

Registered Charity Number: 1136964

Registered Company Number: 07304744

**CHARITYWORKS**

**REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**CHARITYWORKS**  
**REPORT AND ACCOUNTS**

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## CHARITYWORKS THE REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their annual report and accounts for the year ended 31st August 2020.

The Board of trustees are satisfied with the performance of the charity during the year and the position at 31st August 2020 and consider that the charity is in a strong position to continue its activities during the coming year, and that the charity's assets are adequate to fulfil its obligations.

### **Name, registered office and constitution of the charity**

The full name of the charity is Charityworks.

The legal registration details are:-

Company limited by guarantee, number 07304744

The Registered Office: 15 Holywell Row, London, EC2A 4JB

Charity Registration Number: 1136964

The telephone number is: 02380 404954

### **1. EXECUTIVE SUMMARY**

Charityworks is the UK non-profit sector's graduate programme. It delivers its purpose by matching graduates wanting to work in the non-profit sector with year-long paid placements in charities and housing associations across the country. Trainees also benefit from a leadership development programme endorsed by the Institute of Leadership and Management.

Due to our annual intake, any given 12 month period at Charityworks will encompass 3 cohorts: one just finished, one in progress, and one about to start. The time period covered by this report saw the 2018/19 cohort come to the end of their time on the programme, the 2019/20 cohort take part in the programme, and the 2020/21 candidates go through selection for the programme. This report will primarily focus on the 2019/20 cohort, and the impact of Covid-19 on the programmes of work delivered by the charity, it is written with our 12th cohort of 75 trainees now established on the programme.

The following pages will cover:

- Vision, mission and values
- Organisation and governance
- Objectives and priorities
- Activity & Performance
- Reach & Representation

### **2. VISION, MISSION AND VALUES**

OUR VISION:

- A charity sector recognised for leadership talent, a distinctive collaborative culture and social impact

OUR MISSION:

- To create a network of leading charities committed to building capacity through collaboration
- To promote our charities as employers of choice
- To attract, grow and retain future managers and leaders
- To increase the reach, quality and impact of our services and improve the lives of the people we serve

WE BELIEVE IN:

- Growing leadership talent in the charity sector
- A charity sector that thrives on innovation and creativity
- A healthy working environment where people have fun
- A charity sector driven by people with values and a commitment to the cause

## CHARITYWORKS

### THE REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020

#### CULTURE:

We promote a culture where people are

- Committed to change and innovation
- Conscious
- Curious
- Connected
- Challenged

### 3. ORGANISATION & GOVERNANCE

#### ORGANISATION

Charityworks is the UK non-profit sector's graduate programme. It aims to support the development of a non-profit sector better able to serve the people, causes and communities that rely on it. In a changing political and economic landscape, and in the face of increasingly complex social issues, Charityworks believes that the non-profit sector's success will depend on talented and committed people using their time and talent in the pursuit of social change.

To this end, Charityworks provides a sustainable model enabling high potential graduates to develop their careers in the sector at the same time as providing any non-profit organisation with a cost-effective way of recruiting and developing talented graduates capable of becoming future managers and leaders. As a result, non-profit organisations can access a level of talent that would otherwise be beyond their reach at a fraction of the cost of running their own graduate programme and graduates benefit from a single point of access into the sector as well as a compelling professional development offer.

#### GOVERNANCE

Charityworks operates as a charitable company limited by guarantee, and seeks to achieve its objectives by working collaboratively with organisations sharing its vision and ethos. The Board met 4 times throughout 2019/20 it continued to be supported by a Finance and Resources Committee led by a treasurer who is appointed by the Board.

The day to day running of the Charityworks graduate programme is managed by Koreo. The Charityworks Board agreed a budget for 2019/20, which was paid to Koreo to provide the staff and other resources required to deliver the programme in line with the contract that is in place between Charityworks and Koreo.

The Board had due regard to the Public Benefit Guidance published by the Charity Commission and in particular demonstrated compliance through:

- Increasing access to high quality employment in the non-profit sector for young people. By the end of the 2019/20 programme the Charityworks graduate community had expanded to 980+, a global network with the majority still working in the non-profit sector.
- Providing benefit to individual organisations and their beneficiaries within the non-profit sector through improved management and leadership skills - 95% of placement supervisors in client organisations reported their Charityworks trainee was having a positive impact on their teams and their ability to serve the needs of beneficiaries.
- Increasing the diversity of the charities able to access and benefit from the programme.
- Making effective use of close to 150 volunteers across the year as assessors, markers, speakers and mentors for the programme.



## CHARITYWORKS

### THE REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020

#### 4. OBJECTIVES AND PRIORITIES

The key strategic challenges addressed by the Charityworks Board in the period 2019/20 were:

- Responding to and surviving the impact of the COVID-19 pandemic and lockdowns.
- Safeguarding jobs for young people across the non profit sector in the context of record levels of youth unemployment.
- Supporting the non profit sector by safeguarding a talent pipeline and providing peer support from leaders facing unprecedented pressure.
- Addressing the lack of BAME leadership diversity across the non profit sector by increasing the % of BAME trainees on the graduate programme.
- Influencing the nature of grant making in the UK by increasing the number of people in grant making roles who have come from a working class background.
- Continuing to drive efficiency & quality to ensure clients experience clear benefits & good value for money
- Increase financial security by growing the restricted reserves.
- Strengthening governance through a review of current ways of working.

#### 5. ACTIVITY AND PERFORMANCE

The year was experienced in two parts, pre Covid and during Covid and lockdown. The impact of the pandemic was unprecedented, combined with the events surrounding the death of George Floyd and Black Lives Matter movement, the priority of the Board was to ensure business continuity and robust risk management. Original priorities for the year were reset in March to be the following:

- Rapidly redesign all live leadership programmes to operate as virtual and safeguard an excellent learning environment for trainees.
- Provide additional individual and collective support to trainees through additional peer support spaces facilitated to support health and wellbeing during times of stress and uncertainty.
- Dedicated peer support spaces for black BAME trainees and a public position statement as part of the charity's response to BLM.
- Recognise the pressure on charities within the Charityworks network and provide spaces for peer support and solidarity.
- The introduction of an Employee Assistance Programme made available to all trainees to support mental health.
- Rapid redesign of all recruitment and selection processes.
- Expanded business development campaign to safeguard as many placements in the sector as possible.
- Close monitoring of finances to ensure the change of delivery models could be supported and the risk of lower placement numbers for 2020/21 were mitigated as far as possible.

Despite the challenges of Covid the charity was able to continue operating and achieving a standard of performance comparable to and at times exceeding previous years. In summary, for the 2019/20 cohort we achieved:

- 93% trainee retention.
- 96% of clients would recommend Charityworks to other organisations.
- 96% of clients would describe Charityworks as providing good value for money.
- 100% of placement supervisors said that their trainee is having a positive impact on the performance of the team and organisation.
- 25% of participants on the graduate programme are BAME, up from 7% in 2018/19.
- 40% of the candidates coming through recruitment and selection for 2020/21 are BAME.
- 88% satisfaction rating for the leadership development programme.
- 99% of trainees achieving fellowship status.
- 99% of trainees value their relationships they are building through Charityworks.
- Charityworks remains in the Times Top 100 Graduate Employers list.



## CHARITYWORKS

### THE REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2019

Each year Charityworks is promoted to all UK universities via a nationwide recruitment campaign which reaches tens of thousands of students and graduates, and results in thousands of applications. In the context of Covid all of our recruitment and selection activity was redesigned to be delivered virtually but we still attracted more than 5,000 for 2020/21. Our ability to attract top talent from across the UK university system is a reflection of how Charityworks continues to appeal to a younger generation who are seeking careers where they can make a difference at the same time accessing a first class professional development experience. All applicants go through a comprehensive selection process designed to find the most capable and high potential candidates following which successful trainees spend 12 months delivering a real job in one of the client organisations as well as taking part in a leadership programme, working with a mentor, and producing research to bring new ideas into their organisation and the sector.

During this period and despite the challenges of Covid we were successful in increasing our financial reserve through efficiencies within the managing agent contract.

To further improve governance the Board commissioned legal advice to implement a governance restructure, building on the recommendations of the governance review in 2018/19 and making sustainable a long term relationship with Koro.

#### 6. REACH & REPRESENTATION

Charityworks was established with an ambition to serve as much of the UK non-profit sector as possible. The 2019/20 programme placed 130 trainees into 70 highly diverse non profit organisations representing a good balance between housing associations and charities. This slightly fell below our target of 150 due to a sector attempting to survive the uncertainty caused by Brexit, but still recommends an excellent reach across the non profit sector. The 130 trainees were selected from just under 5,000 initial applications.

The CW20 business development campaign was live during the period of February - August 2020 and was hit hard by the impact of the pandemic and lockdown. The non profit sector experiences a perfect storm in the context of record levels of financial loss, increase in demand for services and organisations suspending operations. Despite these challenges we were still able to achieve 75 placements for our 2020/21 programme and 80 host organisations but we needed to work harder to achieve these numbers and fell short of our growth target for the year of 150. We continue to see a diverse range of non profit organisations and roles represented in the context of sub sector, cause & size.

2027 is a 10 year campaign to recruit, place and develop 150 people from a working class background within the grant giving sector. In August 2019 we saw our second cohort of trainees complete the programme with the majority achieving employment in the grant making sector. This period also saw the delivery of the third recruitment and development campaign and on both we exceeded our targets by doubling the size of the programme with 20 associates and an expansion of our reach across the grant making sector (participating organisations include National Lottery Community Fund, Big Society Capital, Esmée Fairbairn, Children in Need, Comic Relief, Young Manchester, Cloudesley, Social Investment Business, Paul Hamlyn, Community Foundation for Surrey, Berkeley Homes).

Frustrated by the lack of diversity in the non profit sector particularly at leadership levels we challenged ourselves to think about how we could make a better contribution. As a result we have designed and agreed a unique faster programme that targets people from a BAME background with the aim of fast tracking successful candidates to assessment centres. In our first year we were able to increase BAME representation from 7% to 25%, further supported by our first BAME trainee led network across the programme. As a result of this success we have set a target of 33% representation for the 2020/21 programme year.

**CHARITYWORKS**  
**THE REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2019**

**The members of the Board of Trustees of the Charity during the year ended 31 August 2020 and at the date the report and accounts were approved were:-**

Julie Layton  
Laurie Smith (resigned 6.5.2020)  
Rashmi Rungta  
Robert Mills  
Ian Wilder  
Richard Owusu-Cyrus

All the directors of the company are also trustees of the charity, and their responsibilities include all the responsibilities of directors under the Companies Acts and of trustees under the Charities Acts.

**Independent Examination**

Charityworks no longer requires an audit, and since 2017/18 the Trustees have opted to have an Independent Examination by a suitably qualified Chartered Accountant.

**Statement of Directors' and Trustees' Responsibilities**

The Charities Act and the Companies Act require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Method of preparation of accounts**

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime under the Companies Act 2006.

**This report was approved by the Board of Trustees on 26 MAY 2021**

  
Julie Layton  
Director and Trustee



**CHARITYWORKS**  
**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF**  
**CHARITYWORKS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 August 2020, which are set out on pages 7 to 12.

**Responsibilities and basis of report**

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

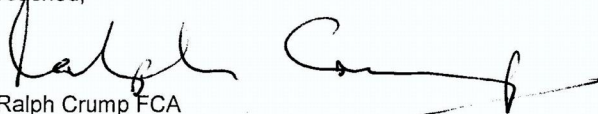
Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 415 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

I have completed my examination, I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 396 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirements that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK or Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached,



Ralph Crump FCA  
Ralph Crump Accountants Ltd  
Drove House  
14 Bakers Drove  
Rownhams  
Southampton  
Hampshire SO16 8AD

26 May 2021



**CHARITYWORKS**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Funds 2020 £	Last Year Total Funds 2019 £
<i>Incoming resources from charitable activities</i>	639,438	110,000	749,438	796,913
<b>Total incoming resources</b>	<u>639,438</u>	<u>110,000</u>	<u>749,438</u>	<u>796,913</u>
<i>Costs of charitable activities</i>	589,765	110,000	699,765	743,376
<i>Governance costs</i>	7,118	-	7,118	-
<b>Total resources expended</b>	<u>596,883</u>	<u>110,000</u>	<u>706,883</u>	<u>743,376</u>
<b>Net incoming resources before transfers between funds</b>	<u>42,555</u>	<u>-</u>	<u>42,555</u>	<u>53,537</u>
<b>Gross transfers between funds</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net incoming resources before other recognised gains and losses</b>	<u>42,555</u>	<u>-</u>	<u>42,555</u>	<u>53,537</u>
<b>Other recognised gains and losses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds for the year</b>	<u>42,555</u>	<u>-</u>	<u>42,555</u>	<u>53,537</u>
<b>Reconciliation of funds</b>				
<i>Total funds brought forward</i>	167,834		167,834	114,297
<b>Total funds carried forward</b>	<u>210,389</u>	<u>-</u>	<u>210,389</u>	<u>167,834</u>

**CHARITYWORKS**  
**Company Number: 07304744**  
**BALANCE SHEET AT 31 AUGUST 2020**

	Notes	2020		2019	
		£	£	£	£
<b>The assets and liabilities of the charity</b>					
<b>Current assets</b>					
Debtors	6	66,326		99,347	
Cash at bank and in hand		190,322		89,453	
<b>Total current assets</b>		<u>256,648</u>		<u>188,800</u>	
<b>Creditors</b>					
Amounts due within one year	7	(46,259)		(20,866)	
<b>Net current assets</b>			<u>210,389</u>		<u>167,934</u>
<b>Total assets less current liabilities</b>			<u>210,389</u>		<u>167,934</u>
<b>Net assets</b>			<u>210,389</u>		<u>167,934</u>
<i>The funds of the charity:</i>					
Unrestricted general funds			<u>210,389</u>		<u>167,934</u>
Restricted funds			<u>-</u>		<u>-</u>
<b>Total charity funds</b>			<u>210,389</u>		<u>167,934</u>

For the year ended 31 August 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

- (i) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.
- (ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of the accounts.

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

Approved by the Board of Trustees on 26 May 2021 and signed on its behalf of

  
 Julie Layton  
 Director and Trustee



**CHARITYWORKS**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**1. Accounting policies**

The financial statements have been prepared on a going concern basis and under the historical cost convention. They comply with the Statement of Recommended Practice (SORP) FRS 102, Accounting and Reporting by Charities' effective 1 January 2015 together with the reporting requirements of the Financial Reporting Standard applicable in the UK (FRS 102) - effective 1 January 2015 and the Companies Act 2006.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

***Incoming Resources***

Incoming resources are accounted for on a receivable basis deferred as described below where appropriate.

***Deferred income***

In accordance with the SORP grants received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met, and which are outside the control of the charity or where it is uncertain whether the conditions can or will be met, are deferred on an accruals basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.

***Recognition of liabilities***

Liabilities are recognised on the accruals basis in accordance with normal accounting principles, modified where necessary in accordance with the guidance given in the SORP.

***Taxation***

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only.

***Finance and operating leases***

Rentals payable in respect of operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

***Funds structure policy***

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment. Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of support and governance costs where this is allowed under the terms of the funding.

**2. Winding up or dissolution of the charity**

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

**CHARITYWORKS**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

3.	<b>Surplus for the financial year</b>	2020	2019
		£	£
	<b>This is stated after crediting/(charging):-</b>		
	<b>Revenue turnover from ordinary activities</b>	639,438	667,905
	<b>Grants received - restricted income</b>	110,000	129,008
	<b>Total income</b>	<u>749,438</u>	<u>796,913</u>

During the year grants were received as restricted income as follows:-

	£	£
Esmee Fairbairn Foundation - grant award to ensure diversity in staff within Charitable Trusts and foundations	50,000	50,000
Esmee Fairbairn Foundation - Support for small/medium charities in the environmental and children in care sectors	-	19,008
Big Lottery Fund	60,000	60,000
	<u>110,000</u>	<u>129,008</u>

4.	<b>Staff costs and emoluments</b>	2020	2019
		£	£
	Gross salaries	-	-
	Employer's National Insurance	-	-
		<u>-</u>	<u>-</u>

	<b>Number of full time employees or full time equivalents</b>	2020	2019
	Engaged on charitable activities	0	0

5. **Trustees' remuneration**  
Neither the trustees nor any persons connected with them have received any remuneration, either in the current year or the prior year.



**CHARITYWORKS**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	2020 £	2019 £		
6. <b>Debtors</b>				
Trade debtors	10,008	4,160		
Prepaid expenses	2,915	2,915		
Taxation recoverable	787	-		
Funds held by Koreo on Charityworks behalf	52,616	92,272		
	<hr/> 66,326	<hr/> 99,347		
7. <b>Creditors: amounts falling due within one year</b>				
Trade creditors	6,606	12,144		
Accrued expenses	37,252	5,925		
Deferred income	2,401	2,401		
Taxation & social security	-	496		
	<hr/> 46,259	<hr/> 20,966		
8. <b>Analysis of the Net Movement in Funds</b>				
Net movement in funds from Statement of Financial Activities	42,555	53,537		
	<hr/>	<hr/>		
9 <b>Particulars of Individual Funds and analysis of assets and liabilities representing funds</b>				
	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
At 31 August 2020				
<b>Tangible fixed assets</b>				-
Current assets	252,111	-	2,401	254,512
Current liabilities	(41,722)	-	(2,401)	(44,123)
	<hr/> 210,389	<hr/> -	<hr/> -	<hr/> 210,389
At 1 September 2019				
<b>Tangible fixed assets</b>				
Current assets	186,399	-	2,401	188,800
Current liabilities	(18,565)	-	(2,401)	(20,966)
	<hr/> 167,834	<hr/> -	<hr/> -	<hr/> 167,834

**CHARITYWORKS  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

9. contd/...

The individual funds included on the previous page and the movements in funds are:-

	Funds at 2019 £	Movements in funds as below £	Transfers between funds £	Funds at 2020 £
Unrestricted General fund	167,834	42,555	-	210,389
Restricted fund	-	-	-	-
	<u>167,834</u>	<u>42,555</u>	<u>-</u>	<u>210,389</u>

10. **Endowment funds**

The charity had no endowment funds in the year ended 31 August 2020 (2019 - nil).

11. **Share capital**

The charity is incorporated under the Companies Acts and is limited by guarantee, each member having undertaken to contribute such amounts, not exceeding ten pounds, as may be required in the event of the company being wound up whilst they are still a member or within one year thereafter. The only persons eligible to be members are the directors. Membership is terminated if the member concerned ceases to be a director.