

REGISTERED COMPANY NUMBER: 00606888 (England and Wales)
REGISTERED CHARITY NUMBER: 207400

**Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 March 2021
for
WAVELENGTH CHARITY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

Haines Watts
1st Floor Upminster Library
26 Corbets Tey Road
Upminster
Essex
RM14 2BB



WAVELENGTH CHARITY LIMITED

**Contents of the Financial Statements
for the year ended 31 March 2021**

	Page
Report of the Trustees	1 to 7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10 to 11
Notes to the Financial Statements	12 to 21
Detailed Statement of Financial Activities	22 to 23

WAVELENGTH CHARITY LIMITED

Report of the Trustees for the year ended 31 March 2021

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the audited financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

WaveLength is a company limited by guarantee, and governed by its Memorandum and Articles of Association dated 24 June 1958 (as amended on 24 August 2010). It is a registered charity with the Charities Commission. Anyone over the age of 18 can become a board member and there are currently eight members (eight in 2020), each of whom agree to contribute £1 in the event of the charity disbanding.

Appointment of Trustees

As set out in the Articles of Association, the number of members of the Board shall not be less than four. There are currently seven Trustees (seven in 2019).

Trustee Induction

Trustees undergo a period of orientation, are provided support upon their legal obligations under charity law; the content of the Memorandum and Articles of Association; the committee and decision-making process; strategic planning, and recent financial performance of the charity. They are encouraged to meet the staff and other Trustees and are provided with copies of relevant documents.

Organisation

The Board are responsible for the governance of the charity. The Board meets quarterly, and sub-committees covering investment, fundraising, finance and general purposes meet as required. A Chief Executive, appointed by the Trustees, has delegated authority to manage the Charity and its strategic direction. The Chief Executive's authority encompasses operational and strategic matters including finance, employment and service-related activity.

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in Section Four of the Charities Act 2011, which came into effect in 2012, to duly regard the public benefit guidance published by the Charity Commission's 'Charities and Public Benefit' Guidance.

OBJECTIVES AND ACTIVITIES

Objective: Fighting loneliness for those in need including, but not limited to, any person affected by age, illness, impairment or situation, through the use and provision of media technology in the United Kingdom and Channel Islands for the public benefit.

Mission:

- To provide people who are lonely and in need of financial and practical support, with companionship, comfort and contact in order to challenge the root causes of loneliness;
- To enable people to participate in and engage with the world through the supply and use of technology;
- To give people a voice; to champion their cause; and to represent them at a national and local level.

WAVELENGTH CHARITY LIMITED

Report of the Trustees for the year ended 31 March 2021

WaveLength employs the following strategies to meet this objective:

- **We provide** radios, televisions and tablet computers to individuals;
- **We increase** access to television, radio, smart television and tablet computers for vulnerable isolated people through providing equipment to charities or projects to use on site for the benefit of many individuals;
- **We establish** members of other charities as 'stockholders' with a stock of equipment to lend and give to various lonely and isolated people;
- **We adapt** application processes on a project-by-project basis when working with trusted referees;
- **We seek** to ensure the interests and needs of current and future beneficiaries are represented at Government level;
- **We supply** ongoing contact, support and information to ensure that beneficiaries are coping well with the equipment supplied;
- **We develop** new fundraising initiatives and strategies;
- **We monitor** and independently assess our work and impact; and
- **We promote** our visibility and brand identity in the public eye.

ACHIEVEMENT AND PERFORMANCE

Covid-19 has continued and we have seen an overall increase in loneliness and the severity of loneliness. WaveLength's services have never been more in need to support the people who have been shielding and locked down. Many of the technologies that WaveLength provides have been key in allowing people to have some contact with the outside world and be able to communicate with each other.

This year, WaveLength has continued to work with other charities and organisations. This allows WaveLength to work both at national and local levels throughout the UK helping us to combat loneliness and isolation for many people. We calculate that we work with over 25,000 beneficiaries a year, but we have also been able to make cost savings by ensuring our grants are very much focused on reducing isolation. We have helped as many people as we did last year but at the third of the cost on equipment.

The charity has continued to promote and expand services throughout the UK focussing upon the charity's key remit of reducing the negative impacts of loneliness and isolation by providing comfort and companionship through media technology.

One of WaveLength's guiding principles is that beneficiaries, current and future, are at the centre of its work.

The charity continues to undertake research looking at how effective its work is in combating loneliness. This now helps to inform the decision making process and to track the effectiveness of the work and guide the charity's strategic direction and development. We have been able to publish a number of reports on the work we have been doing and have not missed opportunities to learn from the current situation.

WaveLength has continued to work with Universities to develop our understanding of how our work reduces loneliness. A key outcome has been finding that the technology we provide not only reduces loneliness but increases people's health and sense of well-being. We have developed partnerships such as the Netflix Film Club, which helped us provide technology to beneficiaries and provide a focused activity to help people bond. This helps alleviate their loneliness. However, the impact of Brexit and Covid has driven up the cost of technology, delivery, distribution and staffing.

WaveLength continues, through our application processes, to work to our strategy of providing equipment in a way that suits organisations and individuals. We continue to cover the whole of the UK, looking to relieve loneliness wherever possible within our remit and expand our work as much as possible.

WAVELENGTH CHARITY LIMITED

Report of the Trustees for the year ended 31 March 2021

Demand for our services started to increase daily at the end of last year from January to March 2020 as a result of the pandemic. WaveLength has striven to help those with the highest need who are least likely to receive funding from other sources. WaveLength has continued successfully to look to tackle a level of loneliness which already existed before the pandemic, and which will persist after the pandemic. Where funding levels have been high such as women's aid organisations, statutory bodies and homelessness charities, WaveLength has been careful to provide funding only where absolutely necessary. As a guiding principle, WaveLength's funding is not provided to allow other organisations to put their services on line.

Next steps

WaveLength purchases equipment, whose components and manufacture, are subject to global demand and markets. The fall in the value of the pound due to UK, European and world politics has increased the price of products. With the uncertainties of Brexit and Covid pandemic there are difficulties with the manufacturing, importing and distribution of equipment. All these are adding costs to basic equipment at a time when there is an increased demand. WaveLength continues to be aware of the need to be financially prudent in its expenditure and its need to raise funds going forward as it has a duty not only to its current but also its future beneficiaries. WaveLength therefore feels it is prudent in uncertain times to hold reserves to ensure the stability and longevity of the organisation. Funders have also reflected to WaveLength that part of their decision to place money with the Charity has not just been the charity's ability to deliver the work, but because of the charity's financial stability.

Planning

WaveLength continues to review its work and is now at the stage where its flexible models of giving to combat loneliness are fully embedded in the organisation's work. The organisation is now in a position to work well with individuals and partner organisations who are in contact with current and future beneficiaries. WaveLength has continued to develop new systems to measure more effectively the impact of its work with individuals and organisations.

Values

- **Respond and Innovate.** We seek to fight loneliness, by not just responding to, but planning to prevent it in the first place.
- **Focus.** Our beneficiaries, current and future, are at the centre of all we do, and we are dignified, compassionate and approachable when working with them.
- **Be Effective and Efficient.** We deliver effective, efficient services in a way that adds value to the funding with which we are entrusted.
- **Champion Imagination.** We are imaginative and innovative, finding solutions for those most in need but least able to afford change.
- **Foster Positive Change.** We seek to develop and inspire positive change through giving and help beneficiaries to move forward.
- **Represent and Amplify.** We use our knowledge and influence to represent, amplify and give voice to the needs of current and future beneficiaries.

WAVELENGTH CHARITY LIMITED

Report of the Trustees for the year ended 31 March 2021

FINANCIAL REVIEW

The instability of the stock market due to Brexit and Covid has continued. However, the year-end saw the value of the portfolio increase. The Trustees note that investments can go down as well as up and the valuation only reflects the value on one day a year.

WaveLength's diversification of our fundraising activities had recently helped to offset the drop in income in recent years, leaving us in a stable position, but still with a strong need for income to increase to sustain our activities. There was a recovery in the stock markets during the year and the year-end saw the value of the portfolio increase to £2,701,844 (2020 decrease to £2,256,912). As noted at the end of last financial year, the value of investments may decrease, yielding a consequent reduction in income and investment value. However, dividends fell due to the government's demand that certain organisation such as banks, cancel their dividends. This led to a decrease in funding from the previous year by around £20,000. The full Council and Investment Sub-Committee will continue to review this situation regularly.

Our work clearly demonstrated why WaveLength is a good charity to place funds with due to its stability. This financial year, the organisation is 81 years old and continues to be the leading organisation combating loneliness through technology. This is also complemented by WaveLength being a financially stable organisation meaning that when a funder places money with the organisation it can be assured that the finances will achieve not only the intended outcomes but also a lasting legacy and real value for money.

This year legacies of just over £50,000 were received compared to over £205,000 in 2020. This income is extremely unpredictable, which is why we are focusing on diversifying our fundraising to include income from trusts and foundations, companies and statutory sources. These new income sources can be used, in particular, to meet need in specific areas of the country, often providing equipment to small community based organisations.

We have a policy of match funding income raised from other Trusts and Foundations. This helps spread the charitable commitment, increase the number of people we are able to help and means WaveLength has a greater element of financial stability to be able to continue helping current and future beneficiaries. Given the risk inherent in a legacy and investment heavy income, WaveLength will need to maintain careful control over our financial position, to ensure that we are able to meet ongoing and unpredictable commitments. This includes continuing to provide digital-ready equipment, given the uncertainty of a digital radio rollout in the next few years, and our reaction to potential changes in the licence fee system. Internet provision will also be crucial over the coming years, and a fund for research to support digital equality and understand the impact of our work on loneliness and isolation has been set aside again to support our ongoing work and provide an academic basis for it.

WaveLength achieved a significant breakthrough by campaigning for increased access to equipment and data as a key policy theme for the Loneliness Commission and DCMS. It demonstrated WaveLength's effectiveness when dealing with large national governmental regulators and manufacturing bodies in delivering change for its beneficiaries.

A number of private benefits necessarily arise from WaveLength's activities. In particular, WaveLength finds it essential to employ and remunerate staff. These private benefits are, however, incidental as a necessary by-product of carrying out our aims. The charitable benefit of our work in challenging the isolation and loneliness, experienced by many, through the provision of radios and televisions, and in representing beneficiaries' needs and interests to Government, regulatory bodies and manufacturers has been clearly demonstrated over the last two years.

Reserves Policy

The Trustees recognise the need to strike a balance between WaveLength's continuity, and our primary objective of providing media technology and associated support to as many isolated people as possible. The Trustees remain aware that in any one year, income from donations and legacies can vary greatly and will not necessarily cover expenditure. Part of WaveLength's remit is to plan for not just current but future beneficiaries, and the reserves policy takes this into account. WaveLength also recognises that the financial stability of the charity is important to other funding organisations wishing to support WaveLength's work.

WAVELENGTH CHARITY LIMITED

Report of the Trustees for the year ended 31 March 2021

WaveLength's stability thus provides other charities with the assurance their monies will achieve the intended benefits and outcomes. Free reserves as of 31st March 2021 stand at £1,135,364 (2020 £1,474,366) excluding tangible fixed assets and designated funds.

WaveLength has developed the work it has been doing with organisations to a stage that is far more established and in the coming years this will be mainstreamed into the type of help we give. To be able to meet the growing demand WaveLength's finances have to be robust. This, coupled with the research we have undertaken, means that WaveLength is able to effectively provide technology in a way that combats loneliness and isolation. Digital technology in the form of tablets, radios and televisions are core to WaveLength's work.

These technologies are subject to global market forces and the current uncertainties concerning the UK's exit from the EU, the Covid-19 pandemic and supply chain issues mean our prices have risen. With the 50% target for listening to digital radio being reached the government are now reviewing whether there will be a full switch over to digital radio. This again, could increase demand on the Charity. As a result, the Council has ring fenced £1.5m as a Digital Inclusion Fund to reduce risk to WaveLength's capacity to develop and deliver these new schemes, including keeping up with connected technology developments over the years and creating a web-based infrastructure so beneficiaries can communicate and be informed and entertained through the internet. The Council has decided that the specific need for this £1.5m fund continues and the designated fund for the Digital Inclusion Fund has been retained, to cover current political instability and currency issues.

WaveLength still has the ambition to set up 'The Loneliness Foundation'. To this end, the Council has set up a Loneliness Foundation Fund and has ring fenced a sum of £250,000 as the first step in its development. When the uncertainties that the pandemic has brought are past, work will commence to raise funds for this initiative.

Reserves are necessary to ensure financial stability, especially given the unpredictability of the current situation due to Covid-19 and Brexit, legacy incomes, continued instability in the stock market and the potential for rising inflation, and to meet WaveLength's ongoing commitments and plans as outlined above.

Risk Assessment

The Trustees have assessed the major risks to which WaveLength is exposed, in particular those related to its operation and finances, and are satisfied that sufficient systems and insurance policies are in place to mitigate exposure to major risks. Our objective of providing technology to beneficiaries in vulnerable circumstances means that some loss of equipment is unavoidable, and cannot be predicted. We continue to take action to reduce such losses, but accept some degree of risk as incumbent on our core responsibility to provide equipment to individuals living in isolated and often chaotic situations.

Part of the ethos of the charity is the understanding that its duty as a charity is to take risks on behalf of beneficiaries who cannot afford to take these risks themselves. Grants provided are increasingly monitored and measured so recipients whether groups or individuals are accountable. However, we are working with more experimental methods of providing media technology. A reserves policy is in place to bolster against new risks associated with tablet provision and uncertain times. The commissioning of external parties to assess the impact of WaveLength's work will further help to mitigate risk of trialling and testing working methods.

Investment Policy

WaveLength's investment policy is to invest in listed stocks and shares in a closely-monitored portfolio, under the guidance of its investment advisors, Redmayne Bentley LLP, who are members of the London Stock Exchange. The past year has seen a volatile stock market; dividend returns have fallen for the third year from £151,836 to £133,762. The values of our investments are benchmarked as a guide against the FTSE 100, 350 and All Share Indexes. This is another reason why the trustees have opted for a robust reserves policy, particularly as the charity receives no government funding. The Charity also has invested in gilt interest and corporate bond funds to provide security; these investments will not rise as readily as the indexes.

WAVELENGTH CHARITY LIMITED

Report of the Trustees for the year ended 31 March 2021

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Reference and administrative details

Registered Company number

606888 (England and Wales)

Registered Charity number

207400

Registered office

159a High Street
Hornchurch
Essex RM11 3YB

Trustees

D K Smith JP (Chairman)
S. Derrick (Deputy Chairman)
Mrs M. Grainger
A.S. Judd (deceased September 2021)
Mrs L. Mack
B. Theobald-Hicks
S.J. Turner (Treasurer)
D.M. Lawrence (appointed 1 June 2021)

Director, Company Secretary and Chief Executive

T A Leech

Independent Examiners

Haines Watts Essex LLP
1st Floor Upminster Library
26 Corbets Tey Road, Upminster
Essex RM14 2BB

Bankers

Barclays Bank PLC
The Lemonade Building
2 Station Parade
Ripple Road
Barking
Essex IG11 8DL

Investment Advisers

Redmayne-Bentley LLP
9 Bond Court
Leeds LS1 2JZ

Independent Examiners/Auditors

An audit as required by UK law, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' was undertaken for the year ended 31 March 2020. However, the charity has now fallen below the limits allowing for an independent examination and therefore Haines Watts Essex LLP have been appointed Independent Examiners for the year ended 31 March 2021 and such an examination has been carried out.

WAVELENGTH CHARITY LIMITED

Report of the Trustees for the year ended 31 March 2021

Statement of trustees' responsibilities

The trustees (who are also the directors of Wavelength Charity Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by order of the board of trustees on 16th December 2021 and signed on its behalf by:



.....
S J Turner – Trustee and Treasurer

**Independent Examiner's Report to the Trustees of
Wavelength Charity Limited**

Independent examiner's report to the trustees of Wavelength Charity Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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

J Shroff

Jimmy Shroff
Haines Watts
1st Floor Upminster Library
26 Corbets Tey Road
Upminster
Essex
RM14 2BB

Date: 16/12/21

WAVELENGTH CHARITY LIMITED

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the year ended 31 March 2021**

					2021	2020
	Notes	General fund £	Digital Inclusion Fund £	Loneliness Foundation Fund £	Total funds £	Total funds £
Income and endowments from						
Donations and legacies	2	89,375	-	-	89,375	237,497
Investment income	3	147,141	-	-	147,141	165,134
Total		236,516	-	-	236,516	402,631
Expenditure on						
Raising funds		9,521	-	-	9,521	46,782
Charitable activities	4					
Charitable activities		260,970	-	-	260,970	330,795
Total		270,491	-	-	270,491	377,577
Net gains/(losses) on investments		422,045	-	-	422,045	(454,188)
NET INCOME/(EXPENDITURE)		388,070	-	-	388,070	(429,134)
Transfers between funds	16	(750,000)	500,000	250,000	-	-
Net movement in funds		(361,930)	500,000	250,000	388,070	(429,134)
Reconciliation of funds						
Total funds brought forward		1,851,140	1,000,000	-	2,851,140	3,280,274
Total funds carried forward		1,489,210	1,500,000	250,000	3,239,210	2,851,140

The notes form part of these financial statements

WAVELENGTH CHARITY LIMITED

**Balance Sheet
31 March 2021**

				2021	2020
	Notes	General fund £	Digital Inclusion Fund £	Loneliness Foundation Fund £	Total funds £
Fixed assets					
Tangible assets	11	103,846	-	-	111,774
Investments					
Investments	12	951,843	1,500,000	250,000	2,256,912
Investment property	13	250,000	-	-	265,000
		1,305,689	1,500,000	250,000	2,633,686
Current assets					
Debtors	14	35,560	-	-	37,866
Cash in hand		171,276	-	-	209,712
		206,836	-	-	247,578
Creditors					
Amounts falling due within one year	15	(23,315)	-	-	(30,124)
Net current assets		183,521	-	-	217,454
Total assets less current liabilities		1,489,210	1,500,000	250,000	2,851,140
NET ASSETS		1,489,210	1,500,000	250,000	2,851,140
Funds	16				
Unrestricted funds (including fair value reserve of £818,900 – 2020: £408,019)				1,489,210	1,851,140
Restricted funds				1,750,000	1,000,000
Total funds				3,239,210	2,851,140

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

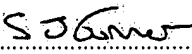
The notes form part of these financial statements

WAVELENGTH CHARITY LIMITED

Balance Sheet - continued
31 March 2021

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

The financial statements were approved by the Board of Trustees and authorised for issue on 16th December 2021 and were signed on its behalf by:


.....
S J Turner - Trustee and Director

WAVELENGTH CHARITY LIMITED

Notes to the Financial Statements for the year ended 31 March 2021

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Wavelength Charity Limited is a private company limited by guarantee, registered in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is 159A High Street, Hornchurch, Essex RM11 3YB.

The financial statements are presented in Sterling which is the functional currency of the charity.

Going concern

The financial statements are prepared on a going concern basis.

The trustees have reviewed and considered relevant information including future cash flows in making their assessment with regard to going concern. The trustees have undertaken measures in response to the Covid-19 pandemic and put contingency measures in place to ensure sufficient cash resources are available to the charity. Based on their assessment and the current resources available, the trustees have concluded that they can continue to adopt the going concern basis in preparing the financial statements.

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations, gifts and legacies are recorded as income in the year that they are received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

Government costs this year include an allocation of the chief executive's salary and of other staff reflecting time spent on governing the charity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

WAVELENGTH CHARITY LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2021

1. Accounting policies - continued

Tangible fixed assets

Freehold property	- 2% on cost
Office furniture and fittings	- 20% on cost
Computer equipment	- 50% on cost

Fixed assets, except investment properties, are valued at cost less accumulated depreciation or impairment losses. Investment properties are stated at fair value and not depreciated.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The Digital Inclusion Fund has been established to meet the anticipated costs of satisfying the needs of beneficiaries of the Charity that may be affected by future changes to TV licencing, pay-per-view structure and developments in technology including tablet computers and connected devices.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Investments

Investments are stated in the Balance Sheet at market value. Unrealised and realised gains and losses are recognised in the Statement of Financial Activities.

Debtors and creditors falling due within one year

Debtors and creditors with no stated interest rate and falling due within one year are recorded at transaction price. Any losses from impairment are recognised as expenditure.

WAVELENGTH CHARITY LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

2. Donations and legacies

	2021	2020
	£	£
Donations	39,001	32,194
Legacies	<u>50,374</u>	<u>205,303</u>
	<u><u>89,375</u></u>	<u><u>237,497</u></u>

3. Investment income

	2021	2020
	£	£
Rents received	13,360	13,250
Other fixed asset invest - FII	133,762	151,836
Deposit account interest	<u>19</u>	<u>48</u>
	<u><u>147,141</u></u>	<u><u>165,134</u></u>

4. Charitable activities costs

	Direct Costs £	Support costs £	Totals £
Charitable activities	<u><u>254,156</u></u>	<u><u>6,814</u></u>	<u><u>260,970</u></u>

5. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	<u><u>9,227</u></u>	<u><u>9,333</u></u>

6. Auditors' remuneration

	2021	2020
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	-	6,240
Auditor's remuneration for non-audit work	1,450	960
Independent examiner's fees	<u><u>5,400</u></u>	<u><u>-</u></u>

WAVELENGTH CHARITY LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

7. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

	2021 £	2020 £
Trustees' expenses	<u>-</u>	<u>487</u>

8. Staff costs

	2021 £	2020 £
Wages and salaries	151,653	172,129
Social security costs	10,374	12,932
Other pension costs	<u>14,480</u>	<u>15,978</u>
	<u>176,507</u>	<u>201,039</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Administration	<u>5</u>	<u>6</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£70,001 - £80,000	<u>1</u>	<u>1</u>

Directors remuneration

	2021 £	2020 £
Remuneration and other benefits	<u>83,860</u>	<u>83,860</u>

WAVELENGTH CHARITY LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

9. Comparatives for the statement of financial activities

	General fund 2020 £	Digital Inclusion Fund 2020 £	Loneliness Foundation Fund 2020 £	Total funds 2020 £
Income and endowments from				
Donations and legacies	237,497	-	-	237,497
Investment income	<u>165,134</u>	<u>-</u>	<u>-</u>	<u>165,134</u>
Total	402,631	-	-	402,631
Expenditure on				
Raising funds	46,782	-	-	46,782
Charitable activities				
Charitable activities	<u>330,795</u>	<u>-</u>	<u>-</u>	<u>330,795</u>
Total	377,577	-	-	377,577
Net gains/(losses) on investments	<u>(454,188)</u>	<u>-</u>	<u>-</u>	<u>(454,188)</u>
NET INCOME/(EXPENDITURE)	(429,134)	-	-	(429,134)
Reconciliation of funds				
Total funds brought forward	<u>2,280,274</u>	<u>1,000,000</u>	<u>-</u>	<u>3,280,274</u>
Total funds carried forward	<u><u>1,851,140</u></u>	<u><u>1,000,000</u></u>	<u><u>-</u></u>	<u><u>2,851,140</u></u>

10. Pension commitments

The Charity pays the personal pension contributions of the chief executive, pays a pension to a former member of staff and pays contributions to a non-contributory defined contribution pension scheme for all eligible staff. The total pension cost for the year amounted to £14,480 (2020 - £15,978).

WAVELENGTH CHARITY LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2021

11. Tangible fixed assets

	Freehold property £	Office furniture and fittings £	Computer equipment £	Totals £
Cost				
At 1 April 2020	212,492	38,123	19,264	269,879
Additions	-	-	1,299	1,299
At 31 March 2021	<u>212,492</u>	<u>38,123</u>	<u>20,563</u>	<u>271,178</u>
Depreciation				
At 1 April 2020	109,569	34,205	14,331	158,105
Charge for year	<u>4,250</u>	<u>2,241</u>	<u>2,736</u>	<u>9,227</u>
At 31 March 2021	<u>113,819</u>	<u>36,446</u>	<u>17,067</u>	<u>167,332</u>
Net book value				
At 31 March 2021	<u>98,673</u>	<u>1,677</u>	<u>3,496</u>	<u>103,846</u>
At 31 March 2020	<u>102,923</u>	<u>3,918</u>	<u>4,933</u>	<u>111,774</u>

12. Fixed asset investments

	Listed investments £	Unlisted investments £	Totals £
Market value			
At 1 April 2020	2,197,620	59,292	2,256,912
Additions	64,883	-	64,883
Disposals	(56,997)	-	(56,997)
Revaluations	<u>424,771</u>	<u>12,274</u>	<u>437,045</u>
At 31 March 2021	<u>2,630,277</u>	<u>71,566</u>	<u>2,701,843</u>
Net book value			
At 31 March 2021	<u>2,630,277</u>	<u>71,566</u>	<u>2,701,843</u>
At 31 March 2020	<u>2,197,620</u>	<u>59,292</u>	<u>2,256,912</u>

There were no investment assets outside the UK.

Historic cost of fixed asset investments:

Listed investments	- £1,977,477	(2020 - £2,030,907)
Unlisted investments	- £4,823	(2020 - £4,823)

WAVELENGTH CHARITY LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

13. Investment property

	£
Fair value	
At 1 April 2020	265,000
Fair value movements	<u>(15,000)</u>
At 31 March 2021	<u>250,000</u>
Net book value	
At 31 March 2021	<u>250,000</u>
At 31 March 2020	<u>265,000</u>

The Charity owns a freehold property that meets the requirements of a mixed use property as defined by FRS102.

The investment property proportion of the freehold property was subject to an independent professional valuation and was valued on 31 March 2019 by Hilbery Chaplin, Chartered Surveyors on the Market Value basis, subject to any formal lease in place. There were no specific assumptions made in the valuation.

In the opinion of the trustees, the market value of the investment property proportion at 31 March 2021 fell to £250,000, based on the rental income that could be achieved.

14. Debtors: amounts falling due within one year

	2021	2020
	£	£
Other debtors	4,916	221
Tax	-	2,145
Prepayments and accrued income	<u>30,644</u>	<u>35,500</u>
	<u>35,560</u>	<u>37,866</u>

15. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	1,866	3,585
Social security and other taxes	4,704	4,827
Other creditors	11,174	15,140
Accruals and deferred income	<u>5,571</u>	<u>6,572</u>
	<u>23,315</u>	<u>30,124</u>

WAVELENGTH CHARITY LIMITED

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

16. Movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	1,851,140	388,070	(750,000)	1,489,210
Restricted funds				
Digital Inclusion Fund	1,000,000	-	500,000	1,500,000
Loneliness Foundation Fund	-	-	250,000	250,000
	<u>1,000,000</u>	<u>-</u>	<u>750,000</u>	<u>1,750,000</u>
TOTAL FUNDS	<u>2,851,140</u>	<u>388,070</u>	<u>-</u>	<u>3,239,210</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	236,516	(270,491)	422,045	388,070
TOTAL FUNDS	<u>236,516</u>	<u>(270,491)</u>	<u>422,045</u>	<u>388,070</u>

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	2,280,274	(429,134)	1,851,140
Restricted funds			
Digital Inclusion Fund	1,000,000	-	1,000,000
TOTAL FUNDS	<u>3,280,274</u>	<u>(429,134)</u>	<u>2,851,140</u>

WAVELENGTH CHARITY LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2021

16. Movement in funds - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	402,631	(377,577)	(454,188)	(429,134)
TOTAL FUNDS	<u>402,631</u>	<u>(377,577)</u>	<u>(454,188)</u>	<u>(429,134)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	2,280,274	(41,064)	(750,000)	1,489,210
Restricted funds				
Digital Inclusion Fund	1,000,000	-	500,000	1,500,000
Loneliness Foundation Fund	-	-	250,000	250,000
	<u>1,000,000</u>	<u>-</u>	<u>750,000</u>	<u>1,750,000</u>
TOTAL FUNDS	<u>3,280,274</u>	<u>(41,064)</u>	<u>-</u>	<u>3,239,210</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	639,147	(648,068)	(32,143)	(41,064)
TOTAL FUNDS	<u>639,147</u>	<u>(648,068)</u>	<u>(32,143)</u>	<u>(41,064)</u>

Designated Funds

A few years ago, the Charity faced several unpredictable changes in the field of media technology. In order to future-proof our beneficiaries' needs against upcoming changes to TV licensing and pay-per-view structure, and developments in technology including tablet computers and connected devices, the Trustees set aside a designated Digital Inclusion Fund of £1m to reduce the risk to Wavelength's capacity to promote digital inclusion for our beneficiaries. The Trustees now believe the need for this fund continues to exist in particular with the current political instability and currency issues and have increased the fund to £1.5m.

WAVELENGTH CHARITY LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2021

16. Movement in funds - continued

WaveLength is the nation's leading loneliness charity giving technology to those in need. The Trustees have set up a designated fund 'The Loneliness Foundation Fund' with an opening balance of £250,000 in the year ending 31 March 2021 as the first stage in the development of The Loneliness Foundation.

17. Related party disclosures

There were no related party transactions for the year ended 31 March 2021.

WAVELENGTH CHARITY LIMITED

Detailed Statement of Financial Activities for the year ended 31 March 2021

	2021 £	2020 £
Income and endowments		
Donations and legacies		
Donations	39,001	32,194
Legacies	<u>50,374</u>	<u>205,303</u>
	89,375	237,497
Investment income		
Rents received	13,360	13,250
Other fixed asset invest - FII	133,762	151,836
Deposit account interest	<u>19</u>	<u>48</u>
	<u>147,141</u>	<u>165,134</u>
Total incoming resources	236,516	402,631
Expenditure		
Raising donations and legacies		
Wages	7,423	39,453
Social security	433	3,782
Pensions	586	2,276
Fund raising	<u>1,079</u>	<u>1,271</u>
	9,521	46,782
Charitable activities		
Wages	143,043	85,600
Social security	9,820	3,904
Pensions	13,788	9,295
Rates and insurance	1,823	2,597
Light and heat	1,248	1,502
Telephone	1,589	2,146
Printing and stationery	212	1,971
Sundries	655	2,577
PR literature	4,867	2,885
Repairs	123	5,909
Cleaning	1,288	1,318
Computer expenses	3,551	6,755
Database	-	9,240
Postage	5,039	2,174
Staff expenses	178	3,741
Legal and professional	21,522	16,471
Carried forward	208,746	158,085

This page does not form part of the statutory financial statements

WAVELENGTH CHARITY LIMITED

**Detailed Statement of Financial Activities
for the year ended 31 March 2021**

	2021 £	2020 £
Charitable activities		
Brought forward	208,746	158,085
Accountancy	1,450	960
Depreciation	4,977	5,082
Freehold property	4,250	4,250
TV costs	11,027	67,290
TV Licences	-	155
Radios	19,797	9,523
Tablets	<u>3,909</u>	<u>21,994</u>
	254,156	267,339
Support costs		
Governance costs		
Wages	1,187	47,076
Social security	121	5,246
Pensions	106	4,407
Auditors' remuneration	-	6,240
Council of management expenses	-	487
Independent examiner's fees	<u>5,400</u>	<u>-</u>
	<u>6,814</u>	<u>63,456</u>
Total resources expended	<u>270,491</u>	<u>377,577</u>
Net (expenditure)/income before gains and losses	(33,975)	25,054
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>422,045</u>	<u>(454,188)</u>
Net income/(expenditure)	<u><u>388,070</u></u>	<u><u>(429,134)</u></u>

This page does not form part of the statutory financial statements