

WORKING CHANCE

2021/22

Report and financial statements
for the year ended 31 August 2022

Working Chance Limited
Company number 6331809
Charity number 1131802



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WELCOME!

A word from our Chief Executive and Chair of Trustees	2
Trustees' annual report.....	4
Financial review	13
Auditor's report.....	21
Statement of financial activities.....	24
Balance sheet	25
Statement of cash flows	26
Notes to the financial statements	27
Reference and administrative information.....	43

A WORD FROM OUR CHIEF EXECUTIVE AND CHAIR OF TRUSTEES



Natasha Finlayson OBE, Chief Executive



Lin Hinnigan, Chair of Trustees

It's part of our DNA as a charity to continually deepen our collective understanding of what it is to be a woman with a conviction, as well as our empathy and our respect for the women who use our service. This year saw us embed lived experience more deeply into the way we work. We launched our advisory panel of women with lived experience to scrutinise and shape our service, as well as bringing together a campaign group of women with convictions whom we worked alongside to advocate for changes to the benefits system. We were delighted that the group were invited to speak to the All-Party Parliamentary Group on Universal Credit.

We put emphasis this year on becoming an organisation that listens to and involves its staff, as part of our drive to become a workplace where people feel they can do their best work. Our staff told us that the cost of living crisis was making their everyday lives challenging and in response we took the decision to award pay increases that were above the sector average for everyone outside of our senior management team. Our staff told us that equity, diversity, inclusion and wellbeing were a priority for them, and we have worked hard to develop a strategy that will help us fill diversity gaps (focusing on ethnicity and lived experience), and a culture where everyone feels valued and involved.

Our Board grew this year, in numbers and in the range of skills and experience (both professional and lived) that our Trustees bring. Their expertise now spans recruitment, HR, communications, policy, social work, fundraising, finance and the criminal justice system, enabling them to bring ever richer insights to their strategic oversight of the charity's work.

It's a testament to our hard-working team and the life-changing results they produce for women that Working Chance was formally recognised by others again this year. We were thrilled to be named by The Big Issue as one of their 'Changemakers for 2022' in January and went on to win Organisation of the Year in the Howard League Community Awards 2022, and to be a finalist in the Centre for Social Justice Awards 2022.

This year, we were also proud to have been awarded the Working with Trauma Bronze Quality Mark, which demonstrates that an understanding of trauma and its impact on an individual's life and development is built into our service. Next year we hope to achieve the Silver award for fully trauma-informed practice.

We deepened our relationship with women's prisons and the Ministry of Justice (MoJ) this year, which will help us to raise awareness among women in prison of our service. We were pleased that our Chief Executive was invited by the MoJ to join its Expert Advisory Group on women in the criminal justice system, so that our understanding of what women with convictions need to improve their employment outcomes can be directly relayed to



Report from our Chief Executive and Chair of Trustees
For the year ended 31 August 2022

government. We also welcomed the then Prisons Minister to our office to meet some of our staff and the women we work with, which again helped to underscore the unique and vital nature of our service.

For the past 13 years, Working Chance has been a trailblazer in helping women with convictions to find meaningful work and to turn their lives around. Nationally, the reoffending rate for women in the UK is 21%, and for women who have been in prison on a short sentence, that leaps to 58%. Among the 60 women that we supported into employment this year, there were no recorded incidents of reoffending, showing that employment, self-belief and hope for the future really do make all the difference.

Our work is only possible because of the generosity of our funders and donors; we thank you all and look forward to continued collaboration with you. It's a tough environment for charities, as it is for all of us, and we will need our supporters — both existing and new — more than ever in the coming years to ensure that we can continue to deliver our life-changing work.



Natasha Finlayson OBE, Chief Executive
Lin Hinnigan, Chair of Trustees



TRUSTEES' ANNUAL REPORT

Working Chance Trustees present their annual report and audited financial statements for the year ended 31 August 2022.

Reference and administrative information set out on page 42 forms part of this report.

OBJECTIVES AND ACHIEVEMENTS

Working Chance is the UK's only employment charity solely for women with convictions. We believe no woman should be held back by her past, and we are dedicated to creating a society where every woman with a conviction can access the support, encouragement and opportunities she needs to find fulfilling employment.

Since 2009 we have helped thousands of women to develop their confidence, skills, and self-belief and build a brighter future for themselves and their families. We partner with employers across the UK to match women with the right opportunities where they can grow and thrive.

We work with policymakers and employers to help them understand why women offend and to break down the stigma, stereotypes, and barriers that stop many women with convictions from securing employment and progressing in careers.

Crucially, we help keep society safer – because employment has been shown to be one of the main drivers in reducing reoffending.

This report looks at what Working Chance achieved in the year 2021-22.

“Before I found Working Chance, I felt unconfident and afraid of applying for jobs. It felt like my past mistakes would never be allowed to stay in the past when it came to my career. I didn't feel brave enough to take that step on my own, having you there meant so much to me.

“Someone to listen, to empathise, to not make me feel like I was defined by my past and help me see the potential of my future. It gave me the confidence to apply for jobs I never thought I could apply for especially when I hadn't worked for 20 years.”

Stella*, Working Chance Client





OUR SERVICE FOR WOMEN WITH CONVICTIONS

Who comes to Working Chance?

Working Chance exists for anyone with a conviction who identifies as a woman or non-binary and who needs support to find employment. This year, our youngest client was 19 and the oldest in her sixties, with an average age of 39.

Women who come to us experience the criminal justice system in a number of ways: 32% of our clients this year had spent time in prison, with the remainder receiving community sentences, suspended sentences, cautions, or fines. Around a third were still involved with the criminal justice system: 33% were on probation or licence. Around 70% of the women we worked with this year had committed non-violent offences, but still carried the stigma of a criminal record when applying for roles that require enhanced DBS checks.

A majority of clients we supported this year were facing financial difficulties, with 64% in receipt of benefits when they joined our service. 9% had a drug or alcohol dependency; 40% were from racially minoritised communities, and 15% were women with disabilities. Demonstrating that women with convictions are far from a homogenous group, 32% of clients were educated to first degree level, with a further 8% holding a master's degree.

Once a woman leaves the criminal justice system behind her, as well as the need to get a job, there are often overlapping experiences and challenges at play. Two-thirds of the women we supported this year had current mental health issues. One in 10 had someone in their life (usually a partner) who the woman felt could pose a risk to them or others.

Where a woman has barriers and challenges in her life that get in the way of her focusing on job hunting, and being able to hold down a job, we either work with her to help her manage these issues or we refer her to one of the many charities we work closely with who specialise in issues such as domestic violence or addiction.

Developing employability

There are two stages to our service in the client journey – firstly developing women's employability, and then for those women who want it, supporting them to apply for roles with one of the employers we work with (or indeed other roles that the women have identified for themselves).

Our employability programme helps to build women's confidence and self-belief, as well as providing practical support with things like CVs, interview techniques and the best way to disclose convictions in recruitment processes.

Over the past year we supported 240 (2021: 220) women to develop their employability. 114 (2021: 135) of these women went through our full employability skills programme; we were also commissioned by other charities to work with a further 126 (2021: 108) women who were in those charities' services and who needed some specific support around employability.

Beyond hard numbers, another gauge of our impact is how far women have progressed in relevant areas of their life (linked to employability and employment) during the time they are engaged with our service. We measure this using a tool called the Work Star (one of a suite of evaluation tools called Outcome Stars), designed for use with adults out of work or returning to the workplace. It assesses women's progress in job skills and experience; aspiration and motivation; job search skills; stability; basic skills; workplace and social skills; health and well-being. We looked at all clients who started before the end of this year, and completed two Work Star 'readings' (ie. measurements) and found that 95% of these clients progressed in one or more areas of the Work Star, averaging four areas of progress each.

Another measure of our impact is the feedback survey we ask clients to complete. This year, based on responses from 45 clients, we learned that after engaging with our service:

- 96% of our clients would recommend Working Chance
- 91% of our clients feel more hopeful about the future
- 84% said Working Chance has improved their confidence to look for and apply for jobs
- 84% of women rated our support 5/5
- 82% said Working Chance improved their confidence to disclose a conviction to an employer


We adapted our employability support programme this year based on feedback both from women we have supported and from our advisory panel. Changes we made included introducing a 'fast-track' process for women who are not so far removed from the labour market, and providing careers coaching that helps women to identify their strengths and career goals. From its introduction in November 2021 until the end of the reporting period, we delivered 120 career coaching sessions to 71 clients.

To improve how we offer our services remotely, we developed a series of online training sessions covering CV writing; how to search for jobs; when and how to disclose convictions to employers, and interview skills. These sessions mean women can develop skills at their own pace, alongside other commitments such as childcare. It also meant we could expand our geographical footprint and this year, 58% of the women we supported lived outside of London.

We provided psychotherapy for 27 clients, up from 17 in the previous year. This free weekly therapy enables women to understand and accept the circumstances that contributed to their offending and helps them to build hope and confidence for the future.

We engaged in important partnerships with the charities Solace Women's Aid, Advance, and Women in Prison, to deliver one-to-one support and group workshops for women in their services with experience of the criminal justice system.

We also provided training focused on supporting women with their employability to a total of 184 professionals and volunteers who work in the women's sector.



"The support and training at Working Chance has had a transformational impact on my life. It has enabled me to secure employment, built my self-confidence, and helped me move forward."



Aaliyah* - Former Working Chance client

Getting women into work

Of the women who had support from our employment service this year, 84% achieved a positive outcome.¹ 79% (60 women) were placed into at least one role, with several of them having more than one placement over the year, for example, more than one part-time or temporary role. A further 5% (four women) achieved other positive outcomes, including moving on to higher education and continuing with their existing career. A total of 84 placements were achieved within the year, and the average full-time equivalent salary of all paid placements was £24,439.

We now have access to around 4,000 vacancies at any given time through the employers we work with, which offers our clients an unprecedented amount of choice when looking for a role that suits

¹ This percentage excludes five women who joined the caseload late in the year and whom we are still supporting.



their needs, abilities and locations. 62 new employers came on board to work with us this year offering roles across a range of industries including IT, energy, utilities, media, digital and recruitment, bringing the total number of employers we work with up to 92.

Within the criminal justice sector, we have forged new relationships with the Ministry of Justice and HM Prison and Probation Service (HMPPS). This includes a partnership with New Futures Network (a specialist part of HMPPS that brokers relationships between prisons and employers) and Going Forward into Employment (a government-wide scheme that creates job vacancies in the Civil Service for people with convictions). We also began engagement with all 12 women's prisons, building relationships with members of staff who are responsible for employment and education, who will help to promote our service to women in custody, ready for their release.

Dainya's story

"I never thought I'd find a job. My criminal conviction and my childcare needs left me thinking I would really struggle to find work, never mind a job with prospects. That all changed when I came to Working Chance.

"Working Chance were amazing. They listened to me, advised me. Put me on different confidence building, CV building, interview exercises to build up my confidence. Always checking in, they never make you feel like you're alone. And I liked that, they give you that warm hug.

"They really helped me learn not to be embarrassed by my conviction, that I can move forward, and that there is hope."

Her new employer was so impressed with Dainya when they met her, that they created a bespoke part-time position for her. Dainya is now working in a role that is local and fits in with her childcare needs.

As her children get older, her goal is to move into full-time employment. She says that she's feeling positive about herself and her future.

"So how about that? A job that is actually walking distance from me, the schools are just around the corner. I thought OMG somebody is working with me and someone is on my side over here."

"Having a criminal record hindered me for a long time but my future's looking very bright. I feel very optimistic about my new job. If, God forbid, something happened and I lost my job, I know Working Chance's door will be open for me.

"That's the thing about Working Chance", she says, "I know that there's always someone there I can call on."





Trustees' annual report
For the year ended 31 August 2022

OUR IMPACT



In 2021-22
we supported
240
women
to develop their
employability

★
184
professionals
trained

★
96%
of our clients
would
reccommend us

★
62
new
employers
on board

★
0
reports
of
reoffending

★
84%
of women
rated our
support
5/5

★
91%
of our clients
feel more
hopeful about
the future

★
84
women
found paid or
volunteer
placements



COMMUNICATIONS

It is a central part of our mission to create better informed and more empathetic attitudes about women with convictions and to raise awareness about the issues that often underlie women's offending.

In the media this year, Working Chance elevated the voices of women with convictions through features in The Independent, HR Magazine, The Big Issue, and gal-dem magazine. We featured on an episode of the JUSTICE podcast, hosted by prison philanthropist Lady Edwina Grosvenor.

We spoke at events including the Recruiting from a Different Talent Pool conference organised by the Lord Mayor of London, a panel event about diverse recruitment hosted by Impact 100 London, and theatre company Clean Break's International Women's Day event. We co-produced a workshop with Unlock and the University of Essex for the Clinks Annual Conference, and facilitated an online seminar on embedding lived experience into policy work and service development for HMPPS' Insights 22 Festival.

We also created a suite of materials aimed at raising awareness of our service with women with convictions, including a six-month advertising campaign on National Prison Radio, featuring the words of women we have worked with.

36,478 people visited our website and we saw growth across all our social media channels, enabling us to get people thinking and talking about women with convictions and the support they need to turn their lives around.



POLICY INFLUENCING

We work with policymakers to influence change, sharing our knowledge of what women with convictions need to help them find employment and of the systemic barriers that hold them back.

Despite an ever-changing political landscape, we have developed crucial relationships within HMPPS, the MoJ, and the Mayor's Office for Policing and Crime among others, allowing us to advocate for change at the most senior levels. We have also fostered important relationships with other organisations who work in and around the criminal justice system, actively supported campaigns from other sector charities who share our vision and values and responded to relevant consultations.

In August 2022 we were pleased to host a visit from the then Minister for Prisons and Probation, Stuart Andrew MP. The Minister met women we have supported into employment, and staff, and announced a government funding programme for organisations supporting women involved with the criminal justice system.





PLATFORMING LIVED EXPERIENCE

Advisory panel

The voices of women with lived experience of the criminal justice system too often go unheard or ignored. At Working Chance, we work alongside women with lived experience so that their views and input can shape not only our own work, but the criminal justice system and the attitudes of employers.

In the first quarter of the year, we launched our advisory panel of women with lived experience, so that we can be sure that our service and strategy are designed with women's voices, views and needs at their heart. Across the year the panel gave advice on issues such as women's support needs, our website and improving the onboarding process for clients.

"All too often, people with convictions feel like they have to put up and shut up. Like their experiences of things no longer matter, and that they should just be grateful for whatever comes their way. It was nice to be able to be asked about my honest experience and to know it matters."

Advisory panel member

Separately, we set up a campaign group of women with lived experience who called themselves the 'Changemakers' and supported them with training, resources and guidance to create and run a campaign. Their campaign, called #BetterBenefits, focused on flaws in the Universal Credit system which mean that many women face poverty and debt when they leave prison, instead of being supported to find work and leave the criminal justice system behind. It was endorsed by over 40 voluntary sector organisations from the women's sector to criminal justice organisations and poverty campaigners.

As part of the campaign, the Changemakers group addressed the All-Party Parliamentary Group on Universal Credit, held an online drop-in event for policymakers, and presented to the policy team at the Department of Work and Pensions.



COVID

The impact of the pandemic on prisons, mental health issues and escalation of domestic violence in lockdown, and the disruption of other support services such as probation, will affect women with convictions for years to come.

Like many charities, Covid forced us to accelerate remote working and remote service delivery. We continue to refine our service so that we can offer our programmes remotely without diminishing impact. By continuing to offer our programme in this way post-pandemic, we can reach more women from a much wider geographical area of the country than before.

PUBLIC BENEFIT STATEMENT

By helping women to find work, develop their career prospects and realise financial autonomy, the work of the charity has a tangible, positive and lasting impact on the women it supports, and on the wider community through cost savings for the state and overall benefits to society by reducing reoffending.

The Trustees believe that this ongoing work of empowering women and helping them to change their lives means the charity continues to meet the Charity Commission's Public Benefit requirement.

FUNDRAISING

Working Chance relies on the generosity of our supporters, trusts and foundations, to allow us to carry out the work we do helping women to transform their lives.

We are committed to being fully transparent and accountable about how our donations and grants are used. We share the impact of our work with our supporters and donors on a regular basis.

This year our fundraising was mainly carried out in-house, with the exception of engaging a freelance specialist to support development of our individual giving strategy (which will begin delivery in early 2023), and using a fundraising consultant to support us with identifying new grant funders and writing grant applications.

We did not receive any complaints about our fundraising. We keep up to date with changing regulation and ensure we comply with it by changing processes if needed. Working Chance is a member of the Fundraising Regulator.

Across the year we are grateful to have received grants from, among others, Garfield Weston, Emmanuel Kaye, the Thompson Family Charity Trust, and the Barratt Foundation. We also participated in two specific fundraising campaigns – The Big Give Christmas Challenge, and the Big Give International Women's Day appeal. We are also grateful to supporters who took part in individual fundraising activities such as the London Marathon, and we will continue to pursue these fundraising avenues going forward.





Trustees' annual report
For the year ended 31 August 2022

LOOKING FORWARD

This is the final year of our three-year strategy, which set out bold ambitions around the number of women we wanted to reach with our life-changing service. The pandemic meant that this ambition has been tempered, but has also meant that labour shortages have encouraged employers to broaden their minds and seek our help filling recruitment gaps.

Partnerships with the prison estate, probation, jobcentres, and the broader voluntary sector will be vital in the coming year, because increasing awareness of the support we offer is a priority in order for us to meet the need that we know is out there. We'll continue to build on the excellent work we've done this year to increase the range of employers on our books to give our clients the richest possible choice of roles, sectors and industries in which to build their career.

We know that not all employers are open to hiring someone with a conviction, and to create more empathetic attitudes, we first need to understand what exactly is holding employers back. In late 2022 we will launch our first large-scale piece of market research into the attitudes of employers towards hiring people with convictions. This invaluable insight into employers' concerns and beliefs suggests that employers would benefit from more guidance on why and how to recruit people with convictions fairly and safely.

In spring 2023 we will publish comprehensive guidance doing precisely this; it will be an important opportunity for us to educate more employers about the benefits of hiring women with convictions and will act as a catalyst for more conversations with prospective employers around inclusive hiring.

A central part of our mission is to ensure that women who have been through the criminal justice system are heard and that their experiences are incorporated into both service development, and our policy work aimed at bringing about change to the systems that hinder women with convictions.

We will continue to elevate the voices of women with lived experience through offering media training for women who are keen to share their stories to raise awareness and understanding of why women offend and what works in preventing reoffending.

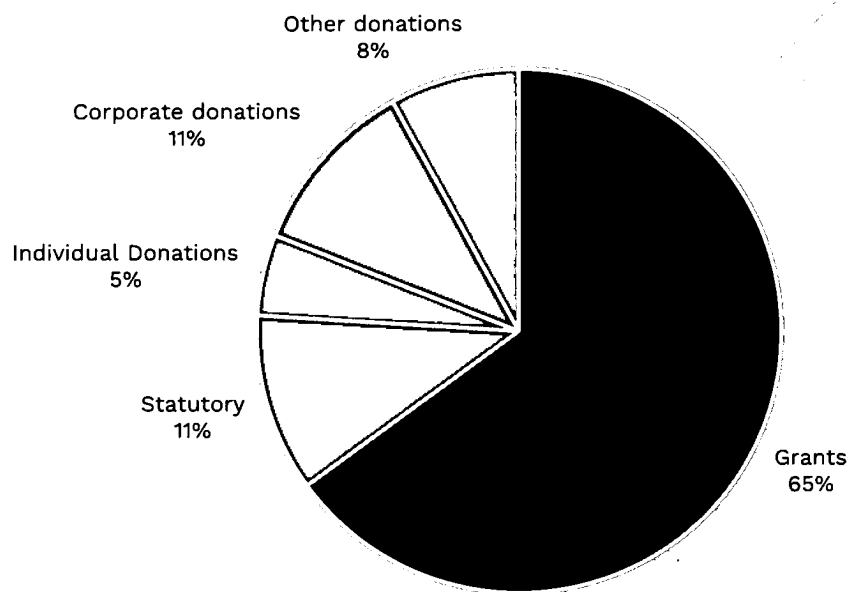
We may be small, but we have big ambitions to support more women into employment, break down the barriers that hold women back, and give more women the opportunity for a brighter future.



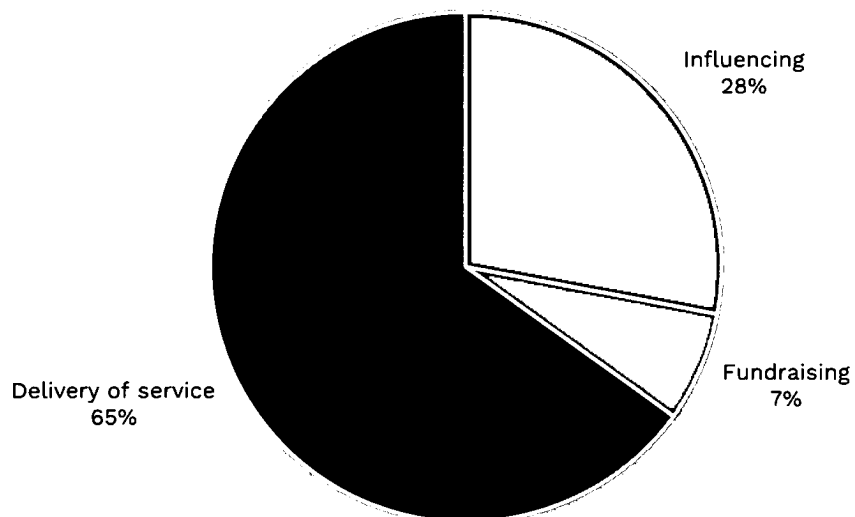


FINANCIAL REVIEW

Where our funds come from



What we spent our funds on





This year we made a net deficit of £38k (2021: surplus of £11k) which was an intended loss, as we utilised some of our reserves to support more women with convictions. Income this year held up well against a challenging economic climate and we raised slightly more income than planned during the year. Our spend also grew as we further invested in our delivery and communication teams and provided more intensive support to women facing increasingly complex needs.

Total income for the financial year was £896k (2021: £856k), an increase of 5% on the prior year, reflecting a strong year for donation income from corporate supporters. This offset lower grant income compared to the previous year when major funding - primarily from Oak Foundation - came to an end.

Grant income remains a strong source of income comprising 65% (2021 – restated: 78%) but has decreased as a share of our total overall income this year, partly reflecting the increase in donation income in the year. We continued to have strong relationships with our funders and we are continually seeking out new funding opportunities, investing this year in some fundraising consultancy support to identify new funders and support our bid writing for Trusts and Foundations.

Our donation income this year of £212k (2021: £73k) was attributable to a small number of corporate and charitable trust supporters. Donation income comprised 24% of our overall income total compared to 8% in the previous year.

We also had income from our delivery of services work which involves delivering our core services as well as employability workshops to referred clients and professionals. This totalled £102k in the year (2021: £73k) and comprised 11% of our income.

Our expenditure increased to £933k (2020: £845k), an increase of 10% over the previous year as we invested in more intensive support for our women responding to increased complexity of need, mainly related to mental health issues as well as other issues such as domestic violence and life stability.

This year, we continued to report on expenditure by our key activities of influencing and service delivery. Our service delivery costs relate to our direct work with women and this totalled £608k (2021: £527k) for the year once support costs had been allocated. This equates to 65% of our costs which was in line with last year (2021: 65%). This year we employed more staff in our delivery service to help deliver the intensive support that women needed.

Our influencing work aims to create better informed and more empathetic attitudes towards women with convictions and to shift policy and practice. Overall, once support costs had been allocated, we spent 28% (2021: 29%) on influencing which amounted to £258k (2021: £248k). We also spent 7% of total spend on fundraising which amounted to £67k.

The deficit for the year meant that our total reserves decreased compared to last year and stand at £990k (2021: £1,028k) at the end of the year. This reserve will continue to be used to ensure we remain sustainable against a potentially challenging fundraising environment following the end of some of our major funding. See below for further details on our reserves.

Working Chance's balance sheet remains healthy. We do not foresee any cashflow problems as we continue to hold the majority of our reserves in cash (liquid assets).

Reserves

Our reserves policy requires us to maintain free reserves equivalent to at least nine months of expenditure which equates to £746k. This reflects an increase of three months compared with our reserves policy before the pandemic when our assessment of the funding environment was more favourable. These reserves enable the charity to be managed efficiently, to provide for termination costs, should the need arise, as well as to mitigate against unexpected shortfalls in income.

The Board reviews the level of reserves on a quarterly basis to ensure that they are adequate to meet the policy and fulfil our continuing obligations.



In light of the continuing uncertainty stemming partly from the pandemic but now also from the wider economic pressures and events, the Trustees feel it is prudent to continue to hold a higher level of reserves in order to maintain our resilience in a volatile, unpredictable external environment, in particular to mitigate risks to future income.

At the end of August 2022, our total reserves were £990k (2021: £1,028k). Our free reserves were £922k (2021: £905k), equivalent to eleven months expenditure from the total 2022-23 forecasted spend and therefore within our policy.

This year we spent the remaining part of our £200k designated strategic development fund to support the Communications team as part of our strategic aim to increase influencing activity alongside spend on our brand and social media footprint and also supported an increase in digital marketing to target potential women who need our support.

At the end of this year, Trustees created a new designated fund of £50k towards the development of our new strategy for the period 2023-24 and beyond. This will be used to reassess what women need from the service and to conduct consultation with stakeholder groups externally and internally, possibly with some external consultancy support.

Total reserves also included restricted funds of £6k (2021: £1k); these funds are to be used for specific purposes as requested by the donor.

Further detail on reserves is given below in note 17 to the accounts.

Going concern

Trustees have assessed the ability of Working Chance to continue as a going concern. The Trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements including a review of budget to the end of 2023 and draft budgets to the end of 2025, a review of pipeline income for the rest of the year 2022-23 and a consideration of key risks that could negatively affect the charity.

Trustees have reviewed funding for the coming year and at the time of writing this report, we have secured 41% of grant funding for 2022-23 (compared to 82% this time last year). This is the main source of income for the charity and is lower than last year reflecting the fact that we are currently trying to fill gaps left by the ending of some multi-year funding agreements, and we expect this to take some time. The key risk in 2022-23 is the funding gap of £250k and Trustees have assessed this risk reviewing the following mitigating actions:

- In addition to the secured income, we have a strong pipeline of potential income where funders have been identified or where we are awaiting the outcome of applications already made. This is weighted so that we can better balance risk across the portfolio.
- If necessary, we have identified costs that can be delayed if income is not achieved.
- We are also planning to use some more of our reserves to support delivery in 2022-23 and we expect to finish the year with reserves of around 9 months of spend.
- We will continue to bid for new opportunities and explore new partnerships. Our fundraising focus is on securing larger multi-year grants to ensure continuity and financial security.
- We have recently contracted a consultant fundraiser who is supporting us to identify further funding opportunities and support us with our applications to Trusts and Foundations.
- We are currently reviewing how best to develop our in-house fundraising function so that it can support Trusts and Foundations but also develop our corporate partnership activities and individual giving.

Based on the information above, the Board have concluded that Working Chance will be able to continue for 12 months from signing without material uncertainties and therefore consider Working Chance to be a going concern.



Investments

Our investment objective is to maintain sufficient liquidity of funds and their overall value in order to ensure that the charity can be managed effectively and to mitigate against unexpected shortfalls.

As at 31 August 2022, Working Chance had cash deposits of £1,058k (2021: £1,203k) representing primarily unrestricted reserves (see above section for more details on reserves).

Working Chance's investment policy requires that deposits should be spread by counterparty, subject to maximum exposure of 40% of the total cash balance per institution. We monitor the distribution of cash among the banks on a monthly basis and as at 31 August 2022 we were within this limit across our bank accounts.

This coming year we intend to review again the best way of holding our assets in the context of recent rising inflation and the risk that the value of our assets will degrade. This will include reviewing our investment policy and risk appetite in relation to investments.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees and executive management of Working Chance believe that sound risk management is integral to both good management and good governance practice. Risk is considered in key decision processes at Working Chance at the executive and Board level.

The Board is satisfied that the major risks facing the charity have been identified and are being appropriately addressed. This includes the Board's assessment of the impact of the pandemic and more recent economic challenges including the cost of living crisis, rising inflation and the war in Ukraine.

We identify and analyse our key strategic risks in five areas (governance, external, regulatory, financial, operational) and prioritise these based on their impact and likelihood. We also have a risk appetite statement which was agreed by the Board to describe our approach to risk in key areas such as service delivery, finance and influencing activity.

Alongside our existing risk management framework, the following processes are in place to ensure risk management is embedded across the organisation and that key risks are monitored effectively. The risk register is monitored by the senior team on a quarterly basis.

The Finance and Assurance Committee (FAC) reviews the top five risks on a quarterly basis with the top five being defined as those with the highest score or where there has been significant movement or update. In addition, the FAC looks at one key risk area in depth at every quarterly FAC meeting to understand and challenge the impact, controls and scoring for risks in that area. The Board reviews key risks on an annual basis and in addition receives the quarterly risk reporting from the FAC.

This year we have identified that the key risks currently facing the charity are:

- Working Chance holds cash balances of around £1m and these are currently held in banks with low interest rates. During this year of rising inflation, the risk that the value of these assets degrade has emerged. We plan to review our investment policy and risk appetite in relation to investing in the early part of 2022-23 to review the most appropriate place for holding these assets.
- Income generation and financial sustainability continues to be an issue which Trustees are monitoring. See above for commentary under 'going concern' for a summary of mitigations in this area.
- Staff turnover within the charity has been higher than we would like this year, which affects our ability to deliver a consistent service to women, drains resources in a small charity and



risks a negative impact on morale. During the year we have repositioned our pay policy to ensure that our salaries are benchmarked against the market median and taken measures to ensure that we are an attractive employer to work for. Our EDI work has been taken forward this year with a staff diversity audit and an inclusion survey which, while generally positive, has indicated some areas for improvement for making Working Chance an even better place to work. We also carry out exit interviews and are planning to track the progression routes from the charity to better understand what staff want from career progression at Working Chance.

- The charity set out this year to increase referrals into the service which has taken longer to take effect than we had hoped. This means there are women who need our support whom we are not reaching. We put in place a referrals strategy from summer 2022 with a range of initiatives to reach women, such as boosting our communications work to increase self-referrals through internet searches and a prison radio campaign. We have also developed our external partnerships to increase the number and quality of professional referrals into the service including from HMPPS. We are closely monitoring the success of these measures through weekly snapshots of referrals coming into the service, looking at both the numbers and the sources so that we know what is working.

Other risks include safeguarding, data protection, cyber security and health and safety. We are committed to providing a safe environment for everyone and continue to review all our safeguarding policies and related procedures to ensure they are in line with the latest guidance and ensure that all staff and Trustees receive appropriate training. During the year, we renewed our Cyber Essentials Plus certification, which forms part of our mitigation against cyber-security threats.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Working Chance was incorporated as a company limited by guarantee on 6 August 2009 and registered as a charity on 24 September 2009. It is regulated by its Memorandum and Articles of Association.

The Articles set out that the charity was established to support socially disadvantaged members of our community. The Working Chance mission evolved from those objects – namely to empower women with convictions to fulfil their potential and reintegrate into mainstream society by helping them to develop their employability and self-belief and find a job they can thrive in.

Working Chance applies and follows the Charity Governance Code (for smaller charities). The Chair runs the Board according to the seven principles that form the underpinning framework of the Code, and reviews with the Chief Executive at their monthly meetings whether any adjustments need to be made to ensure that the board is aligned with the seven principles. Notably this year we acted on the principle relating to diversity on the board and recruited new Trustees to meet identified diversity gaps.

The Board of Trustees has collective responsibility for everything that the charity does, including the legal responsibility to ensure it is controlled and properly managed. The Board delegates responsibility for operational management to the Chief Executive. The Chief Executive leads the senior management team to develop plans, policies and processes following the Board's advice and approval.

The Board of Trustees is responsible for the strategic direction of the charity and meets quarterly together with the Chief Executive and senior management team to review progress and to ensure the charity is on track to meet its objectives.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

The directors of the company are also charity Trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association:



APPOINTMENT OF TRUSTEES

The Directors shall be appointed by ordinary resolution of the Members at a General Meeting or AGM and the Directors shall *nominate in writing* all individuals to be considered for appointment as Directors.

Each Director

- may be appointed for a term of up to three years; and
- may serve one or more terms in office

but shall not be eligible to hold office as a Director for more than six consecutive years without a resolution of the Members at a General Meeting or AGM for up to an additional year under exceptional circumstances.

In an effort to maintain a broad skill mix, the Board of Trustees reviews its effectiveness regularly and in the event of particular skills being needed individuals are recruited to the Board.

When recruiting new Trustees, we always seek to increase the diversity of the Board, particularly with regard to lived experience of the criminal justice system and ethnicity.

During 2021-22, two Trustees retired from the Board and five new Trustees were appointed. Another Trustee was appointed in the period from the end of the year to the signing date, and a further individual will be appointed as Trustee in December 2022. Trustees serving in 2021-22 are listed on page 42.

TRUSTEE INDUCTION AND TRAINING

We ensure that new Trustees receive any training they need associated with their legal obligations under charity and company law and the requirements of the Charity Commission.

In addition, they are provided with a full induction pack containing information about the charity focused on its mission, strategy, structure and performance. They also spend time with the Chair and key staff to gain a greater understanding of the Charity.

Trustees are given opportunities throughout the year to meet staff and service users through participation in planned events, service visits, workshops and staff presentations to the Board, although this year the majority of this activity was carried out virtually.

RELATED PARTIES AND RELATIONSHIPS WITH OTHER ORGANISATIONS

None of our Trustees receive remuneration or other benefit from their work with the charity. Any connection between a Trustee or senior manager of the charity with other industry-related bodies or organisations must be disclosed to the full Board of Trustees, in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

REMUNERATION POLICY FOR KEY MANAGEMENT PERSONNEL

It is important for Working Chance to pay competitive, market-median salaries in the sectors and locations where it employs people. Base pay rates are benchmarked on a continuous, ad-hoc basis through our recruitment processes against sector pay movements and annually against inflationary indices; organisational affordability is also considered. Working Chance competes for labour in a variety of job markets and so one benchmark is difficult to identify.



Remuneration for the Chief Executive and senior management team is approved by the Remuneration Committee, which became part of our new People Committee in August 2022 (within whose remit falls the review remuneration policy and to scrutiny of remuneration decisions for senior staff).

The remuneration ratio for the charity, defined as the multiple between the highest pay to median pay in the organisation, is considered as well as external market conditions for the specific roles. All Working Chance employees are paid above the London living wage as defined by the Living Wage Foundation.

EQUITY, DIVERSITY AND INCLUSION

This year, there has been an increased focus on Equity, Diversity and Inclusion (EDI) across Working Chance. This has included in-depth training on allyship, bias, and language, and the auditing of staff and Trustee data to understand our diversity profile. We have updated our website to include a clear statement on our commitment to EDI and worked to ensure our recruitment advertisements and campaigns for new colleagues and Trustees are inclusive in terminology and reach. Work is ongoing with staff on our EDI strategy which is due to be completed by December 2022.

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES

The Trustees (who, for the purpose of company law, are also directors of Working Chance), are responsible for preparing the Trustees' annual report including the strategic report and the financial statements, in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accurate and true financial statements for each financial year, that give an overview of the state of affairs of the charitable company, of the incoming resources and their application, including the income and expenditure of the charitable company for that period. When preparing these financial statements, the Trustees must:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK 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 presume that the charity will continue in operation.

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

Insofar as the Trustees are aware:

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

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 August 2022 was 7 (2021: 5). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.



Trustees' annual report
For the year ended 31 August 2022

AUDITOR

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The Trustees' annual report has been approved by the Trustees on 25 January 2023 and signed on their behalf by:

Lin Hinnigan
Chair of Trustees



INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Working Chance Limited (the 'charitable company') for the year ended 31 August 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 Working Chance Limited'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 Trustees' 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' annual report for the financial 31 August 2021 for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' annual report has 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. 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; or
- The directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities set out in the Trustees' annual report, 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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:



Independent auditor's report

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or noncompliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Noelia Serrano (Senior statutory auditor)

Date 25 January 2023 for and on behalf of Sayer Vincent LLP, Statutory Auditor Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Statement of financial activities
For the year ended 31 August 2022

STATEMENT OF FINANCIAL ACTIVITIES

				2022			2021
	Note	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:							
Donations and legacies	2	200,665	10,860	211,525	72,848	-	72,848
Charitable activities	3	364,375	318,937	683,312	444,339	329,133	773,472
Other trading activities	4	-	-	-	1,306	-	1,306
Investments		769	-	769	30	-	30
Other grant income	5	-	-	-	8,561	-	8,561
Total income		565,809	329,979	895,606	527,084	329,133	856,217
Expenditure on:							
Raising funds	6	67,279	-	67,297	70,240	-	70,240
Charitable activities	6						
Delivery of services		301,688	306,193	607,881	249,515	277,671	527,186
Influencing		238,787	19,178	257,965	195,856	51,982	247,838
Total expenditure		607,772	325,371	933,143	515,611	329,653	845,264
Net (expenditure)/income for the year and net movement in funds		(41,963)	4,426	(37,537)	11,473	(520)	10,953
Reconciliation of funds:							
Total funds brought forward		1,026,578	1,256	1,027,834	1,015,105	1,776	1,016,881
Total funds carried forward		984,615	5,682	990,297	1,026,578	1,256	1,027,834

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.



Balance sheet
For the year ended 31 August 2022

BALANCE SHEET

As at 31 August 2022

Company Number 06331809

	Note	£	2022 £	2021 £
Fixed assets:				
Tangible assets	12		13,006	9,770
Current assets:				
Debtors	13	37,285	69,888	
Cash at bank in hand		1,057,650	1,203,456	
		1,094,935	1,273,344	
Liabilities:				
Creditors: amounts falling due within one year	14	(117,644)	(255,280)	
Net current assets			<u>977,291</u>	<u>1,018,064</u>
Total net assets			<u>990,297</u>	<u>1,027,834</u>
The funds of the charity:	17			
Restricted income funds			5,682	1,256
Unrestricted income funds:				
General funds		934,615	913,193	
Designated funds		<u>50,000</u>	<u>113,385</u>	
Total unrestricted funds			<u>984,615</u>	<u>1,026,578</u>
Total charity funds			<u>990,297</u>	<u>1,027,834</u>

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

Approved by the Trustees on 25 January 2023 and signed on their behalf by

Lin Hinnigan
Chair



Statement of cash flows
For the year ended 31 August 2022

STATEMENT OF CASH FLOWS

For the year ended 31 August 2022

	Note	£	2022 £	2021 £
Cash flows from operating activities				
Net cash (used in)/provided by operating activities		(37,537)	10,953	
Adjustments for:				
Interest receivable		(769)	(30)	
Depreciation	12	4,686	3,522	
Loss on sale of fixed assets	12	-	343	
Decrease/(increase) in debtors	13	32,603	(20,574)	
(Decrease) in creditors	14	(137,636)	(8,269)	
Net cash used in operating activities			(138,653)	(14,055)
Cash flows from investing activities:				
Dividends, interest and rents from investments		769	30	
Purchase of tangible fixed assets	12	(7,922)	(5,338)	
Net cash (used in) investing activities			(7,153)	(5,358)
Change in cash and cash equivalents in the year			(145,806)	(19,413)
Cash and cash equivalents at beginning of year			1,203,456	1,222,869
Cash and cash equivalents at end of year			1,057,650	1,203,456



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2022

1. Accounting policies

- a) **Statutory information**
Working Chance Limited is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address (and principal place of business) is; Working Chance Limited, Claremont Building, 24-27 White Lion Street, London, N1 9PD.

- b) **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) 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 or note.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. 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. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

- c) **Public benefit entity**
The charity meets the definition of a public benefit entity under FRS 102.

- d) **Going concern**
The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

The Trustees continue to consider the impact of Covid 19 on the charity and do not consider there is any impact on the charity's ability to continue as a going concern (see Trustee's Report for detail).

- e) **Income**
Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Legacy income is recognised when the charity believes there is entitlement, receipt is probable and the amount can be measured reliably.

- f) **Donations of gifts, services and facilities**
Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation



have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102) volunteer time is not recognised.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

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.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes that are freely given and without specified purpose.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose, and any associated support costs.

Expenditure on charitable activities is split between the following categories:

- Expenditure on delivery of services includes the cost of delivering the front line service to women undertaken to further the purposes of the charity, monitoring and evaluation costs and any associated support costs.
- Expenditure on influencing activities includes our work to create better informed and more empathetic attitudes about women with convictions and to shift policy and practice along with any associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Support and fundraising costs are allocated to charitable activities and fundraising based on staff time/cost attributable to that activity.

Governance costs are costs incurred in relation to constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

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

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Fixtures, fittings, equipment and computer equipment (4 years)



- m) 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.
- n) 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.
- o) 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.
- p) Pension
The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged in the Statement of Financial Activities in the year they are payable.
- q) Termination Benefits
Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The charity recognises termination benefits when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy.



2. Income from donations and legacies

	2022	2021
	Total	Total
	£	£
Gifts	186,326	49,743
Gift Aid tax reclaims	5,999	3,000
Gifts in kind	19,200	20,105
	<u>211,525</u>	<u>72,848</u>

Income from donations and legacies was £211,525 (2021: 72,848) of which £200,000 is unrestricted income and £10,860 is restricted income.

Gifts in kind income comprised the receipt of free psychotherapy sessions for clients. These are valued at the amount would the charity would have to pay to acquire. An equivalent charge is included in expenditure.

3. Income from charitable activities

	2022	2021
	Total	Total
	£	£
Grants	481,014	636,950
Partnership Programme	-	4,000
Statutory – government grant income	100,000	60,000
Statutory – delivery of services	102,298	72,522
Total for charitable activities	<u>683,312</u>	<u>773,472</u>

Income from charitable activities was £683,312 (2021: £773,472) of which £318,937 (2021: £329,133) was attributable to restricted and £364,375 (2021: £444,339) was attributable to unrestricted funds.

£241,580 (2021: £279,684) of restricted income is accounted for within grant income of £481,014 (2021: £636,950) and £77,357 (2021: £49,449) of restricted income is accounted for within statutory – delivery of services income of £102,298 (2021: £72,522). Previously the prior year stated £49,449 of statutory – delivery of services income as unrestricted income and this is now shown as restricted income.

Statutory income – delivery of services includes contract income of £24,940 (2021: £23,073) which is counted as unrestricted income and grant income of £77,358 (2021: £49,449) which is accounted for as restricted income.



4. Income from other trading activities

	2022	2021
	Total	Total
	£	£
Employer placement fees	-	1,306
	<u>-</u>	<u>1,306</u>

All income from trading activities is unrestricted.

5. Other grant income

	2022	2021
	Total	Total
	£	£
Coronavirus Job Retention Scheme	-	8,561
	<u>-</u>	<u>8,561</u>

An amount of £8,561 was claimed from the Coronavirus Job Retention Scheme (JRS) for furloughed members of staff in September 2020 and October 2020.

6a. Analysis of expenditure (current year)

Our charitable activity is split into our delivery of service costs (which relates to our frontline work and direct work with women) alongside our influencing work to create better informed and more empathetic attitudes about women with convictions and to shift policy and practice.

	<u>Charitable activities</u>					2022 Total	2021 Total
	Raising funds £	Delivery of services £	Influencing £	Governance costs £	Support costs £	£	£
Staff costs (Note 8)	42,508	403,822	152,024	30,741	82,022	711,117	627,167
Other staff costs	-	10,915	336	-	14,423	25,674	55,970
Direct costs	8,607	29,566	-	9,851	15,706	63,730	42,763
Monitoring and evaluation	-	9,857	-	-	-	9,857	11,607
Marketing and Advocacy	-	-	47,735	-	-	47,735	29,475
Premises	-	-	-	-	32,429	32,429	31,838
Office running	-	-	-	-	15,414	15,414	17,388
Information technology	-	-	-	-	7,461	7,461	11,198
Insurance	-	-	-	-	4,213	4,213	3,481
Telephone	-	-	-	-	6,661	6,661	6,882
Depreciation and loss on disposals	-	-	-	-	4,686	4,686	3,866
Subscriptions	-	-	-	-	3,572	3,572	3,150
Other expenditure	-	-	-	-	594	594	480
	51,115	454,160	200,095	40,592	187,181	933,143	845,264
Support costs	13,298	126,326	47,557	-	(187,181)	-	-
Governance costs	2,884	17,395	10,313	(40,592)	-	-	-
Total expenditure 2022	67,297	607,881	257,965	-	-	933,143	-
Total expenditure 2021	70,240	527,186	247,838	-	-	-	845,264

6b. Analysis of expenditure (prior year)

	<u>Charitable activities</u>					
	Raising funds £	Delivery of services £	Influencing £	Governance costs £	Support costs £	2021 Total £
Staff costs (Note 8)	47,555	325,148	151,622	28,144	74,698	627,167
Other staff costs	-	23,625	2,348	-	29,997	55,970
Direct costs	2,488	28,719	-	8,280	3,276	42,763
Monitoring and evaluation	-	11,607	-	-	-	11,607
Marketing and Advocacy	-	-	29,475	-	-	29,475
Premises	-	-	-	-	31,838	31,838
Office running	-	-	-	-	17,388	17,388
Information technology	-	-	-	-	11,198	11,198
Insurance	-	-	-	-	3,480	3,480
Telephone	-	-	-	-	6,866	6,882
Depreciation and loss on disposals	-	-	-	-	3,866	3,866
Subscriptions	-	-	-	-	3,150	3,150
Other expenditure	-	-	-	-	480	480
	<u>50,043</u>	<u>389,099</u>	<u>183,445</u>	<u>36,424</u>	<u>186,253</u>	<u>845,264</u>
Support costs	16,893	115,500	53,860	-	(186,253)	-
Governance costs	3,304	22,587	10,533	(36,424)	-	-
	<u>70,240</u>	<u>527,186</u>	<u>247,838</u>	<u>-</u>	<u>-</u>	<u>845,264</u>
Total expenditure 2021	<u>70,240</u>	<u>527,186</u>	<u>247,838</u>	<u>-</u>	<u>-</u>	<u>845,264</u>
Total expenditure 2020	<u>76,565</u>	<u>466,605</u>	<u>143,626</u>	<u>-</u>	<u>-</u>	<u>686,796</u>

**7. Net income for the year**

This is stated after charging / (crediting)

	2022 £	2021 £
Auditor's remuneration: Audit	8,940	7,100
Under accrual prior year	-	(340)
Depreciation	4,686	3,522
Loss on disposal of tangible fixed assets	-	343
Operating lease payments: Land and Buildings	29,845	29,249

8. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management

	2022 £	2021 £
Salaries and wages	612,973	543,055
Social security costs	64,558	54,452
Pensions	33,586	29,660
	<u>711,117</u>	<u>627,167</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £305,888 (2021: £277,936).

The charity Trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil) although £56 (2021: £25) was incurred during the year relating to gifts to Trustees. One Trustee was reimbursed £42 (2021: nil) for travel expenses during the year. No charity Trustee received payment for professional or other services supplied to the charity.

9. Staff numbers

The average monthly head count was 19 staff, (2021: 19 staff). The average monthly number of full-time equivalent employees (including furloughed staff and staff on maternity leave) during the year was as follows:

	2022 No.	2021 No.
Delivery of services	10.6	11.3
Influencing	4.4	3.4
Raising funds	0.7	1.0
Support	1.5	1.2
	<u>17.2</u>	<u>16.9</u>

Last year, 4 members of staff were furloughed in September and October 2020 as a result of the Covid 19 pandemic.



10. Related part transactions

There were no related party transactions during the year. Some Trustees of Working Chance are also employed by organisations that have worked with or funded the charity. The Trustees have no financial interest in these transactions.

There were no donations from related parties which were outside the normal course of business and no restricted donations from related parties. The total donations given by the charity Trustees in the year was £920 (2021: £2,000).

11. Taxation


The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12. Tangible fixed assets

Cost	IT £	Fixtures, fittings and equipment £	Total £
At the start of the year	20,509	11,808	32,317
Additions in year	7,032	890	7,922
Disposals in year	(4,124)	-	(4,124)
At the end of the year	23,417	12,698	36,115
Depreciation			
At the start of the year	10,739	11,808	22,547
Charge for the year	4,482	204	4,686
Eliminated on disposal	(4,124)	-	(4,124)
At the end of the year	11,097	12,012	23,109
Net book value			
At the end of the year	12,320	686	13,006
At the start of the year	9,770	-	9,770

All of the above assets are used for charitable purposes.

**13. Debtors**

Trade debtors 
 Other debtors
 Prepayments
 Accrued income

2022	2021
£	£
1,875	14,350
2,644	2,664
11,470	16,864
21,276	36,010
<u>37,285</u>	<u>69,888</u>

14. Creditors: amounts falling due within one year

Trade creditors
 Taxation and social security
 Pension liability
 Accruals
 Deferred income (note 15)

2022	2021
£	£
4,442	31,950
16,245	16,645
4,430	4,712
20,017	31,153
72,510	171,820
<u>117,644</u>	<u>255,280</u>

15. Deferred income

Deferred income comprises of grants received in advance alongside income for delivery of services relating to a future period.

Balance at the beginning of the year
 Amount released to income in the year
 Amount deferred in the year

2022	2021
£	£
171,820	214,446
(171,820)	(214,446)
72,510	171,820

Balance at the end of the year

<u>72,510</u>	<u>171,820</u>
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**16a Analysis of net assets between funds (current year)**

	Designated funds £	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	-	12,270	736	13,006
Net current assets	50,000	922,345	4,946	977,291
Net assets at 31 August 2022	<u>50,000</u>	<u>937,615</u>	<u>5,682</u>	<u>990,297</u>

16b. Analysis of net assets between funds (prior year)

	Designated funds £	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	-	8,514	1,256	9,770
Net current assets	113,385	904,679	-	1,018,064
Net assets at 31 August 2021	<u>113,385</u>	<u>913,193</u>	<u>1,256</u>	<u>1,027,834</u>



17a. Movement on funds (current year)

	At 1 September 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 August 2022 £
Restricted funds:					
Advance Advocacy		54,500	(54,500)	-	-
Barclays	-	100,000	(100,000)	-	-
Big Give - Digital Capacity building	-	700	(700)	-	-
Big Give - Women and Girls Funding	-	21,720	(21,720)	-	-
Blackrock	-	14,598	(9,652)	-	4,946
Fondation Chanel	-	87,455	(87,455)	-	-
Lloyds Bank Foundation	-	7,967	(7,967)	-	-
Solace Women's Aid	-	22,857	(22,857)	-	-
The Pilgrim Trust	-	20,000	(20,000)	-	-
The Clothworkers' Foundation	1,256	-	(520)	-	736
Total restricted funds	1,256	329,797	(325,371)	-	5,682
Unrestricted funds:					
Designated funds	113,385	-	(113,385)	50,000	50,000
General funds	913,193	565,809	(494,387)	(50,000)	934,615
Total unrestricted funds	1,026,578	565,809	(607,772)	-	984,615
Total funds	1,027,834	895,606	(933,143)	-	990,297

Purposes of restricted funds (current year):

Restricted funds	Description, nature and purposes of the fund
Advance Advocacy	Delivery of employability workshops
Barclays	Salaries for our delivery team and related costs
Big Give - Digital Capacity building	Social media assets and adverts
Big Give - Women and Girls Funding	Funding for our employer outreach work
Blackrock	Pilot of our new strategic advisory panel
Fondation Chanel	Delivery of service and influencing salaries and other project costs
Lloyds Bank Foundation	Delivery costs relating to our Changemaker project
Solace Women's Aid	Delivery of workshops to professionals
The Pilgrim Trust	Care leavers with convictions
The Clothworkers' Foundation	Funding of equipment



Purposes of designated funds (current year)

The Trustees set aside a designated fund of £200k in 2018-19 to be spent on the new strategy being developed for 2020 and beyond. This year we completed the spend of this fund, investing in capacity in our influencing team and supporting the strategic initiatives to build awareness and better promote our service to women and employers. As we approach the end of our strategy period in 22-23, Trustees have set aside a further designated fund of £50k for helping to develop our strategy from 2023 onwards.

**17b. Movements in funds (prior year - restated)**

	At 1 September 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 August 2021 £
Restricted funds:					
Advance Advocacy	-	34,211	(34,211)	-	-
Barclays	-	100,000	(100,000)	-	-
Blackrock	-	18,492	(18,492)	-	-
Fondation Chanel	-	91,961	(91,961)	-	-
Capital Group	-	8,100	(8,100)	-	-
Charles Hayward Foundation	-	8,332	(8,332)	-	-
The Clothworkers' Foundation	1,176	-	(520)	-	1,256
Lloyds Bank Foundation	-	6,133	(6,133)	-	-
Solace Women's Aid	-	15,238	(15,238)	-	-
The Smallwood Trust	-	30,000	(30,000)	-	-
The Tolkien Trust	-	16,666	(16,666)	-	-
Total restricted funds	1,776	329,133	(329,653)	-	1,256
Unrestricted funds:					
Designated funds	170,624	-	(57,239)	-	113,385
General funds	844,481	527,084	(458,372)	-	913,193
Total unrestricted funds	1,105,105	527,084	(515,611)	-	1,026,578
Total funds	1,016,881	856,217	(845,264)	-	1,027,834



Notes to the financial statements

Purposes of restricted funds (prior year):

Restricted funds which expired in prior year included below:

Restricted funds	Description, nature and purposes of the fund
Barclays	Salaries for our delivery team and related costs
Blackrock	Salaries related to confidence workshops
Fondation Chanel	Delivery of service and influencing salaries and other project costs
Charles Hayward Foundation	Salaries and related costs
The Clothworkers' Foundation	Funding of equipment
Capital Group	Development of self-employment opportunities for women
Lloyds Bank Foundation	Influencing salary and delivery costs relating to our Changemaker project
The Smallwood Trust	Funding of salaries and related costs
The Tolkien Trust	Influencing salaries and related costs

The movement of funds from 2021 was restated to include funding from Advance Advocacy and Solace Women's aid which was originally accounted as unrestricted income but is now deemed to be restricted income.

18. Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows:

	<u>Property</u>	
	2022	Restated 2021
	£	£
Less than one year	9,112	9,112
More than one year	-	-
	<u>9,112</u>	<u>9,112</u>

This note now shows the amount payable up to the three-month break clause in the lease rather than the full annual rental amount payable.

19. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.



References and administrative information

REFERENCES AND ADMINISTRATIVE INFORMATION

Company number 06331809

Country of incorporation United Kingdom

Charity number: 1131802

Country of registration: (England & Wales, Scotland or Northern Ireland)

Registered office and operational address: Claremont Building, 24-27 White Lion Street, London, N19PD

Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Lin Hinnigan	Chair
Ciara Plunkett	Vice Chair and Treasurer, resigned on 22 June 2022
Erica Handling	resigned on 22 June 2022
Caroline Bald	
Ami Jenick	appointed on 13 October 2021
Joanna Dennis	Treasurer, appointed on 22 June 2022
Kate Millward	appointed on 22 June 2022
Andrea Rowe	appointed on 22 June 2022
Clare Laxton	appointed on 22 June 2022
Alex Talcer	appointed on 7 September 2022
Kat Liapis	appointed 14 December 2022

Key management staff

Natasha Finlayson	Chief Executive
Ruth Daniells	Head of Finance and Resources
Katy Doolan	Head of Recruitment (left 3 November 2021)
Lizzy Jewell	Head of Communications and Engagement
Helen Sweet	Head of Employability
Richard Rowley	Head of Strategic Partnerships

Bankers

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WN8 6WT

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Kings Hill
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ME19 4TA

Unity Trust Bank
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London
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Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
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THANK YOU TO OUR GENEROUS SUPPORTERS

Acrisure

Barclays

Barratt Foundation

BlackRock

Capital Group

The Clothworkers' Foundation

The Emmanuel Kaye Foundation

Fondation CHANEL

Garfield Weston Foundation

Impact 100 London

Infrared Capital Partners

Lloyds Bank Foundation

Ministry of Justice

Oak Foundation

The Pilgrim Trust

Alexander Savin

The Tolkien Trust

The Big Give Trust

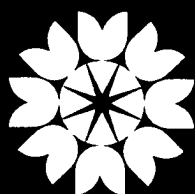
The Thompson Family Charitable Trust

The Tomoro Foundation

The Topinambour Trust

Vicky Pryce






Erica Wax



WORKING CHANCE

Unlocking women's potential

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