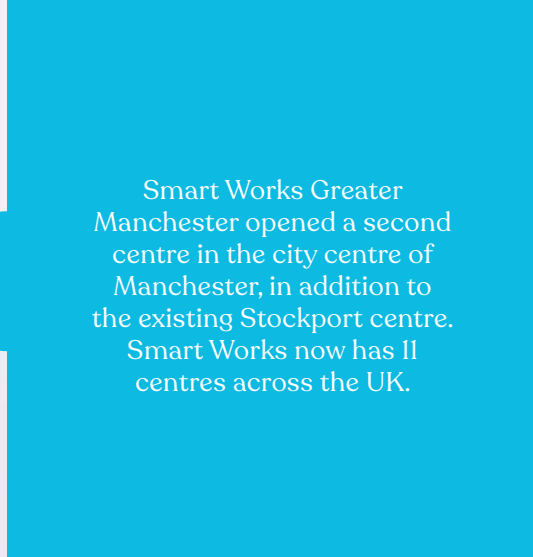


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Unique beneficiaries helped on their journey to employment across our 11 UK centres. This represents a year-on-year growth of 26% and is 102% of our Year 2 target.



Continued to reach women who face significant barriers to securing employment. 16% of clients considered themselves to have a disability, 57% were from an ethnic minority, 32% were lone parents, 40% had been unemployed for over a year (with 14% unemployed for over 5 years) and 43% had unsuccessfully applied for over 20 jobs.



Across the UK our centres have never been more active as we focused on broadening our outreach and maximising our capacity.

Most notably, our core Interview Dressing & Preparation service grew by 73% in Scotland, following the successful establishment of our Glasgow centre which opened in autumn 2022. Following the opening of our Manchester city centre, Smart Works Greater Manchester saw their appointments grow by 23%.

Our second Smart Works Unemployment Index shared data and insight gathered from 3,784 of our clients across the UK. In that report we found women are on average now applying for 33 jobs before finding work - up from 28 the year before. The majority applied for lower paid and lower skilled work citing feelings of 'desperation' due to the cost of living crisis and pressure to secure 'any job'. After experiencing the job market, 56% of our clients reported feeling less confident. Launched once again with the help of our ambassador Baroness Gillian Merron in the House of Lords, this year our report contained recommendations to employers, which included notification to all applicants of the outcome of their interview and an effort to advertise all jobs where all women might find them.

In November, to celebrate ten years of supporting women into work, we hosted our first Client Forum, where all former clients were invited to a virtual in-conversation event with Michelle Ackerley, Smart Works Greater Manchester Ambassador. The event served as a powerful moment of connection and inspiration. We heard from clients across our 11 centres about what Smart Works meant to them, and Michelle shared stories from her successful television career, highlighting the power of openness, self-belief and finding the positive in each day. Behind the scenes we have continued to invest in Group functions to provide the essential infrastructure needed for sustainable growth, with robust teams in place for People, Finance, Marketing and Communications, Operations and Programmes and Partnerships. Extra investment in our Programmes function has shown considerable success in driving client referrals. Investing in our capability to identify and analyse data, we began using the data visualisation software Power Bi across the organisation, a powerful analytics tool set up to allow all centres to gain insight into our client data, referral partners and wardrobe.

Smart Works also took part in a Data Dive weekend with the charity Data Kind, in a project supported by Bank

of America. Assisted by volunteers with high-level data experience, Smart Works produced a report identifying areas and demographic groups particularly in need of the Smart Works service across the UK. One finding in the report was that there was scope for Smart Works to work further with women in the 16-24 age group.

None of this would have been possible without the generous support of our funders. Trusts and Foundations continue to provide much needed long-term funding, and we are grateful to have renewed our partnership with the Garfield Weston Foundation, and to continue to deliver grants from the Oak Foundation, The National Lottery Community Fund (England and Scotland), the Kensington + Chelsea Foundation, and the Grove Trust, amongst others. The certainty that this funding provides enables all our centres to grow and support more women. We had a busy and productive year with our events portfolio. We hosted a pop-up shop in Bicester Village, our third collaboration with the retail outlet, generating £77,000 in income; we also delivered a successful weekend fundraiser in partnership with The Telegraph and Somerset House, raising over £123,000 in two days. In March 2024, we continued to grow our annual cycling challenge, Cycle for Smart Works, bringing in over £172,000 across the Group. A vibrant calendar of fundraising events and celebrations across the Smart Works community has helped drive our fundraising target, and we remain grateful to all our supporters for their continued engagement.

The Smart Works and Bobbi Brown Cosmetics partnership continued to flourish. Now in its tenth year, the Pretty Powerful partnership has raised an astounding £1 million and is a cornerstone partnership for the charity. In 2024, we were shortlisted for a Business Charity Award for Best Partnership in the Fashion & Retail Sector. We remain ever grateful for the shared values that drive our relationship with Bobbi Brown Cosmetics. We are proud to have developed existing relationships and established new partnerships with corporates, allowing us to diversify our income. These include AJ Bell Futures Foundation, Bank of America, Clearpay, Norton Rose Fulbright, Starling Bank, Dr Martens, Blackstone, and Russell Reynolds Associates.

The quality and quantity of clothing donations from supporters has been excellent. We are grateful to all our retail partners, particularly Hobbs, Radley London, Nobody's Child, Aligné, Phase Eight, The Fold, Fiorelli, Russell & Bromley, Hush, and Hugo Boss, for helping us to ensure that every woman who comes to Smart Works has a selection of high-quality and well-designed clothes and accessories to choose from. We continue to be proud of the growth of our reach and impact in numerous areas - from in person events and press, to social media and stakeholder engagement. Across all social media platforms, we saw an increase of 12% in our followers. And with more than 230 pieces of coverage; from broadcast features on the BBC, print success in the Telegraph and the Times, to digital spreads in SheerLuxe, we were able to reach thousands of women, supporters and partners. Key moments included unveiling the second edition of the Smart Works Unemployment Index at the House of Lords. With support from Baroness Merron and the attendance of key

parliamentarians, the event helped to position Smart Works as an expert on women's unemployment issues, while also taking our cause directly to the people who can effect change. We were also delighted to launch our inaugural Client Champion programme, where over 20 former clients became ambassadors for the charity. In their roles, they shared their stories and first-hand experiences of our service, playing a vital part in spreading the word and helping us reach more women.

Our ambassadors continued to make a splash for Smart Works throughout the year, with Michelle Ackerley hosting our first ever UK-wide client forum in November, Alexandra Burke joining us in our North London centre to dress our clients, and Isabel Spearman unveiling the Smart Works Capsule Collection in celebration of our tenth birthday. All this work has allowed Smart Works to reach more women in need and reach those in society who can strengthen the links to support them.



This is Sophia's story

At the beginning of 2024, Sophia wasn't in a good place. She was homeless, living in temporary accommodation, and her mental health was suffering severely. She'd originally had an appointment with Smart Works over eight years ago, so when she received an email about an upcoming Women Into Work jobs fair, she decided to stop by.

After speaking with members of the staff team at the jobs fair, Sophia booked a career coaching session to help her restructure her CV and work on her confidence. Not long after, she received an incredible five interview offers. "After I got the interview offers, I came back to Smart Works for my dressing and coaching, where I met the most amazingly kind people, including my dresser.

She turned up in this absolutely dynamite purple outfit. And I thought oh, my word, I want her to be my dresser – and she was.



I realised immediately that she also had a chronic illness, and we ended up getting on like a house on fire. She was just so kind, and really understood that I would get tired and flare up as a result, so she gave me extra time for the dressing. She just understood me in a way that a lot of people don't. And she really saw me, saw that I loved colour, and just found the most amazing, bright, colourful outfits.

When I think of my journey, my dresser was such an important part, in that sense of support and community. There was so much understanding – even though she didn't know me, she really got to know me in that appointment.

I then had one of the best interviews I've ever had. They told me it wasn't even a contest, that I performed better than everyone else. And none of this would have been possible without the confidence Smart Works gave me. Absolutely none of it, because I genuinely had given up. The day before my appointment, I was just done. I was about to cancel, but a part of me was like just go. Just go, you probably won't get the job, but just go.

And just like that, everything changed. My friends asked me, what switched? And it was this appointment. When I think back, when I remember how bad I was and how negative I was about the world, about everything, it was this that changed it.

Suddenly, I started reaching out and looking at my creative work again, and that developed, and so did everything else. All of this was as a result of the confidence, support and new perspective I was given from Smart Works. Ever since then, things have just been kind of taking off, which I never thought would happen. I had decided I would never have a stable career. And now I'm being told by everyone I meet – the board, the council, people in parliament – all these people are saying I'm good at my job, and I've never been told that before.

Since Smart Works, I've become a Client Champion, and it's been one of the greatest experiences. As a Client Champion, I feel like I can be disabled representation for others. As much as being chronically ill can be really hard sometimes, I like to show that disabled joy. Disabled people are the most fashionable people ever, and fashion constitutes an important part of our lives, as it's one of the things we can control when there's a lot in our

lives we can't. Honestly, clothes are so powerful, I think people just don't know it.

I would say to anyone that is thinking of doing this, just do it. Regardless of who you are, regardless of what you're doing, get yourself a referral. Because it's changed my life.

I'd never believed that I was capable, confident or good at anything. And then that level of confidence I was given changed everything. And now people meet me, and as much as negative things are still happening in my life, I really try and be as positive as possible.

And, yeah, I think the confidence comes from within, but that support that Smart Works gave was very special. I felt safe and connected in a way that I hadn't felt probably ever in my life."



Sophia with dressing volunteer, Sophia

"I would not have gotten the job without the support from Smart Works. I can guarantee it, because my confidence was at rock bottom. Things were really bad, but then that appointment just changed everything."

Financial Review

Results for the year

The financial performance for Smart Works Charity for the year ended 31 March 2024 was in line with expectations and continued to focus on our growth agenda and specifically on delivering Year 2 of the Three Year Plan.

Management have carried out an assessment and concluded that there are no material uncertainties to disclose. Consequently, the accounts have been prepared on a going concern basis.

Total income for the year was £3.9m, an increase of 24% over the previous year. Of this, £274k represents the fair value of dressing stock donations (2023: £267k), making the total income less stock donations, £3.58m (2023: £2.85m) an increase of 26%.

Our strategy to diversify our sources of income has remained a key focus, especially in the increasingly difficult economic environment. Grants and individual donations were £1.59m (2023: £1.05m), corporate giving income was £1.06m (2023: £856k) and fundraising events generated £914k (2023: £937k).

Approximately 37% of the total income was generated by the centres outside London, which is an increase of 3% from last year.

Unrestricted income of £2.95m represents 76% of overall total income and allows us to continue our investment initiatives to deliver the final year of the Three Year Plan. Note that restricted income of £912k includes £274k of dressing stock.

Expenditure for the year increased by 34% to £4.06m, in line with the growth strategy. Costs have been analysed into two key categories in line with SORP disclosures: “Core service delivery” and “National delivery support and growth”. Total costs

for these categories were £2.97m (increase of 36%) and £566k (increase of 37%) respectively (2023: £2.18m and £414k).

The increase in total expenditure was largely driven by the full year costs of two new centres in Croydon and Glasgow which opened during the previous financial year, a new centre opened in Manchester city centre and investment in staff across the group.

Staff costs remain the most significant expense at £2.38m (2023: £1.69m). This represents an increase across the group in the average number of employees from 57 to 72, the annualised impact of new hires made partway through the last financial year and moderate pay awards for eligible staff.

The total group deficit for the year was £199.2k (2023: surplus of £99.7k) resulting in total funds of £2.64m of which £271k is restricted and £2.37m is unrestricted funding (2023: £274k and £2.57m respectively). This small deficit was anticipated as we purposefully invest to deliver in line with our growth plans.

The Board of Trustees has committed to a three year growth plan to increase the number of women we help to 10,000 women per year by 2025 and has £219k remaining in designated funding in direct support of this, which will be utilised in the next financial year.

The generosity and ongoing commitment of our existing and new supporters has continued to drive our success and growth. It has been our long-term strategy to ensure that our income comes from a wide range of sources, and we are grateful to the many individuals and organisations who have stood by us throughout this year.

Investment policy

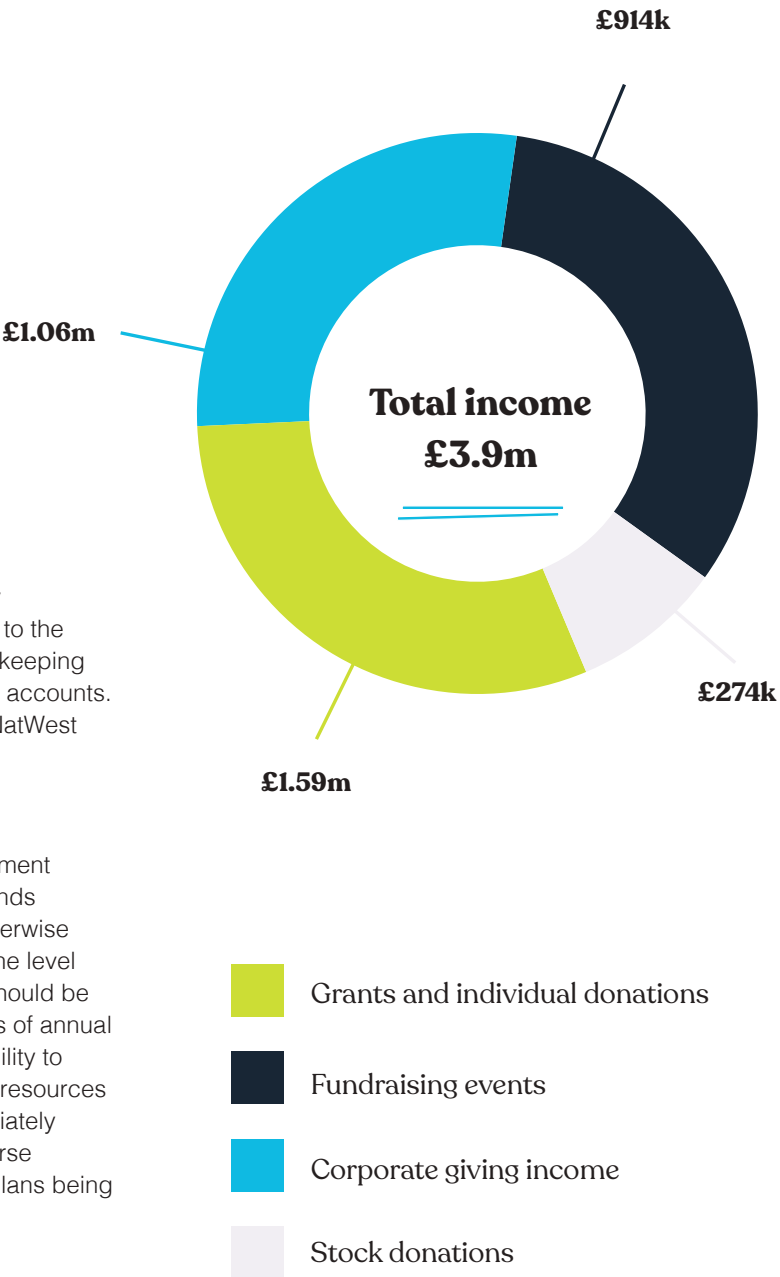
The Trustees having regard to the liquidity requirements of operating the Charity and to the reserves policy have operated a policy of keeping available funds in interest-bearing deposit accounts. These are currently held with CAF Bank, NatWest and HSBC.

Reserves policy

The Trustees have considered the requirement for free reserves, i.e. those unrestricted funds not designated for specific purpose or otherwise committed. The reserves policy requires the level of free reserves for Smart Works Charity should be equivalent to between six and nine months of annual expenditure. This provides sufficient flexibility to cover any temporary shortfall of incoming resources and to allow the charity to respond immediately to a reasonable range of unforeseen adverse circumstances prior to specific remedial plans being implemented.

Forecast annual expenditure for next year is expected to continue to grow as we invest in the remaining elements of the Three Year Plan and free reserves of £2m, which represent approximately 6 months of forecast annual expenditure, is in line with this policy.

As part of our annual review cycle, the Trustees will look to ensure that the policy continues to reflect the Charity’s risk appetite, supporting both short term and long term strategic priorities, resilience and financial position. As we continue to grow and in the context of an increasingly challenging economic environment, we therefore envisage that a more sophisticated approach to determining the level of free reserves will be applied for future periods.



Plans for the future

Ambition runs through the heart of every community that Smart Works encompasses, demonstrated in our effort and alignment to serve 10,000 women in the year 24/25. We are on track to reach this goal and our objectives for the future are clear:

Data Driven

Data will continue to drive our decision making, to identify and target areas of need. We will continue to source and expand our use of internal and external data and apply it across the group.

Focus on young people

A growing need amongst our clients in the 16-24 age bracket will inform a young women's programme.

Increase our job success rate

As the employment landscape continues to worsen (the UK unemployment rate is the highest since September 2021, ONS), this makes us more determined to deliver success for our clients, with a focus on maintaining and evolving the quality of our service.

Evolve our virtual service

In line with our renewed focus on our job success rate, we plan to improve the client experience of the virtual service with better technology and delivery.

Sustainable Growth

We will open two new centres, first in Bristol and then in Liverpool, areas we have identified by economic need. Increasing our footprint will go hand in hand with a focus on our culture, people and service. Our clients' experience remains our priority, and the wellbeing of our own staff and volunteers is central to that.

We are proud of our mission, the success of our service and our ambition to help more women find employment. We do not plan to pause or stand still: the experience of our clients remains our number one priority, ensuring we deliver the best possible chance for them to succeed in the world of employment.



(Main image) Mya and Sophia (volunteer), South London - Mya attended an appointment with Smart Works, secured an internship, and later received an extension. She has since recommended Smart Works to friends.

(Small image) Kathryn, North London - Referred to Smart Works by the Job Centre. Kathryn went on to secure employment after her appointment.

Structure, government and management

Governance

Smart Works and its Trustees are bound by the Memorandum and Articles of Association. The names of the Trustees who served on the Smart Works Charity Board during the year are set out in the reference and administrative information on page 39.

In legal terms, Smart Works Charity is the sole member of each English Smart Works centre and a majority member of Smart Works Scotland. This structure ensures that the governance, objectives and legal structure of each local Smart Works is aligned with those of Smart Works Charity. Financial statements from each local Smart Works charity are consolidated in this report. All Smart Works charities are also companies limited by guarantee.

Smart Works Trading is a wholly owned trading subsidiary of Smart Works Charity.

Recruitment and appointment of new Trustees

Regular reviews are undertaken to assess the skills of the current Trustees and identify any areas for strengthening. For Smart Works Charity, new Trustee positions are advertised widely and are appointed by existing Trustees, with their appointment approved by the members. For Smart Works centres outside of London, who are their own charity, new Trustees are appointed by the existing centre Trustees and their appointment is approved by Smart Works Charity.

Induction and training of new Trustees

All Trustees for the Group Board and for Local Boards 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, and they are also given a Smart Works Trustee Welcome Pack (reviewed annually), which sets out the legal responsibilities and the specifics of the Smart Works Group structure. New Trustees are also referred to the Charity Commission guide 'The Essential Trustee'. Day-to-day responsibility for operating the charity is delegated to the CEO.

Management

Kate Stephens, our CEO since 2013, left Smart Works in April 2024. Tiffanie Darke took over as Interim CEO in April 2024. The search process for our new CEO is currently under way. Tiffanie Darke leads the senior management team which, as of 31 March 2024, comprised of a Chief Operating Officer, a Director of Partnerships, a Director of Communications and Marketing, a Director of Finance and a Head of People.

Organisational structure and decision making

The Trustees review and approve all policies and follow a Three Year Plan. The Trustees meet quarterly throughout the year and have an annual session to update and revise the strategy. The current strategic plan for 1 April 2022 to 31 March 2025 was launched in January 2022.

Environmental, Social and Governance (ESG)

There are three central activities within our ESG strategy:

1. Diversity and Inclusion The Charity is committed to nurturing an inclusive culture where everyone is accepted, listened to and able to thrive. Over the past 12 months, we have launched a new Equity, Diversity and Inclusion strategy. This has included collecting data from across our group on key demographics, integrating the voices of our clients into decision-making through our UK-wide Client Advisory Group, and evolving our recruitment practices to be as open and fair as possible. A Client Champions programme positions our clients as our spokespeople, meanwhile efforts to diversify our volunteering opportunities continue apace. Smart Works continues to use external consultants to conduct EDI training, which is mandatory for all staff and Trustees and embedded into all Smart Works inductions.

2. Environment The Charity delivers significant environmental benefits as part of its primary purpose activities. All items in the wardrobe are donated from individuals or from retailers, and then carefully categorised so that they can be gifted to clients or (where appropriate) sold to raise funds. This provides an important circular and positive environmental impact by directly reducing potential landfill and waste. As an example, for the period of this report, the charity gave out over 40,000 donated pieces of clothes and accessories to clients.

3. Fundraising The Charity understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate. Smart Works does not currently fundraise for the public or use any internal fundraisers or external fundraising agencies for either telephone or face to face campaigns and received no fundraising complaints during the year

Pay Policy

All Trustees give their time freely and no Trustee received remuneration in the year.

As a fast-growing and dynamic charity, Smart Works believes that its staff are key to delivering its objectives. The charity is committed to having a competitive remuneration policy designed to attract and retain the best people, and in the interests of equity and fairness, the charity is committed to taking action to ensure that it provides equal pay for equivalent work. The charity aspires to pay its staff around the median market pay level for comparable jobs in similar sized organisations and with similar operating models, using an external salary benchmarking service to monitor this. The charity launched a national Pay Policy in September 2023, which is fair and transparent, providing sustainable pay bands for all staff roles as well as clear processes for pay reviews and pay progression. The charity's pay bands are reviewed annually, using an external salary benchmarking service, and they are approved by the Board.

Smart Works reviews salary levels annually, coming into effect on 1 April each year.

Risk management

The Board of Trustees continue to review and assess risks faced by the charity every six months. The Chief Executive updates the Board of Trustees at these meetings and highlights current risks facing the charity. This covers governance, financial, operational, physical, external and reputational, legal and compliance risks. The four most significant risks for the charity have been identified as:

1. Impact on performance from loss of key staff and changes to operational structure.
2. Significant data breach following a cyber-attack, with the risk being amplified due to the collection of sensitive data as part of EDI work.
3. Insufficient fundraising to deliver growth plans.
4. Adverse publicity and damage to reputation arising from Smart Works Charity, or local centre comments, activities or publications.

The Chief Executive ensures that robust policies, procedures, systems and training are in place to deal with risk and these are designed to mitigate or manage any potential impact on the charity should those risks materialise.

Policies

Policies for all relevant areas are maintained, including Safeguarding Adults at Risk, Safeguarding Children, Anti-Bribery, Anti-Harassment & Bullying, Compassionate Leave, Complaints, Conflict of Interest, Data Protection, Disciplinary, Equality, Flexible Working, Grievance, Maternity, Privacy and Whistleblowing. The Staff Handbook is made available to all staff and includes a summary of all policies, and a Trustee Welcome Pack does the same for Trustees. These packs are shared with new Staff and Trustees of Smart Works Charity and of local Smart Works centres.

Volunteers

The Trustees are grateful for the invaluable contribution of those who give their time voluntarily to deliver the dressing service, interview preparation, career coaching and wardrobe

management for our clients. One of the greatest assets that Smart Works has is the significant role played by its dedicated volunteers. The number of active volunteers across the UK on 31 March 2024 was 770.

Public benefit

The Trustees have referred to 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.

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies' subject to the small company's regime.

Trustees’ responsibilities statement

The Trustees (who are also directors of Smart Works Charity 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 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 these financial statements, the Trustees are required to:

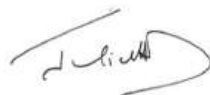
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company’s auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the Board on 30th October 2024 and signed on its behalf by:



Julietta Dexter

Chair



Ewa Kerin

Trustee

Independent Auditor’s Report to the members and trustees of Smart Works Charity

Opinion

We have audited the financial statements of Smart Works Charity (the ‘parent charitable company’) and its subsidiaries (the ‘group’) for the year ended 31 March 2024 which comprise of the Consolidated statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group’s and parent charitable company’s affairs as at 31 March 2024, and of the group’s incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Smart Works Charity’s ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, including the trustees’ report, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has [have] been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statement

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors/trustees and other management, and from our commercial knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial

statements or the operations of the charity, including legislation such as the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- To address the risk of fraud through management bias and override of controls, we:
- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates [set out in [Note 1]] were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Use of our reports

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Katherine Wilkes FCA (Senior Statutory Auditor)
DATE 15/11/24



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

Consolidated statement of financial activities for the year ended 31 March 2024 (Incorporating income and expenditure account)

	Notes	Unrestricted Funds	Restricted Funds	2024 Total	2023 Total
		£	£	£	£
Income from					
Donations	2				
Donations and grants		2,010,866	637,646	2,648,512	1,904,851
Donations of dressing stock		—	273,963	273,963	267,143
		<u>2,010,866</u>	<u>911,609</u>	<u>2,922,475</u>	<u>2,171,994</u>
Other trading activities	3	914,259	—	914,259	937,176
Investments		21,851	—	21,851	9,621
		<u>2,946,976</u>	<u>911,609</u>	<u>3,858,585</u>	<u>3,118,791</u>
Total income					
Expenditure on					
Raising funds	5	(520,289)	(699)	(520,988)	(421,042)
Charitable activities	4	(2,622,829)	(914,052)	(3,536,881)	(2,598,020)
		<u>(3,143,118)</u>	<u>(914,751)</u>	<u>(4,057,869)</u>	<u>(3,019,062)</u>
Total expenditure					
Net income		(196,142)	(3,142)	(199,284)	99,729
Transfers between funds					
		—	—	—	—
Net movement in funds		(196,142)	(3,142)	(199,284)	99,729
Reconciliation of funds					
Total funds brought forward		2,569,334	273,745	2,843,079	2,743,350
Total funds carried forward		<u>2,373,192</u>	<u>270,603</u>	<u>2,643,795</u>	<u>2,843,079</u>

There are no recognised gains and losses other than those in the statement of financial activities. Therefore, no statement of total recognised gains and losses has been prepared. All the above amounts relate to continuing activities.

The accounts have been prepared in accordance with the exemptions permitted under s408 Companies Act 2006 applicable to companies subject to the small companies' regime, to not disclose individual profit and loss account in the group accounts.

Consolidated charity and group balance sheets for the year ended 31 March 2024

		2024		2023	
	Notes	Group	Charity	Group	Charity
Fixed assets					
Tangible assets	10	89,185	51,629	77,954	48,771
Investments	11	—	2	—	2
		<u>89,185</u>	<u>51,631</u>	<u>77,954</u>	<u>48,773</u>
Current assets					
Stock	12	193,407	63,853	187,794	59,178
Debtors	13	581,331	441,175	544,128	463,624
Cash at bank and in hand		2,305,113	1,430,622	2,505,240	1,586,745
		<u>3,079,851</u>	<u>1,935,650</u>	<u>3,237,162</u>	<u>2,109,547</u>
Creditors	14	(525,241)	(390,353)	(472,037)	(301,924)
Net current assets		2,554,610	1,545,297	2,765,125	1,807,623
Net assets		<u>2,643,795</u>	<u>1,596,928</u>	<u>2,843,079</u>	<u>1,856,396</u>
Funds					
Designated funds	17, 18	338,935	218,842	604,686	378,342
General funds		2,034,257	1,314,239	1,964,648	1,432,070
Total unrestricted funds		<u>2,373,192</u>	<u>1,533,081</u>	<u>2,569,334</u>	<u>1,810,412</u>
Restricted funds	15, 16	270,603	63,847	273,745	45,984
Total funds		<u>2,643,795</u>	<u>1,596,928</u>	<u>2,843,079</u>	<u>1,856,396</u>

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

The accounts were approved by the Board of Trustees on 30 October 2024 and signed on their behalf by:


Julietta Dexter
Chair


Ewa Kerin
Trustee

The notes on pages 24-38 form part of these accounts

Consolidated cash flow statement for the year ended 31 March 2024

Group	2024 Total £	2023 Total £
Cash flows from operating activities:		
Surplus/ (deficit) for the financial year	(199,284)	99,728
Adjustments for:		
Depreciation of tangible assets	30,964	18,513
Investment income	—	(9,621)
(Increase)/decrease in debtors	(37,203)	(301,500)
(Increase)/decrease in stock	(5,613)	(33,709)
Increase/(decrease) in creditors	53,204	302,169
Interest paid	—	(482)
Net cash generated from operating activities	(157,932)	75,098
Cash flows from investing activities		
Income from investments	—	9,261
Purchase of tangible assets	(42,195)	(36,974)
Net cash from investing activities	(42,195)	(27,713)
Net (decrease)/increase in cash and cash equivalents	(200,127)	48,349
Cash and cash equivalents at the beginning of the year	2,505,240	2,457,012
Cash equivalents at the end of the year	2,305,113	2,505,240
Cash and cash equivalents at the end of the year comprise:		
Cash at bank and in hand	2,305,113	2,505,240

Notes to the financial accounts

1. Accounting policies

A) Basis of preparation and consolidation

Smart Works Charity is a charitable company limited by guarantee and incorporated in England and Wales. The registered office is Unit 1, Canonbury Yard, 202-208 New North Road, London, N1 7BJ. 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. The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The Presentation currency used is British Pounds Sterling. The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

B) Income

Income is recognised where there is entitlement, where the receipt of income is probable and the amount can be measured with sufficient reliability. Grants and donations are recognised once entitlement and value have been confirmed in writing. Investment Income is included in the accounts when receivable. This is received in the form of interest income from standard bank accounts. Donated gifts in kind of stock for dressing clients are included at fair value and recognised as income when they are distributed to clients. Gifts donated for resale are included as income when they are sold.

C) Expenditure

Expenditure is included in the statement of financial activities on an accruals basis and includes attributable VAT which cannot be recovered. All expenditure is allocated to the particular activity where the cost relates directly to that activity. Premises costs are allocated to charitable activities, fundraising and support costs based on floorspace allocation. Support costs are allocated using an apportionment in proportion to staff time.

D) Tax reclaims on donations and gifts

Income from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

E) Volunteers and donated services

The value of services provided by volunteers is not incorporated in these financial statements. 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. Smart Works had an average of 565 volunteers during the year.

F) Taxation

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2024. Smart Works Trading Limited had a nil surplus after gift aid donation to the parent company giving rise to zero corporation tax.

G) 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 is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows: Computer equipment 3 years straight line, Office fixtures and fittings 5 years straight line.

H) Investments

Smart Works’ investment in its subsidiaries is stated at cost.

I) Stocks

Stocks are valued at the lower of cost and net realisable value. Donated dressing stock for distribution to clients is valued at fair value. Stocks of donated clothing held for resale are not valued until sold.

J) 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. Significant estimates include depreciation, estimated on the assets estimated useful life, amounts to accrue for payments relating to the period and fair valuation of stock. 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.

K) 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 amount receivable at the balance sheet date.

L) Creditors

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

M) Financial instruments

The charity only has financial assets and financial abilities of a kind that qualify as basic financial instruments with the exception of stocks which are shown as their value to the charity. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Trade and other debtors are recognised at the settlement value before any trade discounts due. Cash at bank and 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. Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts.

N) Fund accounting

General funds are unrestricted funds which are 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 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.

O) 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.

P) Pension

Smart Works operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the Statement of Financial Activities.

Q) 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.

R) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees believe that the forecast results and good level of cash flow of the charity together with the measures taken to date will enable the charity to continue as a going concern and, as a result, do not include any adjustments that would result if the charity was not able to continue as a going concern.

S) Judgments and key sources of estimation uncertainty

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

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

Key sources of estimation uncertainty

The estimates and assumptions which have significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Management Charge

The management charge is calculated based upon time spent by employees of Smart Works Charity on the management of Smart Works Trading Limited. The days are charged based on the employee's gross pay and on costs.

Depreciation

The depreciation charge is calculated on the useful life of assets and calculated based on depreciation rates described in accounting policy (G).

Valuation of stock

Stock is valued at £40 per outfit, which is fair value. As items of clothing are donated, this is based on the best estimate of value.

2. Donations

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £
Grants and individual donations	954,475	637,646	1,592,121
Corporate donations	1,056,391	—	1,056,391
	2,010,866	637,646	2,648,512
Donations of dressing stock	—	273,963	273,963
	2,010,866	911,609	2,922,475
Prior year	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £
Grants and individual donations	618,247	430,989	1,049,236
Corporate donations	855,616	—	855,616
	1,473,862	430,989	1,904,851
Donations of dressing stock	—	267,143	267,143
	1,473,862	698,132	2,171,994

Total income for the group includes £273,963 (2023: £267,143) of income which is received in the form of donations of clothing and accessories. The income represents a fair value estimate of these stock donations, the clothes are given to the beneficiaries of the charity.

3. Other trading activities

	Unrestricted Funds	Restricted Funds	2024 Total Funds
Current year	£	£	£
Fundraising events	914,259	—	914, 259
	<u>914,259</u>	<u>—</u>	<u>914, 259</u>
Prior year	Unrestricted Funds	Restricted Funds	2023 Total Funds
	£	£	£
Fundraising events	937,176	—	937,176
	<u>937,176</u>	<u>—</u>	<u>937,176</u>

4. Charitable activities

Current year	Staff	Non staff	Support	2024
	Costs	Costs	Costs	Total Funds
	£	£	£	£
Unrestricted funds				
Core service delivery	1,017,204	722,441	433,285	2,172,930
National delivery, support and growth	282,293	66,181	101,425	449,899
Total unrestricted	1,299,497	788,622	534,710	2,622,829
Restricted funds:				
Core service delivery	340,651	454,708	2,677	798,036
National delivery, support and growth	116,016	—	—	116,016
Total restricted	456,667	454,708	2,677	914,052
	1,756,164	1,243,330	537,387	3,536,881

Prior year	Staff	Non staff	Support	2023
	Costs	Costs	Costs	Total Funds
	£	£	£	£
Unrestricted funds				
Core service delivery	644,450	539,831	363,987	1,548,268
National delivery, support and growth	220,254	57,688	84,350	362,291
Total unrestricted	864,704	597,519	448,336	1,910,559
Restricted funds				
Core service delivery	283,119	352,144	—	635,263
National delivery, support and growth	52,198	—	—	52,198
Total restricted	335,317	352,144	—	687,461
	1,200,021	949,663	448,336	2,598,020

5. Activities for raising funds

Current year	Staff Costs	Non staff Costs	Support Costs	2024 Total Funds
	£	£	£	£
Unrestricted funds:				
Events and other costs	212,261	208,717	99,311	520,289
Total unrestricted:	212,261	208,717	99,311	520,289
Restricted funds:				
Events and other costs	—	699	—	699
Total restricted:	—	699	—	699
	212,261	209,416	99,311	520,988

Prior year	Staff Costs	Non staff Costs	Support Costs	2023 Total Funds
	£	£	£	£
Unrestricted funds:				
Events and other costs	177,016	180,464	61,359	418,840
Total restricted:	177,016	180,464	61,359	418,840
Restricted funds:				
Events and other costs	—	2,202	—	2,202
Total restricted:	—	2,202	—	2,202
	177,016	182,666	61,359	421,042

Support costs within raising funds are related to staff and fundraising costs incurred.

6. Support costs

	2024 Total Funds £	2023 Total Funds £
Support staff costs and related expenditure	437,277	351,660
Property and related costs	50,657	20,840
Office expenses	49,900	50,384
Legal, professional and accountancy	28,330	18,677
IT costs	42,212	30,991
Governance costs	28,322	27,319
	636,698	499,871
Governance costs consist of audit and independent examination fees.		

7. Net income is stated after charging

	2024 £	2023 £
Depreciation of owned fixed assets	13,652	18,513
Operating lease payments	403,075	256,107
Auditor's remuneration	14,800	13,925
Independent Examiner's remuneration	4,680	3,630

8. Staff costs

	2024	2023
	£	£
Wages and salaries	2,134,157	1,550,936
Employer’s National Insurance	194,949	105,159
Employer’s pension contributions	49,754	35,062
	2,378,860	1,691,157

Numbers of employees with emoluments in the following bands

£100,000 - £109,000	1	1
£90,000 - £99,999	—	—
£80,000 - £89,999	1	—
£70,000 - £79,999	1	2
£60,000 - £69,999	—	1

The employer’s pension contributions made in relation to the employees above were £4,843 (2023: £6,164)

Average number of employees during the year	72	57
Average number of full-time equivalent employees during the year	62	49

The key management personnel comprised of: CEO, Director of Service Delivery and Group Operations, Director of Partnerships and Director of Finance.

The total amount of employee benefits (including employer pension and National Insurance contributions) received by the key management personnel for their services to the charity group was £312,242 (2023: £323,126).

9. Trustee expenses

No trustees received any remuneration from the charity in relation to the performance of their duties as trustees.

No trustee expenses (2023: nil) were paid to trustees during the year.

10. Tangible fixed assets

Fixtures and fittings & Computer Equipment	Group	Charity
	£	£
Cost		
Brought forward	136,926	85,097
Additions	42,195	18,877
Carried forward	179,121	103,974
Depreciation		
Brought forward	58,972	36,325
Charge for the year	30,964	16,020
Carried forward	89,936	52,345
Net book value		
As at 31 March 2024	89,185	51,629
As at 31 March 2023	77,954	48,771

11. Investments

	Shares held by class	%of Voting Rights	Charity Number	Company Number
Smart Works Birmingham	Company limited by guarantee	100%	1168264	10098116
Smart Works Leeds	Company limited by guarantee	100%	1184676	12059540
Smart Works (Greater Manchester)	Company limited by guarantee	100%	1163594	9425123
Smart Works Newcastle	Company limited by guarantee	100%	1176547	11115960
Smart Works Reading	Company limited by guarantee	100%	1164723	9626510
Smart Works Scotland	Scottish Charitable Incorporate Organisation	67%	SC044520	n/a
Smart Works Trading	Ordinary	100%	n/a	09061869

A summary of results for the year and prior year, along with a balance sheet summary, is shown below:

Current year	Smart Works Birmingham	Smart Works Scotland	Smart Works Leeds	Smart Works (Greater Manchester)	Smart Works Newcastle	Smart Works Reading	Smart Works Trading Limited	Total 31 March 2024
Gross income	185,884	489,738	249,274	288,347	205,889	160,596	142,616	1,722,344
Expenditure	(154,165)	(401,982)	(254,262)	(327,812)	(188,477)	(192,473)	(40,608)	(1,559,779)
Surplus/(Deficit) for year	31,719	87,756	(4,988)	(39,465)	17,412	(31,877)	102,008	162,565
Fixed assets	—	—	4,549	18,586	—	14,336	—	37,471
Current assets	162,945	303,611	102,784	267,647	174,972	103,369	62,106	1,177,434
Creditors	(27,985)	(35,522)	(7,431)	(48,047)	(5,269)	(4,100)	(39,683)	(168,037)
Net assets	134,960	268,089	99,902	238,186	169,703	113,605	22,423	1,046,868
Unrestricted funds	97,018	204,811	81,824	194,227	151,340	88,476	22,423	840,119
Restricted funds	37,942	63,278	18,078	43,959	18,363	25,129	—	206,749
Net funds	134,960	268,089	99,902	238,186	169,703	113,605	22,423	1,046,868
Prior year	Smart Works Birmingham	Smart Works Scotland	Smart Works Leeds	Smart Works (Greater Manchester)	Smart Works Newcastle	Smart Works Reading	Smart Works Trading Limited	Total 31 March 2023
Gross income	142,939	281,658	168,072	270,106	154,652	124,404	148,257	1,290,088
Expenditure	(123,223)	(222,987)	(153,202)	(201,814)	(175,051)	(174,596)	(29,169)	(1,080,042)
Surplus/(Deficit)	19,716	58,671	14,870	68,292	(20,399)	(50,192)	119,088	210,046
Fixed assets	—	—	8,704	—	—	20,480	—	29,184
Current assets	110,610	270,269	151,732	285,478	153,744	125,599	61,429	1,158,861
Creditors	(7,369)	(89,936)	(55,546)	(7,827)	(1,453)	(597)	(39,006)	(201,734)
Net assets	103,241	180,333	104,890	277,651	152,291	145,482	22,423	986,311
Unrestricted funds	79,769	131,082	83,874	188,973	136,971	128,653	22,423	771,745
Restricted funds	23,472	49,251	21,016	88,678	15,320	16,829	—	214,566
Net funds	103,241	180,333	104,890	277,651	152,291	145,482	22,423	986,311

12. Stock

	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Dressing stock	193,407	63,853	187,794	59,178

As detailed in note 1, the group's donated stock for beneficiaries is valued at fair value of £40 per outfit and the stock held at 31 March 2024 was counted and valued.

13. Debtors

	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Trade debtors	191,387	145,295	325,112	262,275
Accrued income	202,172	197,917	133,805	132,188
Other debtors	187,772	63,861	85,211	37,541
Amounts owed to group undertaking	—	34,102	—	31,620
	581,331	441,175	544,128	463,624

14. Creditors

	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Trade creditors	114,419	101,953	61,618	61,007
Other taxation and social security	63,842	47,047	70,804	52,292
Other creditors	35,420	1,153	6,672	1,084
Accruals	176,468	161,553	118,779	103,476
Deferred income	135,092	78,647	214,163	84,063
	525,241	390,353	472,037	301,924

Deferred income compromises restricted grants received in advance:

Balance bought forward	214,163	84,063	90,173	90,173
Amounts utilised in the year	(214,163)	(84,063)	(90,173)	(90,173)
Current year income deferred	135,092	78,647	214,163	84,063
	135,092	78,647	214,163	84,063

Balance carried forward

15. Restricted funds - Group

Current year	Balance at 1 April 2023	Income	Expenditure	Transfers	Balance at 31 March 2024
	£	£	£	£	£
Staff related expenditure	(49,062)	455,034	(436,317)	30,345	—
Dressing stock	187,794	273,963	(268,350)	—	193,407
Develop and broaden Smart Works Reach	135,013	182,612	(210,084)	(30,345)	77,196
	273,745	911,609	(914,751)	—	270,603
Prior year	Balance at 1 April 2022	Income	Expenditure	Transfers	Balance at 31 March 2023
	£	£	£	£	£
Staff related expenditure	2,636	277,340	(318,942)	(10,096)	(49,062)
Dressing stock	154,086	267,143	(232,385)	(1,050)	187,794
Develop and broaden Smart Works Reach	88,084	153,649	(138,336)	31,616	135,013
	244,806	698,132	(689,663)	20,470	273,745

The purposes of each restricted fund are as follows:

Staff related expenditure

This represents for all grants and funds received for staff related costs.

Develop & Broaden Smart Works Reach

This includes costs primarily for premises, other office expenditure and career coaching.

Dressing Stock

This is for the purpose of providing beneficiaries with interview clothing.

16. Restricted funds - Charity

Current year	Balance at 1 April 2023	Income	Expenditure	Transfers	Balance at 31 March 2024
	£	£	£	£	£
Staff related expenditure	—	215,162	(215,162)	—	—
Dressing stock	45,984	160,383	(142,520)	—	63,847
Other smaller donations	—	22,431	(22,431)	—	—
	45,984	397,976	(380,113)	—	63,847
Prior year	Balance at 1 April 2022	Income	Expenditure	Transfers	Balance at 31 March 2023
	£	£	£	£	£
Staff related expenditure	—	132,894	(132,894)	—	—
Dressing stock	48,871	134,747	(137,634)	—	45,984
Other smaller donations	130,949	11,342	(193,536)	51,245	—
	179,820	278,983	(464,064)	51,245	45,984

The purposes of each restricted fund are as set out in note 15

17. Designated funds - Group

Current year	Balance at 1 April 2023	Income	Expenditure	Transfers	Balance at 31 March 2024
	£	£	£	£	£
Designated funds	604,686	—	—	(265,751)	338,935
	604,686	—	—	(265,751)	338,935

Designated Funds mainly relates to Three Year Plan and some funds were designated to leasehold improvements and other office equipment purchased as part of an office move.

Prior year	Balance at 1 April 2022	Income	Expenditure	Transfers	Balance at 31 March 2023
	£	£	£	£	£
Designated fund	600,656	—	—	4,030	604,686
	600,656	—	—	4,030	604,686

18. Designated funds - Charity

Current year	Balance at 1 April 2023	Income	Expenditure	Transfers	Balance at 31 March 2024
	£	£	£	£	£
Designated fund	378,342	—	—	(159,500)	218,842
	378,342	—	—	(159,500)	218,842
Prior year	Balance at 1 April 2022	Income	Expenditure	Transfers	Balance at 31 March 2023
	£	£	£	£	£
Designated fund	417,152	—	—	(38,810)	378,342
	417,152	—	—	(38,810)	378,342

19. Analysis of net assets between funds – Group

Current year	Restricted Funds 2024 £	Unrestricted Funds 2024 £	Total Funds 2024 £
Tangible fixed assets	—	89,185	89,185
Current assets	270,603	2,809,248	3,079,851
Creditors due within one year	—	(525,241)	(525,241)
	<u>270,603</u>	<u>2,373,192</u>	<u>2,643,795</u>
Prior year	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £
Tangible fixed assets	—	77,954	77,954
Current assets	273,745	2,963,417	3,237,162
Creditors due within one year	—	(472,037)	(472,037)
	<u>273,745</u>	<u>2,569,334</u>	<u>2,843,079</u>

20. Pension commitments

The company and its subsidiaries operate separate defined contribution pension schemes. The assets of the schemes are held separately from those of each company in independently administered funds. The pension costs charge represents contributions payable by the companies to the funds and amounted to £30,501 (2023: £21,887). Contributions totalling £6,400 (2023: £4,899) were payable to the fund at the balance sheet date and are included in creditors.

21. Other financial commitments – Group

	Land and buildings	
	2024	2023
	£	£
At the year end the company had annual commitments under non-cancellable operating leases as set out below:		
Operating leases:		
within one year	258,214	265,062
within two to five years	150,566	379,115
	<u>408,780</u>	<u>644,177</u>

The total of payments made to operating leases in the year was £403,075 (2023: £256,107).

22. 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 he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the company contracted before he or she ceases 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 were 10 members (2023: 10 members).

23. Related party transactions

During the year the charity made the following donations to its subsidiary charities:

	2024 £	2023 £
Smart Works Birmingham	10,000	11,706
Smart Works Scotland	25,000	28,411
Smart Works Leeds	10,000	12,843
Smart Works (Greater Manchester)	10,000	22,843
Smart Works Newcastle	10,000	12,274
Smart Works Reading	10,000	11,706
	<u>75,000</u>	<u>99,783</u>

The following amounts were due to be paid to the subsidiaries at the year end.

Smart Works Birmingham	—	—
Smart Works Scotland	10,000	—
Smart Works Leeds	—	—
Smart Works (Greater Manchester)	—	—
Smart Works Newcastle	—	—
Smart Works Reading	—	—
Smart Works Trading Ltd	—	—
	<u>10,000</u>	<u>—</u>

Smart Works received a gift aid payment from Smart Works Trading subsidiary company totalling £102,008 in the year (2023: £120,452).

There were no other related party transactions in the year (2023: £nil).

Reference and administrative information

Registered name	Smart Works Charity
Charity registration number	1080609
Company registration number	03870671
Corporate status	The Company is limited by guarantee
Registered office	Unit 1, Canonbury Yard, 202 208 New North Road, London N1 7BJ
Telephone	020 7288 1770
Website	www.smartworks.org.uk
Trustees	Julietta Tennant (Chair) Ewa Kerin (Honorary Treasurer) Natalie Abou-Alwan Rachel Atkins Philippa Charles Tiffanie Darke (resigned 02 February 2024) Simongnette Scavazza Jane Shepherdson CBE Claire Spencer-Churchill (resigned 02 February 2024)
Company Secretary	Natalie Abou-Alwan
Patrons	The Duchess of Sussex Emma Barnett Betty Jackson CBE Jennifer Saunders Jane Shepherdson CBE
Honorary President	Lady Juliet Hughes-Hallett
Statutory Auditors	Critchleys Audit LLP Beaver House 23 – 38 Hythe Bridge Street Oxford OX1 2EP
Bankers	CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling Kent, ME19 4JQ

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**smartworks.org.uk
@smartworkscharity**

Charity No: 1080609