



Charity number: 1135143  
Company number: 6593956

## **TEMPO TIME CREDITS LIMITED**

(A Company limited by guarantee)

## **TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

For the year ended 31 March 2020



## **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

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## **Legal and administrative information for the year ended 31 March 2020**

<b>Charity reg. no.</b>	1135143	
<b>Company reg. no.</b>	6593956	
<b>Registered office</b>	Unit 2, First Floor, Cowbridge Court, 58-62 Cowbridge Road West, Ely, Cardiff, CF5 5BS	
<b>Trustees</b>	David Royce (Chair to 23 <sup>rd</sup> March 2020) Anna Lewis (Chair from 24 <sup>th</sup> March 2020) Andrew Fox Thomas Ebbutt Neal Hounsell Adam Stanley Stuart Mullin Marc Giraudon Lucienne Stephens Samantha Evans	Appointed 02/09/2019 Appointed 13/01/2020 Resigned 10/09/2019 Resigned 20/05/2020
<b>Company secretary</b>	Ian Merrill Mark Froud	Resigned 10/06/2020 Appointed 10/06/2020
<b>Chief Executive Officer</b>	Ian Merrill Mark Froud	Resigned 15/06/2020 Appointed 10/06/2020
<b>Auditors</b>	Haysmacintyre LLP  10 Queen Street Place London EC4R 1AG	
<b>Bankers</b>	HSBC 156/157 Tottenham Court Road London W1T 7AY  Unity Trust Bank 4 Brindley Place Birmingham B1 2JB	



## Trustees' Report

The Trustees present their annual report together with the financial statements of the charity for the year ending 31st March 2020.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and the statement of recommended practice (SORP) and is also the director's report for the purpose of company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 16 to 18 therein and comply with the Charitable Company's Memorandum and Articles of association, applicable laws and the requirements of the Statement of Recommended Practice (SORP) on 'Accounting and Reporting by Charities' issued in March 2015.

### Strategic Review

During the year Tempo reviewed with its stakeholders, Board and staff: our vision, mission and strategy. We did this as we entered the Covid19 world and it influenced the review.

### The Time Credits Model

Tempo provides capability and capacity building services to community development and voluntary organisations, through Co-Production and Asset Based Community Development. These organisations are often part of local networks paid for by local service commissioners (Local Authorities, Health Boards and CCGs) and charities. They recruit and manage volunteers to sustain their community. Volunteers receive Paper Time Credits. Tempo develops reward partnerships with the public, private and voluntary sectors, where people can 'redeem' Time Credits to access events, training and leisure activities. A Paper Time Credit is issued for an hour given and can be redeemed for an hour of activity.



In the future, Time Credits, which were Paper based will be Digital. This does not change the operating model but provides a more modern way of supporting volunteering, that builds and sustains communities. We will continue to provide a non-digital solution to ensure we meet the needs of the digitally excluded.

### Objectives and activities

Our strategic review concluded that:

**We exist** to build community capability and capacity by working with others to maximise the impact of volunteering. We recognise that some people, some groups and some communities are excluded and oppressed by the way society and structures are organised. We seek to challenge this and ensure fairness for all citizens.

**Our Vision** is of a World in which our services enable diverse individuals and groups to build and sustain their own communities.



**Our Mission** is that we provide a set of products and services to forward thinking organisations to build and sustain their communities through maximising the contribution volunteers make.

**Our Proposition** is that we deliver:

- A focused set of advisory and development services provided by our experienced and talented team.
- A unique Digital Time Credit platform.
- A community development based information sharing platform.

Our formal charitable objects are specifically restricted to:

- Advancing the education of society on the benefits of community engagement and volunteering, and the benefits of Time Credits
- Development of the capability and capacity of community development at a local level through bringing together local, regional and national organisations to deliver sustainable solutions that benefit their local communities. This partnership development will be targeted at those in society least able to take advantage of economic and social change.
- Promotion and management of Digital Time Credits and associated digital solutions as one part of the way to increase the quantity and diversity of volunteering at a local and national level.
- Research and consultancy to support the delivery of our other objects.

### **Our next 5 years**

We want to achieve some ambitious goals driven by our new and exciting Vision and Mission. In concrete terms we want to:

1. Ensure that Tempo is recognised as a core part of the UK's voluntary landscape by Governments (and their agencies) with Digital Time Credits heard of by 30% of voluntary organisations (50,000), by 2025.
2. Deploy a focused set of community development services that build and sustain partnerships and begin to measure the long-term impact of these partnerships from 2021.
3. Build a Digital Time Credit platform used by over 10% (17,000 by 2025) of UK voluntary organisations so that it enables an increase in the volume and diversity of those volunteering.
4. Build a high-quality reward network of national and local organisations with national organisations wanting to be part of our reward network so that 70% of issued Digital Time Credits are redeemed every year.
5. Be thought leaders for services and products to the volunteering sector.

This journey began during the 2019/2020 year.

### **Investing in the Future**

During 2019/2020, the Trustees considered a number of options. We decided to invest some of our reserves to realign our operations to more closely fit the needs of our commissioners and to complete the development of our digital platform (which began in 2016).

Our digital investment enables us to move to digital delivery of Time Credits during 2020-21 and beyond. This is critical given the impact of Covid19. A Digital Time Credits offer was demanded by commissioners, volunteers, Earn and Reward Partners. The development of the platform was led by user needs. It includes a way for people who do not have online access to use Digital Time Credits, thus avoiding digital exclusion. The platform will vastly improve our data and understanding of impact, improve experiences for people using Time Credits and enable Tempo to achieve efficiencies and support sustainability.

The investments made are the primary reason for the loss during the financial year. We have come out of this year a stronger, more focused and resilient Charity.

These changes meant that, while we were not prepared for the specific impacts of Covid19, we were able to rapidly flex our delivery and resources to support the communities we work with. This has meant that we will make a surplus in 2020/2021.



## **Impact of Covid-19**

The Trustees assessed whether the use of the going concern basis is appropriate and considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The Trustees made this assessment for 18-month period from April 2020 with regard to a prudent five-year financial forecast. In consideration of the Covid19 pandemic, the Trustees have also performed scenario planning, regular forecasting and cash flow projections and thorough risk assessments. The risks identified have been mitigated by reducing costs and taking advantage of governments' initiatives. After making enquiries, the Trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

The challenges presented by Covid19 have a dual aspect. They presented many problems but given the heightened publicity that the contribution volunteering makes to our society, it released a large number of latent volunteers. This is something UK society can capitalise upon and Tempo's plan involves working with the community development and voluntary sector to realise this latent volunteering.

The most significant implication for Tempo and the communities with whom we work was the lockdown in societal activity and particularly in our Reward Partners closing for a substantial part of the Spring and Summer.

To that end, we adopted a more flexible approach in response to the needs of our commissioners. Our operational delivery evolved considerably once Covid19 and the associated restrictive measures were put in place. This was and is appreciated by our commissioners, many of whom have re-contracted with us since January 2020.

## **Contingency Plans and Our Covid-19 Offer**

We initially focussed on maintaining Time Credit provision and the relationships with reward and earn partners and groups. We repurposed in order to ensure contract continuity and meaningful work.

Strands of our Covid-19 response include:

- Ensuring financial stability through monitoring and working with commissioners to adjust contracts, targets and in some cases implement contract pause and furlough. Weekly monitoring of this changing situation is in place.
- Consultation with commissioners to provide interim local and national support where possible to Covid-19 responses.
- Rapid development of a new website 'Tempo Communities' (<https://tempocommunities.com/guide>) which enables organisations both within our network and beyond to attract volunteers and for businesses and services to make offers to support individuals and people giving time in response to the pandemic. It builds on our USP of connecting communities with business and public sectors.
- Establishment of external facing learning forums facilitated by Tempo staff to enable learning on a national scale among providers and commissioners in response to the crisis.
- Extension of our e-learning offer to existing groups to facilitate group development

Our response went a long way to maintain and cement relationships with our commissioners demonstrating our ability to repurpose some of our resources and assets quickly and effectively. A further element was support in mapping and engaging the rapidly changing landscape of community and mutual aid groups.

The staff deserve credit for innovating and responding rapidly to the changing environment under such difficult circumstances.

## **Staff Wellbeing**

This has been an incredibly challenging time for staff in dealing with multiple uncertainties and change both planned (development of the digital platform) and unplanned (Covid-19 impact), as well as a changing working environment with staff combining working from home and caring responsibilities.

We have been as flexible as possible in response including widening our flexi time hours and agreeing to additional annual leave carry over. Additional wellbeing activities were put in place, managers doing workshops with each other's teams regarding wellbeing and attempting to reduce the amount of time spent in online meetings.



## Achievements and performance: Financial year 2019-2020

As of 31st March 2020, Tempo:

- Issued (through our local partners) 186,026 Time Credits. Taking the total number of Time Credits issued to 1,040,068.
- 5,936 people volunteered in organisations issuing Time Credits in 2019-2020. Taking the total number of volunteers in organisations issuing Time Credits to 15,698 to 31st March 2020.
- Tempo Time Credit members volunteered in the 1,059 community development and voluntary sector organisations who registered to use Time Credits.
- 88,855 Time Credits were redeemed in 2019-2020. The total number of Time Credits redeemed by 31st March 2020 was 436,598.

These numbers show the reach of our activities, through the community development and voluntary sector partners we work with. They are the heroes. Our role is to support them. The number of Time Credits issued and redeemed are only a fraction of the impact we have helped these organisations to deliver.

## Impact

Tempo has carried out impact evaluation across our programmes since 2012. In our last impact survey, we received feedback from over 1100 Time Credits members about the impact of Time Credits for them. Key findings from our last impact survey included:



Our results show that Time Credits attract new people into volunteering and community participation, and support impact against a range of wellbeing measures. In turn, organisations can make more and better use of volunteers, increase the co-production of services and use Time Credits to achieve better outcomes for their beneficiaries – all of which supports sector sustainability.

## Financial Review and Reserves Policy

The Trustees took a decision to fund a significant proportion and complete the digital transformation (which began in 2016) from reserves. During the year, the Charity made a loss of £161,000. This was made up of £145,000 in unrestricted funds and £16,000 in restricted funds.



Our income was lower in 2019/2020 as a number of contracts came to an end. We used this opportunity to concentrate our resources and have a greater impact in our ongoing contracts. Also a significant amount of our business development time was spent in winning a large multi-year contract with the Welsh Government (which began in 2020/2021) and we moved internal resources to develop our digital platform in readiness for its launch in 2021.

#### Move in Tempo Funds 2019/2020

	Unrestricted	Restricted	Total
	£000s	£000s	£000s
<b>As at 1st April 2019</b>	£461	£23	£484
<b>Income</b>	£1,314	£423	£1,737
<b>Expenditure</b>	-£1,459	-£439	-£1,898
<b>Net income 2019/2020</b>	-£145	-£16	-£161
<b>As at 31st March 2020</b>	£316	£7	£323

We anticipate sales will be lower in 2020/2021 due to Covid19. However, the gains made from our digital transformation will result in an organisation more able to flex according to changes in demand. As a result, we expect to make a surplus in 2020/2021.

#### Cash Flow

Cash resources fell during the year, primarily because of the loss for the year (£161,524) and our investment in the Digital Time Credits platform (£75,455). However, the balance improved after the year end as a result of the move to contracts with advanced quarterly payments, an unexpected unrestricted grant from one of our funders and various government Covid-19 concessions. We have no bad debts and no 90+ day debtors.

#### Reserves Policy

We have £322,908 in our reserves. Of these reserves, our actual free reserves were £316,294 (Reserves less the net book value of fixed assets). Our policy is to hold sufficient minimum reserves on the basis of "Total Liability Costs" in the event of closure - i.e. to be able to pay all our contractual liabilities if we were required to close down our operations. In accordance with Charity Commission Guidelines. As at 31<sup>st</sup> March 2020 the limit was calculated at £274,000 against actual free reserves of £166,000 - a shortfall of £108,000. The decision to invest in our digital platform was made understanding the likelihood of this happening. We expect to eliminate this deficit within one year.

#### Fundraising

Tempo does not actively fundraise from the public. It receives grant funding from charitable organisations and trusts, as well as income earned from the delivery of Local Authority and central government contracts. As a result, the charity has no requirement to subscribe to a fundraising regulation but does remain mindful of the fundraising standards. The charity has not received any complaints within the year about any fundraising activity.

#### Risk Management

Tempo's risk assessment process includes an organisation-wide risk register that is reviewed monthly by the Senior Leadership Team and quarterly by the Board's Finance and Audit Committee that reports up to the full Board. In addition to the organisational wide risk register, we operate a 90-day reporting framework across all regions and departments that captures risk, this is assessed by the Senior Leadership Team.

The key risks currently facing Tempo are:

- The risk to income resulting from the wider impact of Covid19 on the way our current commissioners view their priorities. We are addressing this by regular contact with commissioners to check commitment and developing new online support mechanisms (see the Covid19 section on page 6)
- The continued closure of our reward partners. We are addressing this by working with our reward partners to encourage the public back by them providing time slots for those with Time Credits and publicising this and by developing more online reward opportunities.





In addition to this, the digital platform allowed us to structure the business so that it can respond to increases and decreases in income by having a small fixed cost base, allowing it to scale up and down as demand dictates.

## **Governance, Structure and Management:**

### **Governance**

Tempo is a registered charity and is constituted as a company limited by guarantee. It is governed by its Memorandum and Articles of Association. It was registered as a company limited by guarantee on 15 May 2008 and was registered as a charity by the Charity Commission in England and Wales on 24 March 2010.

The Trustees of the charity are also directors of the company for the purposes of the Companies Act. The board of Trustees comprises 8 Trustees who were appointed to the Board based on their experience and skills. The directors are appointed for a 3-year term initially. They can serve a maximum of 3 terms before having to step down. The memorandum and articles of association require the Board to consist of at least 3 directors. There is no maximum number of Trustees.

The Trustees are responsible for setting the strategic direction of the Charity, approving and reviewing the delivery of its Business Plan and reviewing the risks the Charity faces.

The need for new Trustees is reviewed regularly and when vacancies occur, they are advertised. The aim is to develop a board with a diversity of perspectives.

New Trustees are provided with a full induction about the Charity and their duties and responsibilities, including the Charity Commission publication designed for this purpose. They are inducted into the charity through meetings with other board members, the Chief Executive, members of the Senior Leadership Team and staff. Trustees are encouraged to attend external training events where these will be of benefit to their role.

The Trustees have now put in place a Trustee development programme for those interested in becoming a Trustee, but with insufficient skills or experience. This programme is aimed at those who come from within the communities we work with most closely, but who have limited opportunity and/or experience.

### **Structure and management reporting**

The day-to-day running of the organisation is delegated to the Chief Executive and the Senior Leadership Team under a Scheme of Delegation. The Chief Executive meets formally with the Senior Leadership Team on a monthly basis and the Trustees meet approximately 4 times per year primarily to discuss issues of strategic direction in relation to the running of the organisation and the management of performance, supported by a Finance, Audit and Risk Committee which also meets 4 times per year.

The Trustees who were in office at 31 March 2020, and served throughout the year, are shown on page 3.

### **Key Management Personnel**

The Chief Executive leads a Senior Leadership Team comprising the Director of Resources and Finance, Development Director, Networks Director and Digital Product Lead.

A remuneration committee, led by the Chair, appoints and determines the salary of the Chief Executive based on annual appraisal and affordability. The remuneration of the other members of the Tempo team is set by the Chief Executive with oversight from the Trustees. This advice is based on annual appraisal and affordability. Tempo benchmarks HR and salary data with external providers. Tempo is in the process of developing a new approach to rewards that is not solely financially based.



## **STATEMENT OF THE BOARD OF TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS**

The Trustees, who are also directors of Tempo Time Credits Limited for the purpose of company law, 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).

Company law requires the Trustees to prepare financial statements for each financial year and not approve the financial statements unless they are satisfied that the financial statements give a true and fair view of the state of the affairs of the Charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the year then ended.

In preparing those financial statements which give a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 assume that the charitable company will continue on that basis.

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable Company's website.

### **Statement as disclosure as to our auditors**

In so far as the Trustees are aware at the time of approving our Trustees annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- the Trustees, having made enquiries of fellow Directors and the auditor that they ought to have individually taken, have each taken all steps that they are obliged to take as Directors, in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### **Approval**

This report was approved by Trustees on 28<sup>th</sup> October 2020.

**Anna Lewis**

**(On behalf of Tempo's Board of Trustees)**

**Director**

**Date:** 15 December 2020

Company No 6593956



## **Independent auditor's report to the members of Tempo Time Credits Limited**

### **Opinion**

We have audited the financial statements of Tempo Time Credits Limited for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 charitable company's affairs as at 31 March 2020 and of the charitable company's net movement in funds, including the 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 charity 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.

### **Responsibilities of Trustees for the financial statements**

As explained more fully in the Trustees' responsibilities statement set out above, the Trustees 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or



- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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' Annual Report (which includes the strategic report and 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 strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' 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 charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' 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 Trustees' report and from the requirement to prepare a strategic report.

### Use of our report

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.

*Kathryn Burton (Senior Statutory Auditor)*

*For and on behalf of Haysmacintyre LLP, Statutory Auditors*

10 Queen Street Place  
London  
EC4R 1AG

Date: 15 December 2020



**Statement of financial activities**  
**(incorporating the income and expenditure account)**  
**for the year ended 31 March 2020**

	Note	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>Income from:</b>					
Charitable activities	2	1,313,837	422,837	1,736,674	2,020,140
<b>Total Income</b>		1,313,837	422,837	1,736,674	2,020,140
<b>Expenditure on:</b>					
Charitable activities	3	1,458,465	439,733	1,898,198	2,102,708
<b>Total Expenditure</b>		1,458,465	439,733	1,898,198	2,102,708
<b>Net movement in funds</b>		(144,628)	(16,896)	(161,524)	(82,568)
<b>Fund balances at 1 April 2019</b>		460,922	23,510	484,432	567,000
<b>Fund balances at 31 March 2020</b>		316,294	6,614	322,908	484,432

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

Full comparative figures for the year ended 31 March 2019 are shown in the notes.

The notes on pages 16-25 form part of these financial statements.



## Balance Sheet as at 31 March 2020

	Notes	£	2020 £	£	2019 £
<b>Fixed Assets</b>	<b>9</b>		88,447		8,774
<b>Current Assets</b>					
Debtors	<b>10</b>	391,904		360,291	
Cash at bank and in hand		95,772		422,292	
		<u>487,676</u>		<u>782,583</u>	
<b>Creditors: amounts falling due within one year</b>	<b>11</b>	(253,215)		(306,925)	
<b>Net current assets</b>			234,461		475,658
<b>Net assets</b>			<u>322,908</u>		<u>484,432</u>
<b>Funds</b>					
Restricted fund	<b>13</b>		6,614		23,510
General fund	<b>13</b>		166,294		460,922
Digital Time Credit fixed asset reserve	<b>13</b>		64,656		-
Designated fund	<b>13</b>		85,344		-
<b>Total funds</b>			<u>322,908</u>		<u>484,432</u>

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The notes on pages 16-25 form part of these financial statements.

The financial statements were approved by the board and signed on its behalf by:

**Anna Lewis**

**(On behalf of Tempo's Board of Trustees)**

**Director**

**Date:** 15 December 2020

Company No 6593956



## Cash Flow Statement for the year ended 31 March 2020

	2020 £	2019 £
<b>Cash flow from operating activities</b>		
Net (expenditure)/income	(161,524)	(82,568)
Adjustments for:		
Depreciation	5,266	1,645
Disposals	(1,504)	-
(Increase)/Decrease in debtors	(31,614)	203,331
(Decrease)/Increase in creditors	(53,710)	(100,196)
<b>Net cash (used in)/provided by operating activities</b>	<b>(243,086)</b>	<b>22,212</b>
<b>Cash flow from investing activities</b>		
Purchase of tangible fixed assets	(9,482)	(8,593)
Disposals of tangible fixed assets	1,504	-
Purchase of intangible fixed assets	(75,456)	-
<b>Net cash used in investing activities</b>	<b>(83,434)</b>	<b>(8,593)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>A (326,520)</b>	<b>13,619</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>422,292</b>	<b>408,673</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>95,772</b>	<b>422,292</b>

### A) Analysis of changes in net cash funds

	At 1 April 2019 £	Cashflows £	At 31 March 2020 £
Cash in hand	422,292	(326,520)	95,772
Total cash and cash equivalents	422,292	(326,520)	95,772



## Notes to the financial statements for the year ended 31 March 2020

### 1.1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding period.

### 1.2 Statement of compliance

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), the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) and the Companies Act 2006.

Tempo Time Credits Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

### 1.3 General information

The charity is a private company limited by guarantee, incorporated in England and Wales (company number: 6593956) and a charity registered in England and Wales (charity number: 1135143). The charity's registered address is shown on page 3.

### 1.4 Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The Trustees have also considered the charities forecasts and projections and have taken account of pressures on donation and investment income. In consideration of the COVID-19 pandemic, the Trustees have also performed scenario planning, regular forecasting and cash flow projections and thorough risk assessments. The risks identified have been mitigated by using government initiatives. After making enquiries, the Trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

### 1.5 Fund accounting

Funds held by the charity are either:

- a) Unrestricted general funds – these are funds which can be used in accordance with the charity's objectives, at the discretion of the Trustees.
- b) Unrestricted designated funds – these are funds which have been allocated to fund our digital project, as agreed by the trustees
- c) Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

### 1.6 Income

All income is included in the statement of financial activities when the charity is entitled to the income, receipt is probable, and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.





## 1.7 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Charitable activity costs comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them, including governance costs.

## 1.8 Fixed Assets

### Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. All assets costing more than £1,000 are capitalised. Depreciation is provided at rates calculated to write off the cost of fixed assets over their estimated useful lives on the following rates:

Computer Equipment	33 1/3 % Straight line
Fixtures, Fittings & Equipment	33 1/3 % Straight line

### Intangible fixed assets and amortisation

Intangible fixed assets are stated at cost less amortisation. All assets costing more than £1,000 are capitalised. Amortisation is provided at rates calculated to write off the cost of fixed assets over their estimated useful lives on the following rates:

Software	20% Straight line
Digital Project	20% Straight line

Intangible fixed assets are only amortised once the project to which they relate is completed.

## 1.9 Pension

The charity operates a defined contribution pension scheme. Contributions payable for the year are charged in the Statement of Financial Activities. The total contributions paid in the year are shown in note 7.

## 1.10 Employee Benefits & Termination

Employment benefits, including holiday pay, are recognised in the period in which they are earned. Termination benefits are recognised in the period in which the decision is made and communicated to the relevant employee(s).

## 1.11 Operating leases

Rental charges are charged on a straight-line basis over the life of the lease.

## 1.12 Financial Instruments

Financial assets such as cash and debtors are measured at their present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities such as trade creditors, loans and finance leases are measured at the present value of the obligation.

## 1.13 Creditors and provisions

Creditors and provisions 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

## 1.14 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.

## 1.15 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.



**1.16 Estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately differ from those estimates. The Trustees have found no areas of judgement with a significant effect on the financial statements. Further details on this judgement are provided in the relevant section above.



2. Income from charitable activities:		Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	
Unrestricted funds		1,313,837	-	1,313,837	
Restricted funds		-	422,837	422,837	
Total		1,313,837	422,837	1,736,674	
Comparative 2019		Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	
Unrestricted funds		1,512,966	-	1,512,966	
Restricted funds		-	501,174	501,174	
Total		1,512,966	507,174	2,020,140	
3. Costs of charitable activities – by fund type		Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Charitable activities		1,458,465	439,733	1,898,198	2,102,708
2020 Total		1,458,465	439,733	1,898,198	2,102,708
2019 Total		1,505,859	596,849	2,102,708	

The charity's charitable activities are "Developing and delivering projects, events and training that enable individuals to become more actively involved in their communities".

4. Costs of charitable activities – by activity	Activities Undertaken	Support Costs	Total Funds
	Directly 2020 £	2020 £	2020 £
Charitable activities	1,007,670	890,528	1,898,198
<b>Total</b>	<b>1,007,670</b>	<b>890,528</b>	<b>1,898,198</b>
COMPARATIVE 2019	Activities Undertaken	Support Costs	Total Funds
	Directly 2019 £	2019 £	2019 £
Charitable activities	1,173,291	929,417	2,102,708
<b>Total</b>	<b>1,173,291</b>	<b>929,417</b>	<b>2,102,708</b>



5. Support costs	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Overheads	872,983	-	872,983	917,606
Governance:				
Cost of Trustees' meetings	2,764	-	2,764	2,810
GDPR support costs	4,091	-	4,091	-
Statutory Audit Fee	10,690	-	10,690	9,000
<b>2020 Total</b>	<b>890,528</b>	<b>-</b>	<b>890,528</b>	<b>929,417</b>
<b>COMPARATIVE 2019</b>	<b>Unrestricted Funds 2019 £</b>	<b>Restricted Funds 2019 £</b>	<b>Total Funds 2019 £</b>	<b>Total Funds 2018 £</b>
Overheads	917,606	-	917,606	594,123
Governance:				
Cost of Trustees' meetings	2,810	-	2,810	1,329
Statutory Audit Fee	9,000	-	9,000	8,700
<b>2020 Total</b>	<b>929,417</b>	<b>-</b>	<b>929,417</b>	<b>604,152</b>
<b>6. Net income for the year is stated after charging:</b>			<b>2020 £</b>	<b>2019 £</b>
Statutory Auditor's remuneration			10,690	9,000
Expenses to Trustees			373	269
Depreciation			5,266	1,645

**7. Staff Costs**

**Number of employees**

The average monthly head count in the year was 47 staff (2019: 49), and the average monthly number of full-time equivalents was as follows:

	2020	2019
Average full time equivalent	40	42

Employment Costs	Total Funds 2020 £	Total Funds 2019 £
Wages and salaries	1,269,339	1,369,309
Social security costs	118,713	128,906
Pension costs	56,538	49,493
	<b>1,444,590</b>	<b>1,547,708</b>



During the year, one employee received emoluments between £70,000 and £79,999 (2019: one).

Three Trustees received remuneration or reimbursement during the year, relating to travel expenses, totalling £373 (2019: one, relating to travel expenses for £269).

The total employee benefits including pension contributions of the key management personnel were £303,353 (2019: £292,885).

Included within staff costs is a payment to one employee for redundancy, totalling £780 (2019: two employees £11,070). These payments were made prior to the employees' leaving Tempo.

## **8. Taxation**

The charity's activities fall within the exemptions afforded by the provisions of the income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.



<b>9a. Tangible Fixed Assets</b>	<b>Computer Equipment £</b>	<b>Fixtures, Fittings and Equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2019	25,122	11,957	37,079
Additions	8,462	1,020	9,482
Disposals	(1,504)	-	(1,504)
	<hr/>	<hr/>	<hr/>
At 31 March 2020	32,080	12,977	45,057
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 April 2019	24,384	3,920	28,305
Charge for the year	2,146	3,119	5,266
Disposals	(1,504)	-	(1,504)
	<hr/>	<hr/>	<hr/>
At 31 March 2020	25,026	7,039	32,065
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 March 2019	737	8,037	8,774
	<hr/>	<hr/>	<hr/>
At 31 March 2020	7,054	5,938	12,992
	<hr/>	<hr/>	<hr/>

<b>9b. Intangible Fixed Assets</b>	<b>Software £</b>	<b>Digital project £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2019	-	-	-
Additions	10,800	64,655	75,455
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2020	10,800	64,655	75,455
	<hr/>	<hr/>	<hr/>
<b>Amortisation</b>			
At 1 April 2019	-	-	-
Charge for the year	-	-	-
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2020	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 March 2019	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2020	10,800	64,655	75,455
	<hr/>	<hr/>	<hr/>



## 10. Debtors

Total Funds	Total Funds
2020	2019
£	£
162,205	203,737
159,447	110,612
70,252	45,942
<u>391,904</u>	<u>360,291</u>

Trade Debtors  
Accrued income  
Other creditors

Included within debtors were financial instruments (consisting of trade debtors and accrued income) measured at amortised cost of:

321,652 314,349

## 11a. Creditors: amounts failing due within one year

Total funds	Total funds
2020	2019
£	£
55,638	60,319
73,614	122,093
33,368	49,031
80,004	61,983
10,591	13,499
<u>253,215</u>	<u>306,925</u>

Trade Creditors  
Deferred income (11b)  
Accruals  
Other taxes and social security  
Other creditors

## 11b. Opening deferred income

122,093	176,333
(122,093)	(176,333)
73,614	122,093
<u>73,614</u>	<u>122,093</u>

Released in the year  
Income deferred in the current year

Included within creditors were financial instruments (consisting of trade creditors, accruals and other creditors measured at amortised cost of:

99,598 122,849

## 12. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds
	2020	2020	2020
	£	£	£
Balance at respective balance sheet date as represented by:			
Fixed Assets	88,447	-	88,447
Current assets	481,062	6,614	487,676
Current liabilities	(253,215)	-	(253,215)
	<u>316,294</u>	<u>6,614</u>	<u>322,908</u>



## COMPARATIVE 2019

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Balance at respective balance sheet date as represented by:			
Fixed Assets	8,774	-	8,774
Current assets	759,073	23,510	782,583
Current liabilities	(306,925)	-	(306,925)
	<u>460,922</u>	<u>23,510</u>	<u>484,432</u>

13. Funds	At 1 April 2019 £	Income £	Expenditure £	Transfer £	At 31 March 2020 £
General funds	460,922	1,313,837	(1,458,465)	(150,000)	166,294
Designated funds	-	-	(64,655)	150,000	85,345
Digital Time Credit fixed asset reserve	-	-	64,655	-	64,655
<b>Total unrestricted reserves</b>	<u>460,922</u>	<u>1,313,837</u>	<u>(1,458,465)</u>	<u>-</u>	<u>316,294</u>
<b>Restricted Funds</b>	<u>23,510</u>	<u>422,837</u>	<u>(439,733)</u>	<u>-</u>	<u>6,614</u>
<b>Total Funds</b>	<u>484,432</u>	<u>1,736,674</u>	<u>(1,898,198)</u>	<u>-</u>	<u>322,908</u>

  

COMPARATIVE 2019	At 1 April 2018 £	Income £	Expenditure £	Transfer £	At 31 March 2019 £
<b>Total Unrestricted Funds</b>	<u>453,815</u>	<u>1,512,966</u>	<u>(1,505,859)</u>	<u>-</u>	<u>460,922</u>
<b>Total Restricted Funds</b>	<u>113,185</u>	<u>507,174</u>	<u>(596,849)</u>	<u>-</u>	<u>23,510</u>
<b>Total Funds</b>	<u>567,000</u>	<u>2,020,140</u>	<u>(2,102,708)</u>	<u>-</u>	<u>484,432</u>

Refer to note 1.5 c) for purpose of restricted funds.





### 13. Company limited by guarantee

Tempo Time Credits Limited is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

### 14. Financial commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	2020	2019
	£	£
Land and buildings		
Payable within one year	30,032	39,600
Payable in two to five years	-	30,032
Office equipment		
Payable within one year	4,774	5,229
Payable in two to five years	3,317	-

### 15. Related party transactions

There were no related party transactions during the year (2019: none).