

Company No.  
05798215  
England and Wales

**SocietyWorks Ltd**  
**Report and Audited Financial Statements**  
**31 March 2021**



## **SocietyWorks Ltd**

### **Legal and administrative details**

**For the year ended 31 March 2021**

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<b>Status</b>	The organisation is a private company limited by shares incorporated on 27 April 2006.
<b>Registered number</b>	05798215    England and Wales
<b>Registered office</b>	483 Green Lanes London N13 4BS
<b>Directors</b>	A Adewunmi M Cridge J Cronin                      (resigned 6 July 2020) J Flowers T Hunt A Mitchell C Ross S Skelton
<b>Secretary</b>	J Cronin                      (resigned 6 July 2020)
<b>Auditors</b>	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

## **SocietyWorks Ltd**

### **Directors' report**

#### **For the year ended 31 March 2021**

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The directors present their annual report and financial statements for the year ended 31 March 2021.

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

#### **Statement of disclosure of information to auditors**

The directors of the company who held office at the date of approval of this directors report confirm that:

- so far as they are aware, there is no relevant audit information, information needed by the company's auditors in connection with preparing their report, of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **Directors**

The directors who served during the year were as follows:

A Adewunmi	
M Cridge	
J Cronin	(resigned 6 July 2020)
J Flowers	
T Hunt	
A Mitchell	
C Ross	
S Skelton	

**SocietyWorks Ltd**

**Directors' report**

**For the year ended 31 March 2021**

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**Auditors**

The auditors, Godfrey Wilson Limited, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

The above report has been prepared in accordance with the special provisions relating to the small companies regime as set out in Part 15 of the Companies Act 2006.

Signed on behalf of the board of directors



J Flowers  
Director

Approved by the board: 22 October 2021.

## **SocietyWorks Ltd**

### **Independent auditors report**

#### **For the year ended 31 March 2021**

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##### **Opinion**

We have audited the financial statements of SocietyWorks Ltd (the 'company') for the year ended 31 March 2021 which comprise the profit and loss account, balance sheet and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 Section 1A: 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 company's affairs as at 31 March 2021 and of its profit or loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

##### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

## **SocietyWorks Ltd**

### **Independent auditors report**

#### **For the year ended 31 March 2021**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of directors' remuneration specified by law are not made;
- we have not obtained all the information and explanations necessary for the purposes of 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 directors' report and from the requirement to prepare a strategic report.

#### **Responsibilities of the directors**

As explained more fully in the directors' responsibilities statement set out in the directors' report, the directors 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 they 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Our 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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the company operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the company's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of director meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or 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. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

**SocietyWorks Ltd**

**Independent auditors report**

**For the year ended 31 March 2021**

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

**Use of our report**

This report is made solely to the 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 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 company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Alison Godfrey*

Date: 2 November 2021

**Alison Godfrey FCA**  
**(Senior Statutory Auditor)**

For and on behalf of:  
**Godfrey Wilson Limited**  
Chartered accountants and statutory auditors  
5th Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD



**SocietyWorks Ltd****Profit and loss account****For the year ended 31 March 2021**

	Note	2021 £	2020 £
<b>Turnover</b>	2	<b>1,016,050</b>	<b>717,099</b>
Cost of sales		<u>-</u>	<u>-</u>
<b>Gross profit</b>		<b>1,016,050</b>	<b>717,099</b>
Administrative expenses		<u>(670,501)</u>	<u>(694,995)</u>
<b>Operating profit</b>	3	<b>345,549</b>	<b>22,104</b>
Tax on profit on ordinary activities	5	<u>-</u>	<u>-</u>
<b>Profit for the financial year after taxation</b>		<b><u>345,549</u></b>	<b><u>22,104</u></b>

**Statement of income and retained earnings**

	2021 £	2020 £
<i>Changes in equity</i>		
Total retained profit brought forward	<b>2,755</b>	651
Total comprehensive income for the year	<b>345,549</b>	22,104
Gift aid distribution to parent charity	<u><b>(345,549)</b></u>	<u>(20,000)</u>
<b>Total retained profit carried forward</b>	<b><u>2,755</u></b>	<b><u>2,755</u></b>

**SocietyWorks Ltd****Balance sheet****As at 31 March 2021**

	Note	£	2021 £	2020 £
<b>Fixed assets</b>				
Intangible assets	6		<u>94,498</u>	<u>-</u>
<b>Current assets</b>				
Debtors	7	232,800		167,841
Cash at bank and in hand		<u>382,443</u>		<u>102,797</u>
		615,243		270,638
<b>Creditors: amounts due within 1 year</b>	8	<u>(706,985)</u>		<u>(267,882)</u>
<b>Net current assets / (liabilities)</b>			<u>(91,742)</u>	<u>2,756</u>
<b>Net assets</b>			<u><u>2,756</u></u>	<u><u>2,756</u></u>
<b>Capital and reserves</b>				
Called up share capital	9		1	1
Profit and loss account			<u>2,755</u>	<u>2,755</u>
<b>Shareholders' funds</b>			<u><u>2,756</u></u>	<u><u>2,756</u></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the directors on 22 October 2021 and signed on their behalf by



J Flowers  
Director

## **SocietyWorks Ltd**

### **Notes to the financial statements**

#### **For the year ended 31 March 2021**

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##### **1. Accounting policies**

###### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 Section 1A - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

###### **Going concern**

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

###### **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of recurring annual licence fees is recognised on a straight line basis over the term of the licence, except in the first year in which case revenue is recognised to the extent of development time spent on the product.

###### **Intangible fixed assets**

Intangible fixed assets are amortised at rates calculated to write off the assets on a straight line basis over their estimated useful economic lives. Impairment of intangible assets is reviewed where circumstances indicate that the carrying value of an asset may not be fully recoverable. The amortisation rate in use is as follows:

Product development	3 years
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###### **Trade and other debtors**

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad or doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad or doubtful debts.

###### **Cash and cash equivalents**

Cash and cash equivalents 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.

###### **Trade and other creditors**

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

###### **Financial instruments**

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

## SocietyWorks Ltd

### Notes to the financial statements

#### For the year ended 31 March 2021

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#### 1. Accounting policies (continued)

##### Taxation

The company has not incurred a corporation tax charge in the period due to its policy of paying all taxable profits to its parent charity under gift aid.

Where payment of the company's taxable profits to the parent charity falls after the reporting date, the income tax effects of that gift aid payment are still recognised at the reporting date. The income tax effects are measured consistently with the tax treatment planned to be used in the company's income tax filings, and a deferred tax liability is not recognised in relation to such a gift aid payment.

##### Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

##### Key accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key source of estimation uncertainty that has a significant effect on the amounts recognised in the financial statements is the work in progress balance. Work in progress is calculated by comparing progress on a project against the budgeted cost. The work in progress balance is £3,075 (2020: £28,065) as shown as accrued income in note 7 below.

#### 2. Turnover

Turnover represents net invoiced sales of goods, excluding Value Added Tax.

Turnover attributable to geographical markets outside of the UK amounted to 1% (2020: 5%).

#### 3. Operating profit

This is stated after charging:

	2021 £	2020 £
Directors' remuneration	<u>51,961</u>	<u>52,231</u>

## SocietyWorks Ltd

### Notes to the financial statements

#### For the year ended 31 March 2021

#### 4. Employees

The average number of persons employed by the company (including directors) during the year was nil (2020: nil). Salary costs of £617,909 (2020: £612,410) have been recharged to SocietyWorks Ltd by its parent charity, mySociety.

#### 5. Taxation

	2021 £	2020 £
UK corporation tax at 19% based on results for the period	-	-
Factors affecting current tax charge:		
Profit on ordinary activities by rate of tax	65,654	4,200
Losses utilised in the period	-	(400)
Gift aid profits to parent charity	(65,654)	(3,800)
<b>Total current tax charge</b>	-	-

#### 6. Intangible fixed assets

	Product development £
<b>Cost</b>	
At 1 April 2020	-
Additions	94,498
At 31 March 2021	94,498
<b>Amortisation</b>	
At 1 April 2020	-
Charge for the year	-
At 31 March 2021	-
<b>Net book value</b>	
At 31 March 2021	94,498
At 31 March 2020	-

**SocietyWorks Ltd****Notes to the financial statements****For the year ended 31 March 2021****7. Debtors**

	2021 £	2020 £
Trade debtors	229,725	110,190
Other debtors	-	6,608
Amounts owing by the group undertakings	-	22,978
Accrued income	3,075	28,065
	<u>232,800</u>	<u>167,841</u>

**8. Creditors : amounts due within 1 year**

	2021 £	2020 £
Trade creditors	-	2,520
Amounts owed to group undertakings	365,183	-
Social security and other taxes	73,787	51,108
Accruals and deferred income	268,015	214,254
	<u>706,985</u>	<u>267,882</u>

**9. Called up share capital**

	2021 £	2020 £
Allotted, called up and fully paid 1 ordinary share of £1 each	<u>1</u>	<u>1</u>

**10. Related party transactions***Ultimate controlling party*

The company is a subsidiary of mySociety, a charitable company incorporated in England and Wales.

mySociety paid £33,919 (2020: £50,647) of general administrative expenses and £617,909 of staff costs on behalf of SocietyWorks Ltd (2020: £612,410). A further £94,498 of recharged staff costs were capitalised and are held on the balance sheet as an intangible asset (2020: £nil).

The company made donations of £345,549 (2020: £20,000) to mySociety during the year. At the year end SocietyWorks Ltd owed £365,183 to mySociety (2020: SocietyWorks Ltd was owed £22,978 from mySociety).

**SocietyWorks Ltd**

**Detailed trading profit and loss account**

**For the year ended 31 March 2021**

	2021 £	2020 £
<b>Turnover</b>	<b>1,016,050</b>	<b>717,099</b>
<b>Cost of sales</b>	<u>-</u>	<u>-</u>
<b>Gross profit</b>	<u><b>1,016,050</b></u>	<u><b>717,099</b></u>
<b>Administrative expenses</b>		
Directors' remuneration	51,961	52,231
Salaries and wages	565,948	560,179
Contractor fees	-	3,600
Accountancy and audit fees	2,400	2,050
Legal and professional fees	6,856	9,045
Rent, rates and water	3,957	7,288
Advertising	11,482	14,523
Bank charges	1,660	1,443
Insurance	3,419	3,261
Travel and subsistence	98	16,941
<i>Administration and office expenses:</i>		
Computer costs	17,638	15,149
General expenses	216	742
Printing postage and stationery	850	485
Team meetings	3,391	6,380
Telephone	625	1,903
Foreign currency gains/losses	<u>-</u>	<u>(225)</u>
	<b>22,720</b>	<b>24,434</b>
<b>Total administrative expenses</b>	<u><b>(670,501)</b></u>	<u><b>(694,995)</b></u>
<b>Operating profit</b>	<u><b>345,549</b></u>	<u><b>22,104</b></u>