

**Employers' Network for Equality & Inclusion
(A Company Limited by Guarantee)**

Directors' Report and Accounts
for the year ended 31 March 2021

Company number: 04549009

Charity number: 1101366



Legal and administrative information

For the year ended 31 March 2021

Directors

D Singh (Appointed November 4 2020)

C Adeyemi

S Churchman

J Crookall

J McDowell (Resigned 12 August 2021)

B Mordsley

D Mortimer

T Phillips

J Rees

Chief Executive

D Keating (Resigned 30 June 2020)

S Wassmer (Appointed 23 November 2020)

Company Secretary

D Keating (Resigned 30 June 2020)

M Davies (Appointed 16 August 2021)

Company number

04549009

Charity number

1101366

Registered Office

7-14 Great Dover Street

London

SE1 4YR

Auditor

Buzzacott LLP

130 Wood Street

London

EC2V 6DL

Bankers

NatWest Bank plc

1393 London Road

Norbury

London

SW16 4XF

CAF Bank Limited

25 Kings Hill Avenue

Kings Hill

West Malling

Kent

ME19 4TA

Trustees Report incorporating the Directors' report

For the year ended 31 March 2021

The directors present their report and accounts for the year ended 31 March 2021. The trustees' report has been prepared in accordance with Part 8 of the Charities Act 2011 and the statement of recommended practice (SORP). It also meets the requirements for a directors' report set out in the Companies Act 2006. The financial statements have been prepared in accordance with the accounting policies set out on pages 14 to 16 of the attached financial statements and comply with the requirements of the Charities SORP (FRS 102).

Structure, governance and management

The Charity is governed by its Memorandum and Articles of Association dated 30 September 2002 (and most recently amended in June 2017). The directors, who are also the trustees for the purpose of charity law, who served throughout the year, were:

H Gaskell (Chair) (To November 4, 2020)
D Singh (Chair) (From November 4, 2020)
C Adeyemi
S Churchman
J Crookall
H Jackson
J McDowell
B Mordsley
D Mortimer
T Phillips
J Rees

None of the directors has any beneficial interest in the company. All directors and Core Members who pay the full core subscription fee are members of the company and guarantee to contribute £1 in the event of a winding up.

Recruitment and appointment of directors

The Employers' Network for Equality & Inclusion (enei) has a minimum of three directors including the Chair with no maximum imposed. The Chair and directors must be elected at the AGM every three years and can only remain in post for a maximum of six years when they must automatically retire unless the directors agree otherwise, in which case they may be re-elected by the directors to hold office for a maximum of another three years. After this time he or she must automatically retire. No director can remain in post for more than nine consecutive years, unless the directors agree otherwise.

enei operates a controlled rotation of directors. Directors normally stand for three years. To ensure some level of continuity one or two directors stand down each year. Directors have formally agreed this practice. Directors normally stand down on a 'time served' basis with those who have been with enei longest standing down first.

Each year the enei Chair invites new directors to join the Board to replace those who have stood down or left for another reason. Unless otherwise agreed by the directors, a director must be an employee of a Global, UK Core or UK Corporate Member organisation or must be someone who represents an interest central to the objects and vital to the diversity of the directors.

The Chair normally asks directors to propose potential directors by name or by area of missing expertise at or before the last Board meeting prior to the AGM. The enei Chair then invites new directors to join the Board.

Prior to taking up their position, directors receive a comprehensive briefing and an information pack including:

- Memorandum and Articles of Association
- enei's Business Plan
- enei's Accounts
- enei's Research Reports
- Charity Commission publications

How the charity is managed and decisions are made

The Chief Executive, who is responsible to the directors, manages the enei Secretariat.

The Chief Executive prepares a business plan and budget in Q4 each year. This outlines key proposed activities that the directors agree. During the year, submissions are made for any additional projects/plans bids for the

Trustees Report incorporating the Directors' report

For the year ended 31 March 2021

charity's funds to the directors for approval. The Board meets quarterly. The Chief Executive is responsible for decision making within the agreed business plan.

As at 31 March 2021, the enei Secretariat consisted of 15 members of staff led by the Chief Executive. Fixed term and contract staff provide extra support.

Risk Management

The directors have assessed the major risks to which the charity is exposed and a risk management strategy, reviewed annually, as a minimum, is in place which they are satisfied is effective and appropriate for the global and national risks identified.

Key management personnel

The key management personnel of the organisation are the trustees and Chief Executive. Trustees are not individually remunerated and are tasked with setting the pay of the Chief Executive.

Objectives and activities

enei is an employer-led initiative to promote the business benefits of a diverse workforce.

enei was established to 'promote equality and diversity for the public benefit' and seeks to eliminate 'discrimination in the workplace' as follows:

1. To promote equality, diversity and inclusion for the public benefit by reducing, preventing and discouraging discrimination and the resulting barriers in both the workforce and wider society;
2. To educate the public, employers and employees about the benefits of diversity and inclusion and to promote changes in attitudes, practice and behaviours amongst employers and the general public.
3. To relieve unemployment for the public benefit by advocating inclusive employment allowing individuals to reach their full potential and organisations to understand the benefits of employing diverse talent.

Public benefit

The directors confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

enei is widely regarded as the industry leaders in workplace equality, diversity and inclusion, and offers expert information, advice, training, and support to employers at every stage of their equality, diversity and inclusion journey. enei operates within the wider ecosystem around equality, diversity and inclusion, and has multi stakeholder relationships, with individuals and organisations, across Government, the public sector, the private sector and the third sector. As of 31 March 2021 enei had 384 Members and an annual income of £1,585,625 (2020: £1,609,214) for the year then ended.

Review of Activities

During the financial year ended March 31, 2021, enei's focus remained on its core activities and objectives, which are:

1. Supporting member employers in developing and delivering equality, diversity and inclusion strategies and initiatives, through the delivery of workplace equality, diversity and inclusion services, including information, advice and guidance, and member events, workshops and training;
2. Introducing and improving best practice in workplace equality, diversity and inclusion through the provision of training and consultancy services to existing and prospective members;
3. Encouraging more employers to develop, implement and improve workplace equality, diversity and inclusion strategies, initiatives and best practices, through the retention of existing members and the recruitment of new members and the expansion of training and consultancy services.

Membership grew to 384 by 31 March 2021 which was a net increase of 36 on the previous year; enei continues to attract and retain members from a wide range of organisations of all sizes across the public, private and third sectors. The growth of membership income contributed to the financial position at 31 March 2021, with the fund balances increasing by £11,391 (2020: increased by £84,949).

4. Supporting both governmental and non-governmental bodies in the development of equality legislation and regulation.

In response to the restrictions placed around the COVID-19 pandemic, enei was able to pivot and deliver its services remotely through a range of online platforms and has continued to do so throughout the pandemic to great success, without adversely impacting on the quality of services and, in many instances providing better access to services for customers who are more geographically dispersed.

Trustees Report incorporating the Directors' report

For the year ended 31 March 2021

Member Services

enei's member services differ based on the level of membership and include:

- Workplace equality, diversity and inclusion support, advice and guidance, delivered by a team of equality, diversity and inclusion practitioners;
- A wide range of workplace equality, diversity and inclusion online resources, including employer guides, fact sheets, briefing notes, infographics and case studies;
- Events covering a variety of workplace equality, diversity and inclusion topics, along with workshops and masterclasses, as well as an annual conference and awards;
- Networking events, including sector and topic roundtables;
- Workplace equality, diversity and inclusion benchmarking using enei's TIDE (Talent Inclusion & Diversity Evaluation) tool;
- Newsletters and member email updates; and
- Discounts on Training and Consultancy services.

Training and Consultancy

enei provides training and consultancy services to both member and non-member organisations at all stages of their equality, diversity and inclusion journeys. In the financial year ending March 31, 2021, the most popular training programs were Unconscious Bias/Conscious Inclusion, Inclusive Leadership and Introduction to Workplace Equality, Diversity and Inclusion. Alongside these, enei has delivered a range of training and consultancy projects—from supporting organisations in developing their equality, diversity and inclusion strategies through to delivering practical workshops to all staff around specific protected characteristics.

Events

During the financial year ended March 31, 2021, enei held 97 member events, on a range of workplace equality, diversity and inclusion topics, as well as enei's annual conference and awards.

Member events were delivered online and included broad equality, diversity and inclusion topics such as introducing the equality act and the nine protected characteristics, inclusive leadership, an introduction to social inclusion and managing organisational change.

Member events also offered deep dives into more specific topics, such as attracting diverse talent into STEM, supporting employees with specific disabilities, LGBT+ inclusion, neuro diversity in the workplace, ethnic diversity and anti racism. In light of the COVID-19 pandemic, events also included topics relating to the impact of the pandemic, such as flexible and agile working, supporting mental health and well-being whilst working at home and return to the workplace post pandemic.

Financial review

The income for the period amounted to £1,585,625 (2020: £1,609,213) and the total expenditure amounted to £1,579,234 (2020: £1,533,264). This resulted in net income of £6,391 (2020: net income of £75,949) before actuarial movements on the defined benefit pension scheme. At the year-end there were unrestricted funds of £366,855 (2020: £355,464) carried forward.

The impact of the COVID-19 pandemic was felt most profoundly in Q1 and Q2, as there was considerable uncertainty about the financial implications of the pandemic on enei's members and customers. However, the events that occurred in the summer of 2020 sparked greater interest in enei's work, along with the return of financial confidence amongst members and customers, which resulted in the ability for enei to recover its position in Q3 and Q4 with a surplus of £11,391 as at March 31, 2021.

Reserves policy

It has been the policy of the charity that unrestricted funds, which have not been designated for a specific use, should be maintained at a level sufficient to support the orderly closure of the charity, in the event of the directors deciding that there is no alternative way forward. At 31 March 2018, this was between £170k and £250k. The level of reserves has since remained above this range. At 31 March 2021, enei held reserves of £366,855 (2020 - £355,464).

Fundraising

enei does not actively undertake fundraising activity.

Trustees Report incorporating the Directors' report

For the year ended 31 March 2021

Plans for the future

During the financial year ending March 31, 2021, enei welcomed a new Chair and Chief Executive, and restructured its Executive Leadership (ELT) Team to include the roles of Commercial Director and Service Design & Delivery Director. These changes to enei's board and operational leadership, along with the longer term impact of the COVID-19 pandemic—in both how organisations will work going forward and the continued interest in and profile of workplace equality, diversity and inclusion—has provided the opportunity for enei to reflect on and review its strategic direction and operations.

During the financial year to March 31, 2022, enei's board and ELT will create a strategy and business plan that will build upon enei's success to date and position the organisation for long term, sustainable growth.

Going Concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

In particular the trustees have considered the charities forecasts and projections and have taken account of pressures on donation and investment income. 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.

Trustees responsibilities

The trustees (who are also directors of Employers Network for Equality & Inclusion for the purposes of company law) are responsible for preparing the Directors' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in 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);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The directors 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 and the Charities Act 2011. 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.

Each of the directors confirms that:

- so far as the directors is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Trustees Report incorporating the Directors' report


For the year ended 31 March 2021

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

The Annual General Meeting agreed a motion to re-appoint Buzzacott LLP enei's auditors.

On behalf of the board of directors



D Singh
Director

Date: 29/10/21

Independent auditor's report to the members of Employers Network for Equality & Inclusion

Opinion

We have audited the financial statements of Employers' Network for Equality & Inclusion (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 [date] and of 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 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 the charitable company's ability to continue as a going concern for a period of at least twelve 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 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 is also the directors' report 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 trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Independent auditor's report to the members of Employers Network for Equality & Inclusion

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' 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 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. 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:

How the audit was considered capable of detecting irregularities including fraud

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 charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- 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 charitable company, including the Charities Act 2011, the Companies Act 2011, data protection legislation, anti-bribery, employment, pensions 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 charitable company'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 there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;

Independent auditor's report to the members of Employers Network for Equality & Inclusion

- tested journal entries to identify unusual transactions;
- tested authorisation controls during substantive testing of expenditure;
- assessed whether judgements and assumptions made were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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; and
- 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 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.



Edward Finch (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL
Date

7/12/21

Statement of financial activities
Incorporating the income and expenditure account
For the year ended 31 March 2021

	Notes	All unrestricted funds 2021 £	All unrestricted funds 2020 £
Income from:			
Investments	3	69	632
Charitable activities	4	1,585,556	1,608,581
Total income		1,585,625	1,609,213
Expenditure on:			
Charitable activities	5	1,579,234	1,533,264
Total expenditure		1,579,234	1,533,264
Net income for the year		6,391	75,949
Other recognised gains and losses			
Actuarial gains / (losses) on defined benefit pension schemes	16	5,000	9,000
Net movement in funds		11,391	84,949
Fund balances at 1 April 2020		355,464	270,515
Fund balances at 31 March 2021		366,855	355,464

All income and expenditure arose on unrestricted activities in 2021 and 2020.

The notes on pages 14 to 24 form part of these financial statements.

Balance sheet
As at 31 March 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	11		4,568		9,750
Current assets					
Debtors	12	437,987		582,965	
Cash at bank and in hand		950,305		603,030	
		<u>1,388,292</u>		<u>1,185,995</u>	
Creditors: amounts falling due within one year	13	<u>(1,023,005)</u>		<u>(838,281)</u>	
Net current assets			<u>365,287</u>		<u>347,714</u>
Net assets excluding pension liability			<u>369,855</u>		<u>357,464</u>
Defined benefit pension scheme liability	16		(3,000)		(2,000)
Total net assets			<u>366,855</u>		<u>355,464</u>
Represented by					
Unrestricted funds					
• General funds	14		369,855		357,464
• Pension reserve			(3,000)		(2,000)
			<u>366,855</u>		<u>355,464</u>

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



D. Singh
Director

Date: 29/10/21

Company number: 04549009

The notes on pages 14 to 24 form part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2021

	2021 £	2021 £	2020 £	2020 £
Cash flow from operating activities				
Net (expenditure) / income	6,391		75,949	
Adjustments for:				
Interest income	(69)		(632)	
Difference between current pension service cost and contributions made	(5,520)		(5,820)	
Actuarial gain on defined benefit pension	-		-	
Finance cost in relation to defined benefit pension	11,520		1,820	
Depreciation	4,875		6,528	
(Increase) in debtors	144,978		(25,033)	
(Decrease) / Increase in creditors	184,724		197,102	
Net cash (used in) / provided by operating activities		346,899		249,914
Cash flow from investing activities				
Disposal of fixed assets	307		-	
Investment income – bank interest	69		632	
Net cash provided by investing activities		376		632
Change in cash and cash equivalents in the year		347,275		250,546
Cash and cash equivalents at the beginning of the year		603,030		352,484
Cash and cash equivalents at the end of the year		950,305		603,030

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charitable company and the above cash and cash equivalents.

Notes to the accounts

For the year ended 31 March 2021

1 General information

Employers Network for Equality and Inclusion is a company, limited by guarantee and registered in England and Wales. The registered number is 04549009 and the registered office is 7-14 Great Dover Street, London, SE1 4YR.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

2 Accounting policies

a) *Basis of preparation*

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are presented in sterling and are rounded to the nearest pound.

The charity constitutes a public benefit entity as defined by FRS 102.

b) *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. In particular the trustees have considered the charities forecasts and projections and have taken account of pressures on donation and investment income. 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.

c) *Financial Instruments*

enei is party only to 'basic' financial instruments as defined in FRS 102. Financial assets such as cash and debtors are measured at the 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. An equity instrument is any contract that evidences a residual interest in the assets of enei after deducting all of its liabilities.

d) *Income*

Donations, grants and other forms of voluntary income are recognised as income when receivable.

Contract income is recognised in the statement of financial activities at an amount which represents a fair apportionment of the total anticipated income in relation to the project's stage of completion at the balance sheet date. Any amounts recognised but not yet received are included as accrued income within debtors.

Membership subscriptions net of VAT are recognised as income over the period of membership once the member has confirmed they wish to renew.

Notes to the accounts

For the year ended 31 March 2021

1 Accounting policies (continued)

e) *Expenditure*

Expenditure is included on an accruals basis, net of recoverable VAT.

Governance costs include costs attributable to the management of the organisation's assets, administration of the organisation and compliance with statutory requirements. These costs are allocated to charitable activities as part of support costs, and are apportioned based on staff time.

f) *Tangible fixed assets and Depreciation*

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, with a capitalisation threshold of £1,000, as follows:

Furniture, fixtures and equipment 33% straight line

g) *Pensions Benefits*

enei is a participant in the Age UK Retirement Benefits scheme, which is a defined benefit scheme. The scheme is closed to new members and future accrual.

The Age UK Retirement Benefits scheme is a funded scheme and the assets are held separately from those of enei in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in pension costs within charitable activities in the year.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

h) *Operating leases*

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

i) *Taxation*

enei is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

j) *Critical accounting estimates and areas of judgement*

In preparing these financial statements, the directors and management are required to make certain judgements and estimates.

Debtors:

Management applies judgement in evaluating the recoverability of debtors and the extent to which they are provided against in the financial statements.

Notes to the accounts

For the year ended 31 March 2021

j) Critical accounting estimates and areas of judgement (continued)

Defined benefit pension scheme:

The present value of The Age Concern Section of The Age UK Retirement Benefits Scheme depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions includes the discount rate. Any changes in these assumptions, which are disclosed in note 16, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pension liability at 31 March 2019. Any differences between figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Investment income

	All unrestricted funds 2021 £	All unrestricted funds 2020 £
Interest receivable	69	632

4 Income from charitable activities

	All unrestricted funds 2021 £	All unrestricted funds 2020 £
Membership Subscriptions – ene	1,053,858	992,599
Consultancy	448,888	599,882
Event income	4,700	16,100
Government Grants	78,110	-
	1,585,556	1,608,581

5 Total expenditure

Current Year – All unrestricted funds	Staff & Consultants (note 6) £	Other (notes 7 & 8) £	Support Costs £	Total 2021 £
Charitable activities: Promotion and information services	1,090,262	468,994	19,977	1,579,233
Support costs (inc. governance)	11,451	8,526	(19,977)	-
	1,101,713	477,520	-	1,579,233

Notes to the accounts

For the year ended 31 March 2021

5 Total expenditure

Prior Year – All unrestricted funds	Staff & Consultants (note 6) £	Other (notes 7 & 8) £	Support Costs £	Total 2020 £
Charitable activities: <i>Promotion and information services</i>	1,034,639	474,197	24,428	1,533,264
Support costs (inc. governance)	15,103	9,325	(24,428)	-
	<u>1,049,742</u>	<u>483,522</u>	<u>-</u>	<u>1,533,264</u>

6 Staff Costs

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Promotion, information and support	<u>19</u>	<u>22</u>
Employment & Consultant costs	All unrestricted funds 2021 £	All unrestricted funds 2020 £
Wages and salaries	919,990	814,606
Social security costs	79,649	85,493
Other pension costs	22,374	31,164
	<u>1,022,013</u>	<u>931,263</u>
Consultants & temporary staff	68,179	118,479
Total Employment & Consultant costs	<u>1,090,193</u>	<u>1,049,742</u>

No employees had total annual emoluments between £60,000 and £70,000 (2020: one).

One employee had total annual emoluments between £90,000 and £100,000 (2020: none).

No employees had total annual emoluments between £120,000 and £130,000 (2020: one).

One employee had total annual emoluments between £130,000 and £140,000 (2020: none).

The total employee benefits including employer's pension contributions of the key management personnel were £299,033 (2020: £210,422).

Redundancy and termination costs in the year totalled £137,841.

Notes to the accounts

For the year ended 31 March 2021

7 Charitable activities – direct costs

	2021 £	2020 £
Other costs relating to charitable activities comprise:		
Direct costs of consulting activities	218,127	202,630
PR consultancy	14,992	22,415
Promotional material	28,427	27,050
Events and meetings	9,559	17,909
Office and other costs	57,096	77,539
Rent and service charge	44,216	76,956
Staff recruitment, training and travel	96,578	49,698
	468,995	474,197

8 Support – direct costs

	2021 £	2020 £
Other support costs comprise:		
Audit	6,500	6,450
Other costs	2,026	2,875
	8,526	9,325

9 Directors and related party transactions

None of the directors (or any persons connected with them) received any remuneration or benefits from the charity during the year (2020: none). None of the directors were reimbursed expenses in the year (2020: none).

D S Keating Limited is a company controlled by D Keating's son (D Keating was Chief Executive until 30 June 2020). During the period to 30 June 2020, the charitable company purchased services from DS Keating Limited amounting to £55,600 (2020: £16,375). At March 2021 £Nil was owed by the charitable company to DS Keating Limited (2020: £17,450).

Shortlancer Limited is a company controlled by the D Keating's son-in-law (D Keating was Chief Executive until 30 June 2020). During the period to 30 June 2020, the charitable company purchased services from Shortlancer Limited amounting to £35,100 (2020: £24,858). At March 2021 £Nil was owed by the charitable company to Shortlancer Limited (2020: £1,500).

10 Net income / (expenditure) before gains and losses

	2021 £	2020 £
These are stated after charging:		
Auditors remuneration	6,500	6,500
Depreciation	4,875	6,528
Lease expenses		
Land and buildings	41,407	62,736
Other	1,810	1,453

Notes to the accounts

For the year ended 31 March 2021

11 Tangible fixed assets

	Fixtures, fittings and Equipment £
Cost	
At 1 April 2020	14,625
Disposals	(920)
At 31 March 2021	13,705
Depreciation	
At 1 April 2020	4,875
Charge for the year	4,875
Disposals	(613)
At 31 March 2021	9,137
Net book value	
At 31 March 2021	4,568
At 1 April 2020	9,750

12 Debtors

	2021 £	2020 £
Subscriptions, conference and event income receivable	427,888	508,153
Other debtors	-	15,157
Prepayments and accrued income	10,099	59,655
	437,987	582,965

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	7,712	66,786
Taxes and social security costs	127,878	144,509
Other creditors	568	11,866
Accruals and deferred income	886,847	615,118
	1,023,005	838,279

Notes to the accounts

For the year ended 31 March 2021

13 Creditors: amounts falling due within one year (continued)

The charitable company operates a defined contribution pension scheme for the benefit of enrolled employees. The amount shown as other creditors in the note above relates to contributions due by enei to the scheme at the year end.

Deferred income

	2021 £	2020 £
Brought forward at 1 April	544,842	389,600
Deferred in the year	673,307	544,842
Released in the year	(544,842)	(389,600)
Carried forward at 31 March	<u>673,307</u>	<u>544,842</u>

Membership subscriptions are recognised over the period of membership. Where this relates to the following financial period, the income is deferred.

14 Funds analysis

Current Year	At 1 April 2020 £	Income £	Expenditure £	Gains/ (losses) £	At 31 March 2021 £
Unrestricted funds	357,464	1,585,624	(1,573,233)		369,855
Pension reserve	(2,000)		(6,000)	5,000	(3,000)
	<u>355,464</u>	<u>1,585,624</u>	<u>(1,579,233)</u>	<u>5,000</u>	<u>366,855</u>
Prior Year	At 1 April 2019 £	Income £	Expenditure £	Gains/ (losses) £	At 31 March 2020 £
Unrestricted funds	285,515	1,609,213	(1,537,264)	-	357,464
Pension reserve	(15,000)	-	4,000	9,000	(2,000)
	<u>270,515</u>	<u>1,609,213</u>	<u>(1,533,264)</u>	<u>-</u>	<u>355,464</u>

Notes to the accounts

For the year ended 31 March 2021

15 Commitments under operating leases

At 31 March 2021 the company had the following minimum lease payments under non-cancellable operating leases (all for land and buildings) which fall due as follows:

	Land and buildings	
	2021	2020
	£	£
- within one year	<u>2,375</u>	<u>16,639</u>

16 Pension Commitments

The disclosures below are provided in respect of the Age Concern Section of the Age UK Retirement Benefits Scheme ("the Scheme").

The level of benefits provided by the Scheme depends on a member's length of service and their salary at their date of leaving the Scheme. This Section of the Scheme closed to future accrual on 30 November 2008.

A full actuarial valuation of the Scheme was carried out as at 31 March 2019 and the results of this valuation have been updated to 31 March 2021 by a qualified independent actuary. The expected Employer contributions for the year ending 31 March 2022 are £6k. These contributions include an allowance for administration expenses and PPF levies.

The results of the latest funding valuation at 31 March 2019 have been adjusted to the balance sheet date taking account of experience over the period since 31 March 2019, changes in market conditions and differences in the financial and demographic assumptions. The present value of the defined benefit obligation was measured using the Projected Unit Method.

The principal assumptions used to calculate the liabilities under FRS102 are set out below:

	2021 % pa	2020 % pa
Main financial assumptions		
RPI Inflation	3.10	2.80
CPI Inflation	2.30	1.80
Rate of increase in salaries		N/A
Pension increases		
Rate of increase in payment of pre 2006 pensions	3.10	3.00
Rate of increase in payment of post 2006 pensions	2.50	2.50
Discount rate for Scheme liabilities	<u>2.10</u>	<u>2.20</u>

Notes to the accounts

For the year ended 31 March 2021

16 Pension Commitments (continued)

Main demographic assumptions

	2021	2019
Mortality	95% of S3P base tables projected by year of birth assuming future improvements in line with CMI 2020 core projections with a long-term rate of improvement of 1.0% pa.	S3P base tables projected by year of birth assuming future improvements in line with CMI 2019 core projections with a long-term rate of improvement of 1.0% pa.
Life expectancy for male currently aged 65	22.1 years (age 87.1)	21.7 years (age 86.7)
Life expectancy for female currently aged 65	24.4 years (age 89.4)	24.0 years (age 89.0)
Life expectancy at 65 for male currently aged 45	23.1 years (age 88.1)	22.7 years (age 87.7)
Life expectancy at 65 for female currently aged 45	25.6 years (age 90.6)	25.2 years (age 90.2)
Cash commutation	Allowance has been made for all members to exchange 80% of the maximum cash allowance available upon retirement.	Allowance has been made for all members to exchange 80% of the maximum cash allowance available upon retirement.

Scheme asset allocation

	2021		2020	
	£000	%	£000	%
Equities	82	19.3%	58	14.7%
Diversified growth fund	53	12.5%	49	12.4%
Property	0	0.0%	28	7.1%
Matching assets (including Gilts and Bonds)	280	65.8%	256	64.8%
Cash	11	2.4%	5	1.0%
Total	426	100.0%	396	100.0%

None of the Scheme assets are invested in the Employer's financial instruments or in property occupied by, or other assets used by, the Employer.

Notes to the accounts

For the year ended 31 March 2021

16 Pension Commitments (continued)

Reconciliation of funded status to balance sheet

	2021 £'000	2020 £'000
Fair value of assets	426	396
Present value of funded defined benefit obligations	(429)	(398)
Funded status	(3)	(2)
Asset/(liability) recognised on the balance sheet	(3)	(2)
	<hr/>	<hr/>
Present value of unfunded defined benefit obligations	-	-
	<hr/>	<hr/>

Amounts recognised in income statement

	2021 £'000	2020 £'000
Operating cost:		
Administration expenses	2	2
Past service cost (incl. Curtailments)	-	-
Financing cost:		
Interest on net defined benefit liability/(asset)	-	-
	<hr/>	<hr/>
Pension expense recognised in profit and loss	2	2
	<hr/>	<hr/>

Amounts recognised in Other Comprehensive Income (OCI)

	2021 £'000	2020 £'000
Asset gains/(losses) arising during the year	29	102
Liability gains/(losses) arising during the year	(34)	(93)
	<hr/>	<hr/>
Total amount recognised in OCI	(5)	(9)
	<hr/>	<hr/>

Notes to the accounts

For the year ended 31 March 2021

16 Pension Commitments (continued)

Changes to the present value of the defined benefit obligation during the year

	2021 £'000	2020 £'000
Opening defined benefit obligation (DBO)	398	310
Interest expense on DBO	9	7
Actuarial (gains)/losses on Scheme liabilities	34	93
Net benefits paid out	(12)	(12)
Past service cost (incl. curtailments)		-
	<hr/>	<hr/>
Closing defined benefit obligation	429	398
	<hr/>	<hr/>

Changes to the fair value of Scheme assets during the year

	2021 £'000	2020 £'000
Opening fair value of Scheme assets	396	295
Interest income on Scheme assets	9	7
Gain/(loss) on Scheme assets	29	102
Contributions by the Employer	6	6
Net benefits paid out	(12)	(12)
Administration costs incurred	(2)	(2)
	<hr/>	<hr/>
Closing fair value of Scheme assets	426	396
	<hr/>	<hr/>

Actual return on Scheme assets

	2021 £'000	2020 £'000
Interest income on Scheme assets	9	7
Gain/(loss) on Scheme assets	29	102
	<hr/>	<hr/>
Actual return on Scheme assets	38	109
	<hr/>	<hr/>