

Steps to Work (Walsall) Limited

Trustees Report and Financial Statements

for the year ended 31 March 2017

Steps to Work

Trustees Report // 2017

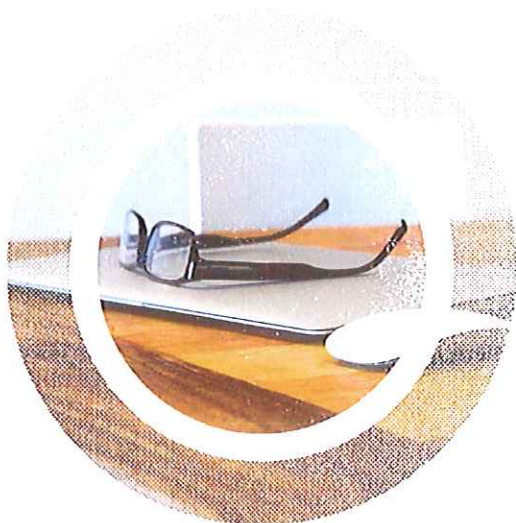


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Developing and delivering training programmes and creating employment opportunities for the local community.



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Trustees Report // 2017

Steps to Work (Walsall) Ltd is a registered charity formed in 1999, Charity No.1100403 and a Company Limited by guarantee constituted under the Companies Act 2006 and registered in England and Wales, Company Registration 3738249.

The registered office of the charity is Challenge Building, Hatherton Road, Walsall, WS1 1XS.

The charity operates a wholly owned subsidiary, **Starting Point Recruitment Ltd**, which is a Company Limited by shares and registered in England and Wales, Registration No. 4560776, formed in October 2002. The registered office for Starting Point Recruitment is the same as that of the charity. As an organisation we are committed to equality and diversity and to a working environment that is free from any form of discrimination on the grounds of colour, ethnicity, race, religion, sex, sexual orientation or disability.

VISION

Our vision is to create opportunities and change futures by working with local people and businesses across the West Midlands. We will do this by embedding our values into everything we do offering:

S - SUPPORT
T - TRAINING
E - EXTRA MILE
P - PROGRESSION
S - SUSTAINMENT

MISSION

We will fulfil our vision by helping individual people, businesses and communities achieve their potential by:

- Working with partners to create excellent advice, guidance, training and employment related services.
- Securing the right blend of staff, resources, systems and partners
- Being responsive to changing local and economic needs.
- Raising local people's aspirations
- Creating sustainable long term employment and skills opportunities

AIMS

The longer-term objectives of STW are to:

- Provide outstanding and innovative learning and employability services
- Put needs of learners, customers and employers first
- Promote equality, diversity and social accountability
- Attract engage and ensure the development of our staff
- Secure geographical and financial growth through new business opportunities
- Develop strategic partnerships to secure investment and sustainability

DELIVERING PUBLIC BENEFIT

This section covers how our activities and services meet the various principles of 'public benefit' as set out by the Charity Commission.

Providing real impact and measurable benefits to the people we have supported.

PRINCIPAL 1: There must be an identifiable benefit or benefits.

This is underpinned in three clear principle headings.

Principle 1a Providing advice, guidance and training through our programmes, for example:

- Work Programme (DWP funded)
- Work on the Horizon (Big Lottery Funded)
- Building Better Opportunities
- Supporting those Not in Employment, Education or Training (NEET)
- Apprenticeships and Traineeships (SFA Funded)
- Other projects designed to assist employees and employers

Identifiable benefits are recognised in the numbers of people who are disadvantaged in the labour market (our customers) that we have assisted to improve their skills, employability, qualifications and career prospects.

Principle 1b Delivering high quality, accessible and inclusive services which benefit our customers and the wider community and is wholly integral to the work we do as a Charity.

The delivery of the above programmes provides measurable benefits by providing opportunities for people to overcome their personal barriers, whilst improving their skills, employability, qualifications and career prospects. This directly relates to the aims, objectives and mission of the Charity.

Contained in this report are project summaries and case studies which demonstrate the benefits our various programmes and projects have provided to our customers.

Principle 1c The services we deliver for the benefit of our customers are balanced against any detriment or harm to individuals, groups or the environment.

The Trustees have examined the organisation's programmes, projects and actions, and believe that its work delivers net benefit to the public, specifically assisting people who are disadvantaged in the labour market to gain the skills and knowledge required to access sustainable employment.

In reviewing these programmes, projects and actions the Trustees believe that any detriment or harm caused would not outweigh any potential benefit. We ensure that actions which could be dangerous or damaging to mental or physical health, or that encourage or promote violence or hatred towards others, are covered within our Equality and Diversity strategy, policies and procedures.

The organisation has in place strict health and safety and safeguarding procedures which are there to ensure the safety and welfare of all customers, staff and visitors. This includes any activity that takes place on our own premises or when undertaking activities in other locations.

Our achievements have been recognised externally by retaining our Investors In People Gold standard, the Leaders in Diversity award and retaining the Government's 'two ticks' symbol for equality for disabled workers.

Our Commitment to Environmental Sustainability is contained within this report and is managed to the ISO14001 standard. This international standard enables us to minimise our environmental impact whilst growing our business. Commitment to the organisation's reducing potential detriment or damage to the environment is published in our sustainable development and environmental policy statements. Actions are managed by the staff Environmental Working Group.

PRINCIPAL 2: Benefit must be to the public, or a section of the public.

As a Charity our aim is to provide benefits to the widest range of people. In doing so we take a proactive approach to developing and delivering a diverse range of projects in line with our aims and objectives. This is underpinned by four clear principle headings.

Principle 2a Programme Delivery focusses predominantly on the unemployed population (our customers) of the Black Country and surrounding areas.

Principle 2b Benefit is not unreasonably restricted by geographical restrictions, or by the ability of an individual to pay for a service.

Principle 2c No person is restricted from benefiting because they are in poverty as most activities and programmes are externally funded.

Principle 2d No person or organisation will accrue any private benefits, as a result of the support and assistance we have provided

Though some of our funding may be geographically targeted it is aimed at specific disadvantaged groups to reflect local needs. The majority of our customers are likely to be defined as 'being in poverty' which is based on a number of factors including the economic, social and personal barriers they face.

We consider that these groups represent those with the greatest levels of need and therefore require specific help and support to overcome barriers and realise their potential.

We believe that those who face many barriers deserve the right support to build a better future and contribute positively to the economy and the community.



FACTS AND STATISTICS

These charts show the background of customers who have used Steps to Work services within the Black Country, in the financial year 2016-2017.

The breakdown of the unemployed by their own definition, assisted by Steps to Work is detailed by; Ethnic Origin, Age, Gender and Disability.

GENDER

Male	51%
Female	49%

AGE

Under 24	24%
25-49	42%
50+	34%

DISABILITY

No disability	57%
Disability	43%
Prefer not to say	0%
Not known	0%

ETHNIC ORIGIN

2.37%	Indian
0.38%	Asian or Asian British Other
3.51%	Asian or Asian British Pakistani
0.76%	Asian or Asian British Bangladeshi
1.99%	Black or Black British Caribbean
1.04%	Black or Black British African
0.38%	Black or Black British Other
1.04%	Mixed White and Black Caribbean
0.57%	Mixed White and Asian
0.95%	Mixed White/Black African
0.57%	Mixed Other
0.19%	Chinese
8.16%	Not known
0.20%	Other
76.66%	White British
0.47%	White Irish
0.76%	White Other



LOCATIONS OF DELIVERY

Our services were delivered at three fixed sites, one mobile site and various outreach locations across the Black Country and surrounding areas.

Challenge Building

Steps to Work moved out of Townend House in 2016 and now operates from the Head Office at Challenge Building. Both Building Better Opportunities projects (Bridges and Evolve), Teaching and Learning and the Corporate team are all now situated at Challenge Building.

Work on the Horizon

Initially commenced in 2003 as an outreach service based on the Mobile Information Unit the premises on Bloxwich High Street, Walsall, West Midlands became fully operational in June 2005 serving the residents of the Bloxwich and Blakenall area.

Darlaston Jet

Darlaston Jet reopened its doors in March 2016 with staff permanently moving from the offices at Townend House on the 1st March 2016 to deliver the work programme.

Mobile Information Unit or "MAGI" (Mobile Advice Guidance & Information)

Our fully mobile office travels across the borough taking services and support to customers in their communities.

You can read about how our service delivery has helped people in our case studies and customer journeys throughout this report.



TRUSTEES

Mr Ninder Johal - Chair of the Board	Managing Director – Nachural Productions
Mr Manjit Singh Jhooty - Vice chair of the Board	Managing Director - Pasab Ltd t/a Jhoots Pharmacy
Mrs Vera Birch	Community Resident - South Willenhall Local Committee
Mr Robert Thomas	Community Resident
Mrs Susan Wood	Community Resident
Mr Ged Jones	Retired teacher
Councillor Chris Towe	Walsall Council
Councillor Naheed Gultasib	Walsall Council
Mr Stephen Preston	Managing Director - Kirkpatrick Ltd (left January 2017)
Mr Patrick Newland	Managing Director – Relco (left September 2016)
Ms Carole Wildman Corporate Director - Growth	Walsall Housing Group (retired September 2016)

SENIOR MANAGEMENT TEAM

James Walsh	Chief Executive Officer
Sue Dimmock	Deputy Chief Executive Officer
Crystina Woolley	Business Continuity Information & Compliance Manager
Tamara Crutchley	Business Development and SFA Manager
Stephanie Hammond	Partnership Manager
Rizwana Hussain	Work Programme Manager

CORPORATE TEAM

Raj Sarai	Personnel Manager
Natasha Harmer	Marketing Officer
David Jones	Health & Safety Officer (Left June 2016)



TEAMWORK

Steps to Work delivers through its various sites projects and programmes which aim to:



Increase employability skills and employment prospects

Develop people's skills

Provide quality information advice and guidance to those who need it the most

Promote employment opportunities to local people

Chair's Statement

During my first year as Chair I have concluded that Steps to Work have not been immune to the effects of this changing political landscape both nationally and regionally.

Recent political and economic turbulence means Steps to Work have to be extra vigilant when operating in an unpredictable world. As a Board and organisation we seek to remodel ourselves to reflect this ever changing world to ensure that we are nimble and innovative enough to operate in this turbulent new environment. The changing face of ever diminishing public sector work means that we have had to change our mindset to operate in a different way.

Despite the uncertainties we have faced 2016/17 has been a positive year for Steps to Work after a difficult period in 2015/16. It has been a year for growth and development and the future is looking bright.

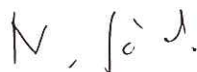
During the last year Steps to Work has grown after securing funding that has enabled us to redeploy valued staff members across the company whilst recruiting new talent for the delivery of new contracts. The teaching and learning department in particular has flourished in 2016/17 following a tumultuous 2015/16 which saw a number of valuable staff members lost. Due to a number of new contracts this year we have been able to grow the department again.

One key success this year has been the Building Better Opportunities 'Bridges' project which has not only seen Steps to Work secure the largest chunk of funding from the Big Lottery Fund and European Social Fund for the Building Better Opportunities program but has also provided essential cost-recovery which has helped secure the future of the organisation. Steps to Work's role as lead organisation with 29 partner organisations has been recognised by The Big Lottery Fund as a beacon example of compliance which has led to discussions about future opportunities. By 31st March 2017 the Bridges programme had 481 individuals engaged and receiving tailored support.

Our aim is to continue to strengthen the Board to best represent the wider area in which we operate; therefore adding new Trustees to the Board is a key focus for the future, alongside developing the skills and experience of our existing Trustees.

2017/18 should continue to see Steps to Work grow with more contracts on the horizon. The funding from these contracts means that Steps to Work is well positioned to continue to serve the people of the Black Country and wider West Midlands.

I hope that the Trustees report makes interesting reading in highlighting the achievements during the past 12 months.



Ninder Johal
Chair of the Board of Trustees

Creating amazing opportunities for local people and local businesses

STRUCTURE GOVERNANCE AND MANAGEMENT

APPOINTMENT OF TRUSTEES

New Trustees are appointed through a process of open recruitment.

To become a Trustee candidates must either live or work within the West Midlands and be a supporter of the work being delivered by Steps to Work.

Expressions of interest for new Trustees are sought between July and September each year. Anyone expressing an interest will be given a copy of the job description and person specification and asked to complete an application form by an agreed closing date.

Interviews will be set up with a panel of existing Trustees and the Company Secretary who will take account of the candidate's skills and abilities as the basis for a recommendation to the Annual General Meeting held in September each year.

Job descriptions and job specifications are produced for the main key roles and for general Trustees. Appointments are made on the basis of individual skills and abilities.

A Trustees' handbook is used which outlines the role of the Trustee along with a Trustees' induction book which provides further information about the role and its responsibilities.

A budget is set aside to develop board members and provide training where required ensuring that all Trustees have a common understanding and ethos.

To ensure continuity whilst attracting new Trustees a rolling programme of annual changes has been agreed whereby all members will, over a three year programme, be subject to possible retirement.

GOVERNING DOCUMENT

The company is registered as a Company Limited by guarantee in England and Wales (Ref: 3738249) and is governed in accordance with its Memorandum and Articles of Association.

ORGANISATIONAL STRUCTURE

The Board of Trustees meets bi-monthly and receives clear and concise reports from the Chief Executive and Senior Management Team on strategic and operational issues.

Each report contains key financial and performance data for our delivery programmes together with a series of recommendations on which the board are required to make decisions.

The tasks and decisions associated with running the company are delegated to the Chief Executive Officer (CEO) with the support of the Senior Management Team.

This structure allows decisions to be made in line with the company Memorandum and Articles of Association together with the agreed policies and procedures which cover:

- Financial transactions
- Business development
- Business management
- Contract and Service Level Agreement Obligations
- Resource decisions including people, property and ICT
- Marketing activities
- Quality of services
- Environmental impact
- Health & Safety
- Safeguarding

OBJECTIVES AND ACTIVITIES TO PROVIDE PUBLIC BENEFIT

Steps to Work, through its activities, aims to:

- Support those who face multiple barriers to build a better future.
- Develop and deliver a wide range of employment and training programmes serving the Black Country and West Midlands.
- Provide employment training and career progression opportunities for local people of the West Midlands in particular those in Walsall, Wolverhampton and Sandwell & Dudley.
- Develop collaborative partnerships with other local organisations to support local people with employment and training needs.

Chief Executive's Statement

Welcome to the 2016/17 Trustees Report for Steps to Work (Walsall) Ltd. The operating year has seen many challenges come and go and we have remained focussed on positioning ourselves strategically to take advantage of the new opportunities commissioned this year.

The biggest challenge has been trying to balance the small number of profit making contracts with the cost recovery/ grant funded programmes in order to cover the overheads and management costs of the organisation. We are as lean as we possibly can be but the fact remains that we need more profit making programmes to be commissioned. Across the organisation we have retained the ethos of "working outside of your job description" and the teams have continued to meet our expectations well.

Building Better Opportunities is one such "cost recovery" opportunity and after many months of hard work and preparation our BBO BRIDGES programme went live in the Black Country in July 2016 followed by the BBO Evolve programme going live in South Staffordshire in January 2017. The BBO programmes have enabled us to build a solid network of over 40 partners across a wide geography whilst recruiting new colleagues into the business. Our approach to partnerships has been positively recognised by BBO commissioners including the LEP's, DWP, ESF and the Big Lottery.

For 2017/18 this approach will provide solid foundations for more locally commissioned profit making contracts such as the Work and Health programme.

Our focus on securing a strategic partner has continued throughout the year and we have identified two potential partners we would like to work with. The onus will be on working collaboratively with any strategic partners with agreements governed by Service Levels Agreements ahead of any formal mergers which may take place in 2017/18.

The work programme team have continued to perform extremely well with customers who face long standing health issues and disabilities. By linking this to our network of BBO providers we have seen some positive results and learning whilst providing a more holistic and health focussed approach.

Our Teaching and Learning Department has reinvented itself, moving away from traditional learners aged 16 to 19 and focussing on Community and Adult learning provision. This has seen previous losses made in the department balance out and set a trend for profit making business which underpins our vision and values.

Finally we have also seen significant changes in our Governance with a new Trustee recruitment programme under way to bring new skills and experience to the Boards of Steps to Work and Starting Point Recruitment.

I hope you enjoy reading through this year's report which highlights the positive impact we continue to have on people's lives and demonstrates what is in our DNA which is aimed at helping those who face the biggest barriers in life get the support they need to build a better future.

"THOSE WHO FACE THE BIGGEST BARRIERS IN LIFE"



James Walsh
Chief Executive Officer



James Walsh
Steps to Work
Chief Executive
Officer



DESERVE HELP TO BUILD A BETTER FUTURE™

Programme Delivery

SUMMARY OF PROGRAMMES DELIVERED DURING 2016 - 2017

The following pages provide an overview of the many different projects and programmes contracted to Steps to Work during this financial year.

All have enabled us to achieve our aims and objectives to deliver a service to our customers and the wider community.

The summaries shown allow you to observe the level and scope of provision Steps to Work are able to offer.

There are many case studies of customers and partnerships which we have successfully built over the last twelve months.





Work on the Horizon (WOTH) in Bloxwich has been established since 2005 serving the residents of North Walsall. Being based within the heart of the community and having a shop style encourages individuals who may not be confident, motivated or knowledgeable enough to access support from mainstream services, to drop in and access a range of facilities and services within a friendly and welcoming environment.

In June 2016 Big Lottery offered WOTH a grant to cover three years until 31 May 2019. The name of our new project is 'Reaching Out', this is 60% Outreach and takes place in the North Walsall wards of Blakenall, Birchills Leamore, Bloxwich East and West at various community venues.

The aim of the Outreach project is to engage with people with multiple barriers to employment, in particular those who are socioeconomically deprived. The Project Officers can offer support and advice for lifestyle changes, childcare issues, access to training and development to improve life skills and wellbeing, increase confidence and motivation levels and gain better chances in life.

The project's success is measured by asking customers to complete a distance travelled form at their first interaction and then subsequent interactions.

Alongside this the shop still offers a weekly Job Club and 1-1 job search support, a basic computer course for beginners through Learn My Way, CV creation, email accounts and registering customers on UJM, Indeed, CV Library etc. and access to public computers. The shop also advertises 90 new local vacancies per week taken from various websites and engages with local employers, offering a free job advert service and collation of CV's from interested applicants.

WOTH has also started to generate a small amount of income itself by offering a CV service to the employed and those who are not working and not claiming. This service was offered at an affordable fee and proved successful and is now an ongoing service.

WOTH works alongside key partners on a referral basis these include Rethink, Walsall's Citizens Advice Bureau, Walsall Adult Community College, Walsall College, Jobcentre Plus, NHS Lifestyle Services, Sure Start, Family Information Services, Walsall Council, Probation Services and West Midlands Fire Service informing customers of their Free Home Safety Checks.

The figures below show what the Reaching Out project has achieved between 1st of June 2016 and 31st of March 2017. Unfortunately, as WOTH no longer has the beneficiary funds to provide Back to Work bonuses customers do not have the incentive to inform WOTH when they have gained employment which does not provide an accurate employment figure.

All BLF yearly targets were exceeded by 100% within the first six months of the Project.

New Users	392
CVs	238
IAG	350
Training	80
Into Employment	37
People engaged through outreach	101

[CASE STUDY]

MARK, WOTH

In October, Mark came into Work on the Horizon (WOTH) after being advised about the services we offer from the Walsall Job Centre.

Mark enquired how the team could help him find employment. We informed Mark about our one to one job search sessions and booked him in to discuss in more detail what type of work Mark was looking for.

In the one to one appointment Mark explained about his health issues. Mark suffers with diabetes and as a result of his illness he has undergone major operations over recent years which have caused him to be unable to work.

Mark was on employment and support allowance from 2009-2011 however in 2011, he had his benefits changed from ESA to Jobseekers allowance (JSA) meaning he had to actively start looking for work.

Mark's employment history was mainly in warehousing, he was formally employed as a CNC operator and warehouse operative however due his health and mobility restrictions, heavy lifting duties were no longer appropriate for him to undertake.

When Mark's benefits changed to JSA, Mark volunteered in St Giles Hospice charity shop which encouraged him to discover a passion for retail. In addition, Mark has completed Level 2 retail training so we decided that a part-time retail position would be a great way to get back on the employment ladder.

When we had narrowed down what positions Mark could apply for we set about applying for various stores for retail assistant roles. Mark was soon requested to attend an interview at Asda but was unsuccessful. Despite the knock back, Mark still attended weekly job search sessions and we eventually sent his CV to Home Bargains. Mark came into WOTH a few weeks later to let the team know he had successfully passed the interview stage and would be starting his new position as a shop assistant, working 25 hours a week.

Mark's main barrier to work was his health and mobility issues. Due to being unable to work in warehousing, an area he has many years of experience in, Mark was faced with the daunting prospect of starting work in an unfamiliar sector however due to Mark's voluntary experience and his friendly personality, retail was a good option to look into.

Throughout Mark's time at WOTH, he remained positive about finding work and his positive attitude and commitment helped him secure a fantastic opportunity.



Mark is now settled in his new job at Home Bargains and has recently been in touch to let us know that he is still enjoying his new job!

Department for Work and Pensions (DWP)

We are now in year 7 of the work programme. In line with the contract, an extension has been secured for People Plus. We have seen major Welfare reforms introduced over the last 5 years, including Universal Job Match, and the Claimant Commitment and Universal Credit introduced.

We work closely with our customers to ensure that they are equipped with the necessary skills to deal with the new regime and support sustainable employment. We are responsible as a subcontractor for the Walsall area engaging with customers for People Plus and In-Training/Newcastle College (managed by 3SC).

DWP

Long term unemployment is damaging to individuals and communities, it affects mental and physical health and holds back economic growth. The NHS and government spend millions in dealing with health and employment matters, most of which is spent on reactive services rather than preventative work.

We want to help people into work and make sure that work pays. In return, people currently in "out-of-work" benefits need to take the opportunities available to them to move off benefits and into work.

Out of work older people can find it more difficult to get a job and they are more likely than younger people to remain unemployed for longer.

The Work Programme provides personalised support for claimants who need more help looking for and staying in work. Service providers have freedom to decide how best to support Work Programme participants while meeting minimum standards for delivering the service.

This is a major change in the way we help people move from welfare into work in this country. The Government has created a structure that treats people as individuals and allowing providers greater freedom to tailor the right support to the individual needs of each claimant.

Steps to Work have been delivering the Work Programme since 2011 and will continue to do as contracted under the Department of Work and Pensions to 2017 with a 2 year follow on.

The Work Programme also gives value for money for the taxpayer by basing payments to providers largely on the results they achieve. The Work Programme is currently part funded by the European Social Fund.



The Work Programme

The focus of the Work Programme is to support a variety of unemployed individuals in receipt of various types of benefits such as Universal Credit, Job Seekers Allowance, Employment and Support Allowance, Incapacity Benefit and recent Prison Leavers, to move into sustainable work.

The Work Programme is outcome focused, measured by placing customers into a job for 13 weeks, 26 weeks and 4 weekly sustained periods of continual employment thereafter.

All customers due to join the Work Programme are referred by Jobcentre Plus; the Job centre advisors determine a customer's eligibility for the programme to determine whether the Work Programme is the most appropriate option for that customer.

Jobcentre Plus will allocate customers to one of the three Work Programme Prime contractors for the West Midlands area and they will in turn allocate individuals to themselves or their sub-contractors.

A significant change this year has been the increase in the number of ESA customers and effects of claims changing to Universal Credits, which has required us to consider our delivery models and formulate a tailored response to meet the needs of these customers.

There has also been a significant decrease in the number of 18 – 24 year olds on programme. This is largely due to the effects of the Governments Youth Contract Initiative.

People Plus performance figures:

Referrals	213
Attachments	206
Job Entry	97
2nd Day Jobs	112
Job Outcomes	88
Job Sustainment's	1950

PeoplePlus
People. Skills. Jobs.

3SC Performance figures:

Referrals	1
Attachments	4
Job Entry	15
2nd Day Jobs	20
Job Outcomes	24
Job Sustainment's	415

3SC

[CASE STUDY]

LEE REYNOLDS, DWP

Lee had worked as a weapons engineer in the Navy for 7 years but when he left he struggled to find a job with any direction and found that the various jobs he had were always short term.

He worked in a bar, a petrol station and worked as a milkman and a stock taker but none of these jobs were really right for him. He was suffering from various health issues and found himself claiming ESA allowance.

Lee was invited to a recruitment day with RGIS after coming along to Steps to Work for help. His previous stock taking experience made him an attractive candidate and he was invited to attend a work trial.

After successfully completing the trial we were informed that he was going to be offered an inventory associate position and when we passed this information on to Lee he was over the moon, knowing that despite his health concerns this job would be perfect for him.

As time went by with regular in-work support phone calls from his advisor at Steps to Work Lee let us know that not only was the job going well but he had been given a company car to take him and his colleagues to stock taking designations.

Things got even better for Lee and he phoned to let us know that he'd impressed his employers so much that he'd been promoted to recruitment specialist! He even came back to Steps to Work at the end of 2016 to give a talk to some of our work programme participants in the hope that he could recruit some new talent in the same way that he was once recruited.

"I owe my new career to Steps to Work - without their referral to RGIS I don't know what I would be doing now!"



RGIS®

Walsall Adult and Community College

We have been working in partnership with Walsall Adult and Community College since 2011 to improve the employment prospects of the unemployed within Walsall through the delivery of community learning.

We deliver a range of accredited and non-accredited courses up to and including Level 1.

Courses are available to any Walsall Borough resident who is unemployed and aged 19 years and over. For the 2016/17 academic year (Aug 16 – Jul 17) so far we have delivered the following courses:

Non-accredited

- Introduction to the labour market
- CV's and Application forms
- Interview techniques
- Basic IT
- Healthy Living
- Money management
- Assertiveness and Confidence building
- Personal presentation



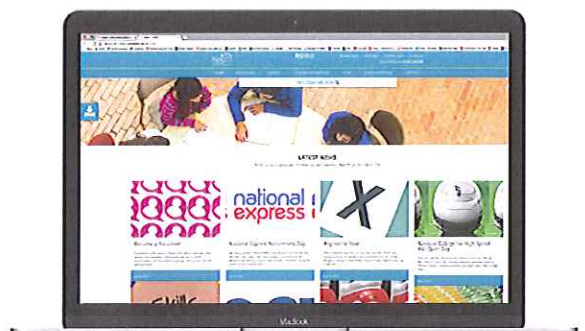
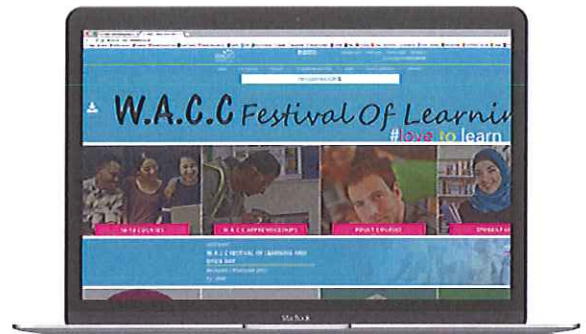
Accredited

Accredited training in functional skills

- English
- Maths
- ICT

Number of people who accessed WACC courses:

WACC Strand 1	229
WACC Strand 2	28



Skills Funding Agency Courses

[CASE STUDY]

SKILLS SUPPORT FOR THE UNEMPLOYED (SSU)

Steps to Work act as a subcontractor for Skills Training UK to deliver the SSU programme in Walsall.

The aim of this programme is to provide bespoke support and training for the unemployed and those economically inactive and seeking a return to the labour market but facing skills related barriers to entering the labour market. The programme offers a range of bespoke interventions and meaningful support and opportunities for unemployed individuals to enter work, education or apprenticeships.

This programme, which is funded by the European Social Fund and the Skills Funding Agency, started in December 2017 and will complete on 31st March 2018.

IAG NEET

Steps to Work act as a subcontractor for Skills Training UK to deliver the IAG NEET programme in Walsall.

The programme provides a focused careers guidance service to unemployed young people to enable them to identify opportunities to move into employment, unpaid work, an apprenticeship or education. The service is delivered by highly experienced and IAG qualified staff members (up to IAG level 4)

This programme, which is funded by the European Social Fund and the Skills Funding Agency, started in December 2016 and will complete on 31st March 2018.

STAFFORDSHIRE ADULT AND COMMUNITY LEARNING SERVICE (ACL)

In August 2016 we became a delivery partner of Staffordshire County Council.

The Staffordshire ACL offers a broad range of learning opportunities to encourage adults to return to learning and to progress to further learning, volunteering or employment.

We deliver in the Cannock district the following:

- First Steps to Employability courses that target adults who have not recently engaged in learning and/or are unemployed who want to improve their chances of finding work
- Functional skills courses for adults who lack essential skills in English, Maths or IT and do not want or are not ready yet to enrol on an accredited course.

MAVIS, (ACL)

Mavis is long term unemployed and has struggled with basic English and Maths skills and learning how to use the computer.

She was encouraged by her advisor to attend our Adult Learning courses in Staffordshire to gain confidence and motivation and develop skills to help her in everyday life.

Mavis started off by attending the 8 week Everyday Maths course. She felt that leaving school a long time ago with no qualifications affected her self-esteem and thought the course would help her confidence. Mavis learned how to relate maths in a positive way to her daily life.

Mavis was very fearful of using a computer but within five weeks of attending the basic IT course she has already gained in confidence. She now uses the computers in a more productive way to search and apply for jobs.

The last course that Mavis has completed was a basic English course. It was a great challenge as she was nervous about approaching the subject again having not achieved any English qualifications at school. Mavis was anxious when asked to look up words in a dictionary as she had not learned the skill to do this previously.

Now that she has completed all three basic skills courses Mavis feels more confident in everyday life and is more capable of searching and applying for jobs independently. She is more confident in her writing skills and feels like she has made a positive improvement in her life.

"I feel really positive, the course has been a challenge but I've learned lots of new skills and feel more confident"

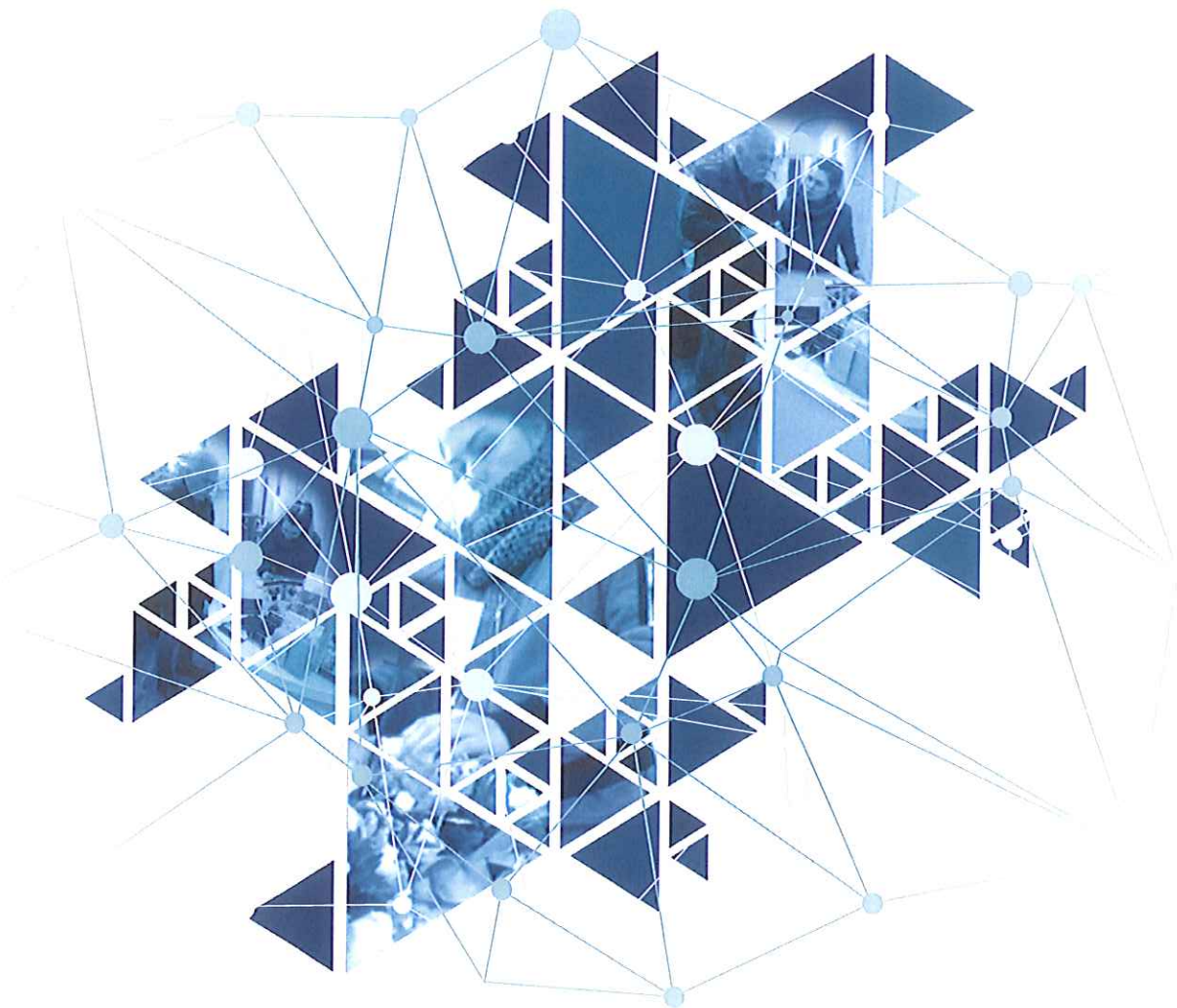


**Education & Skills
Funding Agency**

Apprenticeships

Working in partnership with PTP and through a direct contract with the SFA we have been delivering apprenticeships since May 2013.

*You're young, you've left school, you're optimistic.
But you can't seem to get a break.
What do you do?*



[CASE STUDY]

ALEXANDRA ALLEN

Alexandra left school with C grades in English and Maths and went on to complete her floristry study at college.

After completing her course, Alex went on to volunteer at local florist Flowers Now and the company soon saw potential in her so they decided to offer her an apprenticeship in Customer Service as they felt that she needed to work on her customer service skills due to lacking in confidence. Alex felt that working whilst earning was her best option after leaving college so she approached Steps to Work to begin her apprenticeship.

Whilst working through her apprenticeship Alex was given many opportunities to deal with the general public and also to work with her colleagues with general business tasks.

Alex completed her apprenticeship on time and is now a confident member of the Flowers Now team. Her employer is now keen for her to develop her floristry skills further now that she is confident dealing with customers.

"I recently underwent a yearlong apprenticeship with steps to work in customer service which I found to be very useful and went above my expectations not only with the path that I am taking at the moment but found it would help me change direction should I want to in the future.

I currently work in a florist which I have done for the past 3 years, I love my job but the area I found most challenging was the interaction with the customers, this is where Claire (my progression coach) came in, Claire would arrange one on one sessions with me every 6 weeks, filling our appointments with written and verbal assessments, role playing different scenarios, overseeing me with written communication with customers online.

We discussed which areas I needed to work more on. I felt very at ease with Claire because of her friendly nature. I would recommend an apprenticeship in customer care to anyone because of all the opportunities it could lead to and the way steps to work has improved my self-esteem and confidence, now I can do my job to the best of my abilities."

Alexandra Allen

"At the beginning of the course Alex was quite unsure of herself and wasn't at all used to dealing with customers. With our support, along with the support from her employer, Alex has become more confident with dealing with customers and deals adeptly with the company's social media and new website."

Claire, Alexandra's Steps to Work assessor

"Alex joined us over three years ago, originally for work experience as she was studying floristry at Rodbaston College in Penkridge. Although the course enabled her to gain C&G 2 & 3 in floristry it did not cover any elements of customer service.

For this reason we examined the possibility of Alex going through an apprenticeship scheme in Customer Service. This is when we were introduced to Steps to Work through Claire who was also working with a company close by.

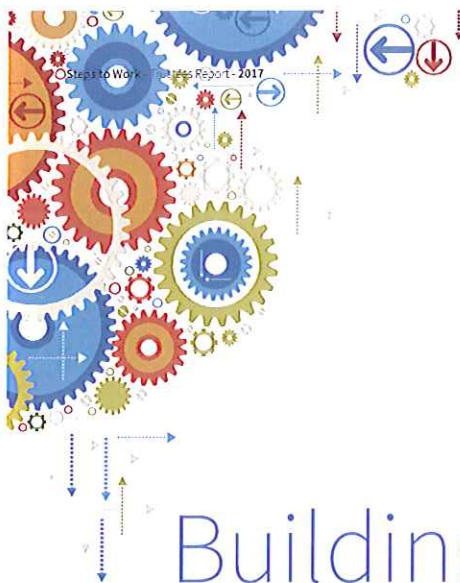
We have been delighted with the end result. Alex is now a very confident and experienced member of staff when it comes to both floristry and indeed her customer focused skills.

She has learned how to empathise with customers in difficult situations, her product knowledge skills are excellent and she is confident in upselling. She is without exception able to achieve a sale both front facing and via telephone media.

All in all we would certainly recommend Steps to Work as a platform for the advancement of employees in gaining experience in Customer Services."

Diane Mantle, Manager





facebook.com/bbobridges twitter.com/@BBOBridges

Building Better Opportunities

The Building Better Opportunities programme (BBO) is a national programme funded by The Big Lottery Fund and the European Social Fund.

Steps to Work are proud to have been awarded two grants, enabling us to deliver the BBO project across the Black Country and in Staffordshire.

Our two projects, Bridges and Evolve, consist of a number of partner organisations delivering specialist services and interventions to participants who are the furthest away from the labour market and who have multiple barriers to employment.

The Bridges project has received over £10.5million, the largest amount of funding awarded across the country for the BBO programme, to deliver services across the Black Country.

Evolve delivers services in the Staffordshire area and has received over £3million in funding.

BRIDGES

The Building Reachable Individual Dreams Gaining Employment & Skills (BRIDGES) project is formed of 29 delivery partners, operating across the four Black Country Boroughs.

These partners provide a localised, multi-faceted, targeted and adaptable programme offering varied and individually tailored approaches and services to meet the needs of those engaged upon the programme. The partners work together under a shared aim to offer support and assistance to those most in need across the Black Country and where required can connect them to specialist services in their local area.

The project seeks to support the most disadvantaged people who are not in any form of employment, are aged 25 years and over and who have significant barriers to employment.

There is no prescribed limit to the amount of support an individual can receive whilst engaged upon the programme and participants may remain engaged for six months or three years dependent upon their barriers and needs.

This project is funded, until 31st December 2019, by the European Social Fund and the Big Lottery Fund via the Building Better Opportunities Programme. The programme commenced in July 2016 with all delivery operational by January 2017.

By 31st March 2017 the programme had 481 individuals engaged and receiving tailored support.



EVOLVE

The Evolve programme, made up of 18 Partner organisations, will support participants who face multiple and complex barriers to employment and social inclusion.

Steps to Work do not have an active delivery role in this programme; we are the lead organisation responsible for managing the £3,170,300 grant.

The project will be delivered across the Lichfield, Cannock, Tamworth and East Staffordshire area.

This project is funded, until 31st December 2019, by the European Social Fund and the Big Lottery Fund via the Building Better Opportunities Programme.

The programme commenced in January 2017 with all delivery partners operational by 1st April 2017.



BBO Participant

CASE STUDIES

"I thought it was just another course, just the same as all the other JCP courses. But now look at me, I'm employed and I feel empowered to help others reach their goals!" - Naila

*"Hearing your positive perspective has been a great help to me and has made me feel more supported in what sometimes seems like a helpless time for me."
- A.H*

*"I know that I have a long way to go but the Bridges Project has helped me start with small steps in the right direction. I am feeling more confident and motivated and also feel that my mental health issues affect me less as I have activities to occupy my mind and has inspired me to look at my future positively"
- Gurdeep*

"The Bridges project has changed my life. Now I am a happier person, my self-confidence is now developing and I love myself more. I would recommend the Bridges project to anyone" - Claire



Employer Engagement

Our region has seen huge transformation in recent years and the labour market has at times struggled to keep up.

We play a vital role between our customers and local employers to make sure that they both get what they are looking for. Our local employers are the backbone of the region and the opportunities they provide are priceless as they really can change lives.

We are proud to work with so many socially conscious employers in the region who offer the chance to build a better future for our customers.

We have worked hard with employers to understand their needs and tailor our services to suit. We offer a truly multi-faceted service from apprenticeships right up to professional recruitment.

[CASE STUDY]

ROBERT : MORRISONS

In November 2016 the advisors at Darlaston Jet placed 46 year old Robert in a temporary position at Morrisons in Bilston. Robert had been unemployed for 10 years while he cared, as a lone parent, for his five children. He had become increasingly isolated and his work programme advisor suggested that getting back into work may help him overcome his social isolation and confidence issues.

After receiving information, advice and guidance from his advisor he began to feel more confident and less intimidated by the prospect of going back into work after such a long time and would regularly access the services at Darlaston Jet to aid his job search.

Robert felt miserable and disenfranchised, believing that his job applications were fruitless and that employers would not be interested in someone who had been unemployed for such a long time and could only work part time, but with his advisor support he completed an application for some part time retail assistant roles at Morrison's. A member of staff at Darlaston Jet dropped off the application to Morrison's on Robert's behalf and within two days he was invited to an interview.

At first Robert worked part time on a temporary Christmas contract for 8 weeks however after that time he was offered a permanent contract. Now Robert has been promoted to Team Leader and is thankful to Steps to Work for encouraging and persuading him to apply for the job as without the support he would have avoided applying due to his lack of confidence. Robert is much happier now that he has gained employment and being in a job has enabled him to buy things for himself and his family which he couldn't do when he was relying on benefits. Robert regularly comes to Darlaston Jet to visit his advisors and update them on his employment.

Robert's Manager at Morrison's said:

"Thanks to Steps to Work we have gained a valuable employee. Robert joined us on checkouts at Morrison's in Bilston on a temporary contract in November 2016. He was keen to learn from the start and made a great impression on myself, his immediate line manager, as well as his team leaders.

His hard work and eagerness made him an ideal candidate when some permanent positions became available at the end of his temporary contract."

Since becoming a permanent member of my team, Robert has progressed to learn the self-scan checkouts and is currently training in the tobacco kiosk which includes serving on the lottery terminal. *"He has adapted to this training very well. We will continue to develop Robert's skills on the department."*

Hazel Holland, Checkout Manager



[CASE STUDY]

KIERON : RECORD UK

Record UK was going through a period of change and were seeking services to assist their organisation with finding new staff members.

Through the work programme Record UK was able to find candidates who could be interviewed and employed on a placement basis. This allowed Record UK to assess candidate's suitability whilst they were at work for their organisation. STW recommended Kieron as a potential candidate for the role because of his work focused attitude. Kieron had already built up a good rapport with staff at STW and demonstrated good organisational and practical work skills with use of IT and confidential data.

Kieron was initially taken on, on a temporary basis to assist the finance department during their transition from their old IT system to a new one. Kieron was able to gain experience in all aspects of finance, which he did very well whilst he supporting the team with the transition. Record UK was able to offer Kieron a permanent position in the finance team.

Record UK design, manufacture, install and service automatic doors and employ around 300 people in the UK.

Kieron was lacking confidence when he first started on the Work Programme at Steps to Work and his shyness would often hold him back during interviews and work experience placements.

Kieron's advisor decided the best course of action was to find him a placement in a reputable company who would be able to give him the time to develop his skills and build confidence. Kieron has now been with the company for two years and Record UK are very pleased with his progress.

"Kieron has been a great asset to our business and has really grown in his role, during the 2 years he has been with us. His IT skills have helped him become a systems expert within our organisation. He has grown in confidence during the two years and now communicates regularly to levels of management within our business."



[CASE STUDY]

IAN : TGI FRIDAYS

The Work Programme staff at Steps to Work had identified that 38 year old Ian would be suitable for an opportunity as a cleaner in a local restaurant and so they put him forward for the position.

Ian had previously been unemployed for 6 years due to injuries and various heart conditions however he did have some work experience in retail and warehousing. Ian struggled with full time work due to his health conditions so Steps to Work had found a 16 hour-a-week position with TGI Friday's in Walsall which would be ideal for him.

Liaising directly with the company, Steps to Work arranged for Ian to go for an interview and he was successful!

The representative at TGI Friday's said

"I have worked with Steps to Work on several occasions and always had very good service from them."

The staff at Steps are very skilled in picking out the right people to send across to us. We have had three job seekers come to us through steps and each one was employed by us.

We always look to offer support to people wishing to join the Fridays family and we never hold discriminations about any of the job seekers whether this be past records or health complications etc.

Out of the three people we employed we now have two left, as one went on to other things and I would hope that the fact we gave him a chance helped him to find work with other people. Of the two we have left, Ian shows a very strong will to work and provide for his family. Both candidates are doing really well and are valuable members of the team."

Steps to Work continue to work alongside TGI Fridays and Ian to provide support and ensure that Ian receives the right support to enable him to stay in sustained employment. Steps to Work also stays in regular contact with TGI Fridays to support them with future recruitment needs.



Highlights of the Year

2016/17 has been a year for growth and change at Steps to Work following the difficult decisions made in 2015/16. We have seen significant growth in our Teaching and Learning department with an increasing number of contracts to deliver. It is an exciting time and a time to celebrate our successes and the difference that our work makes to people's lives.

COLLEAGUE CONFERENCE

We held our second annual colleague conference in November 2016 at Saint Pauls the Crossing in Walsall.

Staff from all areas of the business were able to get together to celebrate our success and share ideas.

Following feedback from staff the format of the conference was changed from the previous year and this time it was organised by the staff forum.

The day consisted of a number of team building activities and challenges that encouraged staff to work with people they wouldn't usually work with.

After a difficult year the aim of the day was to have fun but also to remind staff that the work they do is immensely important.

We had a number of team building exercises and an awards ceremony to reward outstanding work and some silly staff awards to lift people's spirits and add an element of fun.

The feedback gathered by survey was positive and staff felt there was an improvement on the previous year. We look forward to our third staff conference in 2017.



WORK PROGRAMME UPDATE

We are now in year 7 of the Work Programme.

2016/17 saw us achieve 2365 job sustainment's with 214 new referrals. In line with the DWP contract an extension has been secured for People Plus.

We have seen major Welfare reforms introduced over the last 5 years, including Universal Job Match, and the claimant commitment and Universal credits introduced.

BUILDING BETTER OPPORTUNITIES

In summer 2016 we launched the Building Better Opportunities (BBO) BRIDGES project which focuses on the Black Country, then in early 2017 we launched the Evolve project which covers the Staffordshire area.

Both projects are jointly funded by the Big Lottery Fund and the European Social Fund with a focus on helping those furthest away from the labour market and those with multiple barriers to gain the soft-skills required to help them move closer to work.

Steps to Work is the lead organisation on both projects working with 47 partner organisations in total across the Black Country and Staffordshire.



NATIONAL CENTRE FOR DIVERSITY

Not only were we once again featured within the National Centre for Diversity's top 100 index for a second year but we managed to make it to number 10 on their list which is a huge step up from number 36 the year before. A fantastic achievement.

IIP GOLD RETAINED

In 2016/17 we retained our Investors in People Gold status following another glowing assessment from Investors in People.



STEPS TO WORK WEBSITE

In September 2016 we launched our brand new website which was developed with the help of charity-focussed website company Raising IT.

The new website was part-funded by a grant designed to help charities like Steps to Work improve their online presence.

The new website is much more user friendly and enables us to better promote the work we do at Steps to Work through blog posts and news, and it has enabled us to bring all website content updates in-house to save time and money going forward.

stepstowork.co.uk ➔



Our Quality Standards

BS25999 AND ISO 22301 BUSINESS CONTINUITY MANAGEMENT SYSTEMS

BS25999 is the British Standard and ISO22301 is the international standard for Business Continuity Management.

We work towards the principles of these standards, as it provides the framework that enables Steps to Work to identify potential threats and the impacts to business operations that those threats, if realised, might cause.

We maintain Business Impact Analysis identifying our business critical activities, our recovery time objectives (how quickly we want to recover) and maximum tolerable period of disruption (how long disruption would be to significantly impact on business).

We have a Business Continuity Plan to assist in the recovery of our business critical activities following any disruptions.

For Steps to Work having this framework provides us with some benefits

- Improving our resilience against disruption.
- Maintaining an ability to manage uninsurable risks.
- Developing a capability to manage business disruption.
- Minimising consequences of unexpected disruptions.
- A method of restoring our ability to supply our key products and services.
- Protecting and enhancing our reputation and brand.
- Demonstrating our ability to maintain delivery of our products and services.

ISO 27001 INFORMATION SECURITY MANAGEMENT SYSTEMS

ISO27001 is the international standard for Information Security Management.

We work towards the principles of this standard, as it provides the framework that enables Steps to Work to assure itself that our information security measures are effective.

We implement our Information Security Management System through programme specific Security Plans, where applicable. These are a requirement of a number of our programmes.

There are overall policies and procedures in place that cover Information Security, Information and Communication Systems, Information Security Incident Management, Data Protection and Retention and Destruction of Records to name a few.

There are also controls for Physical and Environmental Security, HR security, asset management and access control.

For Steps to Work having this framework provides us with some benefits

- Customer Satisfaction – by giving confidence that their personal information is protected and confidentiality upheld.
- Business Continuity – through management of risk, legal compliance and vigilance of further security issues and concerns.
- Legal Compliance – by understanding how statutory and regulatory requirements impact on us and our customers; this reduces the risks of costly breaches.
- Improved Risk Management – through a systematic framework for ensuring our records and information are protected from loss, theft and damage.

ISO 9001

We are committed to using ISO 9001 to improve the service to all our customers both internal and external on a continuing basis.

We do this by having a team of colleagues who are trained ISO auditors, planning a year-long cycle of audits on all aspects of Steps to Work activities and by reviewing, implementing and evaluating their findings.

Audits cover customer activities on all delivery programmes, customer satisfaction and complaints, as well as corporate functions such as purchasing, communication and approving suppliers. The audit findings are reviewed by the Senior Management Team and good practice implemented across the company.

We consult with our customers on a regular basis to ensure we are meeting their expectations by holding regular learner forums and asking for their feedback.

We ensure that our management information systems are reviewed regularly and reflect customer and quality requirements.

During 2016/17 we have been preparing for transition to the new 2015 standard by updating risk processes to replace preventive actions and streamlining how we administer the standard as it is now completely embedding in our day to day activities.

OUR COMMITMENT TO ENVIRONMENTAL SUSTAINABLE DEVELOPMENT ISO 14001

Steps to Work (Walsall) Ltd is committed to environmental sustainability and values the environment by monitoring the environmental impacts of its programmes, projects and services.

ISO 14001 enables Steps to Work to put environmental management at the heart of our operations to achieve sustainable success. This international standard will help us reduce our environmental impact as well as grow our business.

The environmental team have raised awareness throughout the organisation by producing environmental bulletins which are sent out to all colleagues. By compiling a bulletin this raises an awareness amongst colleagues ensuring that adherence to environmental legislation is met. The 14001 team also ensure that signage is current at all its premises, encouraging staff to recycle, re-use, and recover.

The team have a yearly schedule planner, with bi-monthly reviews taking place. This can range from Environmental Aspects and Impacts, Significant Aspects Register, review of audits that have been carried out and Evaluation of Compliance.

The 14001 process has been of great benefit to the organisation, and shows the commitment of both the organisation and its colleagues to environmental sustainability.

Steps to Work recognises that the environment is a major factor in determining the quality of life throughout the areas in which it operates. It cannot be treated in isolation as it impacts upon, and in turn is affected by many other equally important social and economic issues.

The organisation shows commitment to the prevention of pollution and compliance with legislation and other relevant requirements to which the organisation subscribes, also giving due consideration in the decision making processes to the environmental impact of new proposals as well as the social and economic impacts.

The organisation enhances employee and participant awareness of environmental issues and policies through training programmes encouraging customers to take part in projects whilst on programme.

Steps to Work encourage reducing energy consumption by strengthening the commitment to energy conservation.

Employees are encouraged to turn off electrical appliances when not in use and to turn off lights if adequate lighting is sufficient or when rooms are not in use.

The company encourage the use of recycled materials and the recycling of waste at each of its premises. Steps to Work also show commitment to reducing its carbon footprint by encouraging walking, cycling, the use of public transport by colleagues and also car sharing if meetings are being held at the same venue with numerous colleagues being in attendance at the same meeting.

The company promotes measures to discourage waste, to recover, re-use and re-cycle waste materials and to ensure that the remainder is disposed of responsibly. Also ensuring that due consideration is given when purchasing new resources to the energy saving measures available within products.

Environmental objectives and targets are set and reviewed to monitor the effectiveness of the environmental management system through meetings of the senior management team supported by an internal audit team.

We publish our environmental policy which is available to the public on our website. Every other month a team of environmental representatives meet to discuss issues, and concerns and legislative requirements and review of key performance indicators.

During 2016/17 we have been preparing for transition to the new 2015 standard by streamlining and simplifying documentation and processes.



Our Commitment to Investors in People

Steps to Work: Commitment to Investors in People, Investors in Diversity and Disability two ticks.

At Steps to Work we pride ourselves in being an employer who demonstrates fairness, equality, excellent communication and supports its employees in their development.

We were re-assessed against our Investors in People gold standard this year and have once again maintained our gold standard status.

The Assessor commented that *"The feedback from the onsite visit was very consistently positive."*

People demonstrated their engagement with Steps to Work through the enthusiasm they displayed when talking about the Company; they had many examples to share and much to say about their pride in the organization. When asked for suggestion for improvements that would enhance their experience of working for Steps to Work, most people said, 'There is nothing that I can think of that I would change.' Praise indeed!"

'We are passionate about what we do.'

Was one of the comments made to the assessor.

Steps to Work are committed to ensuring equality of opportunity for its employees and customers.

As part of this commitment we have over the last year been re-assessed against the Investors in Diversity and have signed up to the new Disability Confident award, both of which we have been successful in maintaining.

With regards to the Investors in Diversity standard we have continued to achieve our leader status.

A quote from our report below:

"Investors in Diversity is an eye opener on how the organisation lives and breathes EDI and it's not just pulled off the shelf every six months."

It also ties into the customer's journey and is a roadmap to help others reflect on protected characteristics."

Assessor Quote *"It was great to be working with Steps to Work again and I feel confident that the Leadership Team has implemented some fantastic new initiatives to communicate its commitment to being a leader in Diversity."*

The above accreditations are beneficial to Steps to Work because they support us in our bids/tenders for additional contracts and also very importantly they are a trigger for us to analyse our policies and practices, gain feedback from employees and benchmark ourselves against other employers.

The feedback received from these assessments is extremely motivating for everyone and the development areas identified help us to see where we can make improvements so that we are continually listening to our employees and making changes to create a positive working environment for everyone.



Financial Review

Income is derived from either service delivery or from payments against specific outputs (mainly jobs, sustainable jobs and qualifications).

NET MOVEMENT OF FUNDS

During the period the charity continued to comply with Financial Reporting Standard 102; this has meant the pension reserve has been increased from £1,585,000 to £2,727,000.

BASIS OF PREPARATION

The financial statements have been prepared in accordance with Financial Reporting Standard 102, this has not impacted on the results for the year.

TOTAL FUND AT YEAR END

Unrestricted funds are - (£333,496) compared to £424,241 in 2016. The movement in funds incorporates an increase in the pension reserve from £1,585,000 to £2,727,000.

GRANT INCOME

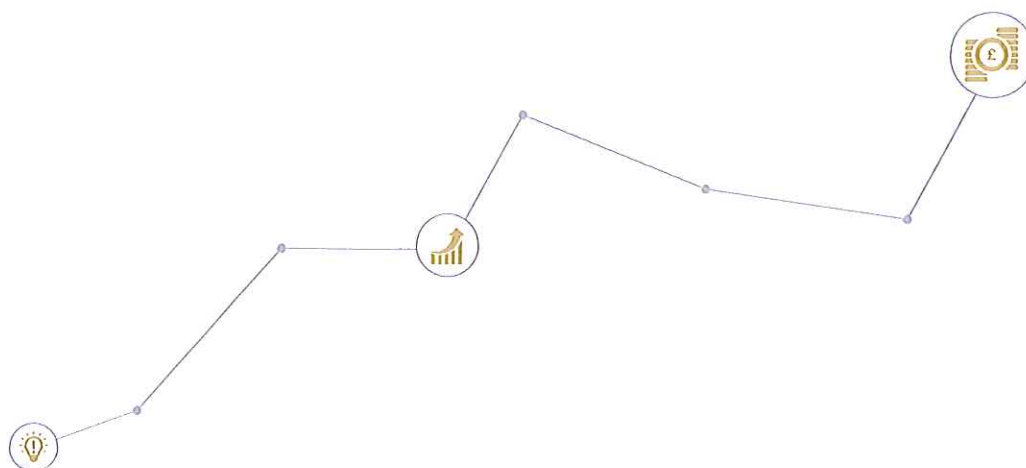
All of the grant income comes from either service level agreements or from grant agreements within the public sector. Income is derived from expenditure incurred to support local people with up skilling or in improving their aspiration to secure sustainable employment.

RESOURCES EXPENDED

Total resources expended during the period have decreased due to the activities of the trading operation – Starting Point Recruitment Limited.

NET INCOMING RESOURCES

A decrease had been seen in the net incoming resources due to the activities of the trading operation – Starting Point Recruitment.



Summarised Accounts

Steps to Work Limited (A company limited by guarantee)
Consolidated Statement of Financial Activities
(Including Income and Expenditure Account)
for the year ended 31 March 2017

	Designated funds 2017 £	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Income and endowments from:					
Charitable activities	-	1,414,610	-	1,414,610	1,854,674
Other trading activities:					
Trading activities	-	-	11,396,982	11,396,982	11,719,785
Investments	-	-	10,074	10,074	12,916
Total income and endowments	-	1,414,610	11,407,056	12,821,666	13,587,375
Expenditure on:					
Raising funds	-	-	10,997,254	10,997,254	11,478,423
Charitable activities	422,236	1,414,610	162,428	1,999,274	2,290,295
Total expenditure	422,236	1,414,610	11,159,682	12,996,528	13,768,718
Net income / (expenditure) before transfers	(422,236)	-	247,374	(174,862)	(181,343)
Transfers between Funds	(86,889)	-	86,889	-	-
Net income / (expenditure) before other recognised gains and losses	(509,125)	-	334,263	(174,862)	(181,343)
Actuarial (losses)/gains on defined benefit pension schemes	-	-	(1,092,000)	(1,092,000)	414,000
Net movement in funds	(509,125)	-	(757,737)	(1,266,862)	232,657
Reconciliation of funds:					
Total funds brought forward	530,798	-	424,241	955,039	722,382
Total funds carried forward	21,673	-	(333,496)	(311,823)	955,039

All activities relate to continuing operations.

Steps to Work Limited (A company limited by guarantee)
Registered number: 03738249
Consolidated balance sheet as at 31 March 2017

	£	2017 £	£	2016 £
Fixed assets				
Tangible assets		21,673		115,071
Current assets				
Debtors	1,986,668		1,859,851	
Cash at bank and in hand	2,688,987		2,299,570	
	<u>4,675,655</u>		<u>4,159,421</u>	
Creditors: amounts falling due within one year				
	<u>(2,282,151)</u>		<u>(1,734,453)</u>	
Net current assets		2,393,504		2,424,968
Total assets less current liabilities		<u>2,415,177</u>		<u>2,540,039</u>
Defined benefit pension scheme liability		<u>(2,727,000)</u>		<u>(1,585,000)</u>
Net assets including pension scheme liabilities		<u>(311,823)</u>		<u>955,039</u>
Funds				
Designated funds		21,673		530,798
Unrestricted funds:				
Unrestricted funds excluding pension liability	2,393,504		2,009,241	
Pension reserve	<u>(2,727,000)</u>		<u>(1,585,000)</u>	
Total unrestricted funds		<u>(333,496)</u>		<u>424,241</u>
		<u>(311,823)</u>		<u>955,039</u>
The total £(333k) unrestricted funds is the net position after taking into account the pension deficit of £2.727m which when split out allows us to show the general unrestricted funds of £2.393m carried forward.				

Trustees' Statement

These summary financial statements are not statutory financial statements. We confirm that the information contained in the summary financial statements is taken from the audited financial statements for the year ended 31 March 2017 and includes details relating to both the Consolidated Statement of Financial Activities and the Consolidated Balance Sheet. The full financial statements were approved and signed by the Trustees on 21 September 2017 and will soon be submitted to the Charity Commission and to Companies House. They received an unqualified audit report from Da'ns LLP on 21 September 2017 and copies can be obtained from Steps to Work Limited.

On behalf of the Trustees:

Ninder Johal, Chair of the Board of Trustees

21 September 2017

Risks and Opportunities

RISKS

Our Senior Management Team and Board of Trustees have identified the risks which it considers the group are exposed to, those risks are:

- The locations of our services and ensuring business continuity
- Damage to the company's reputation in the eyes of customers, commissioners, stakeholders and partners
- Ensuring the business has the correct resources to deliver effective and efficient services
- The Health, Safety and welfare of our customers, colleagues and Trustees
- Changes to local, regional and central government policies on Employment Related Support and Skills
- The implications of Brexit and the changes to funding streams

The locations of our services and ensuring business continuity

We are focussed on ensuring we reach our customers through locating our services in the communities we serve. This will mean a stronger emphasis on co-location and securing the right premises in which to locate our head office and central services.

Damage to the company's reputation

There is no compromise on maintaining the reputation of the company which is based upon our track record of delivering effective services to our customers. Our success and growth is underpinned by the trust of those we work with, particularly customers, stakeholders, colleagues, commissioners and strategic stakeholders.

We continue to work to our values in line with policies which govern the way in which we respond to challenges and communicate both internally and externally. Our policy statements and principals have the full support of the Board of Trustees and provide a golden thread for our vision and values which runs throughout our corporate documents and organisational culture. We also maintain our external accreditations which enable the business to run and be externally verified.

Ensuring we have the resources to deliver effective and efficient services

Although there are many factors that are outside of our control, our Board of Trustees have categorised the resource risk into three main areas; human resources, financial resources and fixed assets.

Each of these risks has been risk assessed and actions are in place to mitigate those risks.

Human Resources – We are able to retain a flexible, multi skilled workforce which can undertake a variety of tasks to meet the needs of our customers. We have started to develop a talent management strategy and clear communication channels with colleagues. This has been recognised through our Investors in People Gold status and our Leaders in Diversity award.

Financial Resources – We continually assess and react to the changes in the business environment such as the changing commissioning framework. We have assessed the financial strain on the resources of the organisation. We have conducted comprehensive financial stress tests to identify the biggest risks and new opportunities to secure new contracts across the region. It is essential that we balance the "cost recovery" contracts with activities which are profitable such as Starting Point Recruitment's Business Growth Team.

Fixed assets – Our office accommodation and usage of space remains a key priority and we have sought to negotiate flexible terms to our leases and seek new ways to deliver services in communities such as outreach and collocation of colleagues. This will be underpinned by the procurement of a new ICT service provider. We will carefully manage our service specification in order maintain our current levels of financial prudence.

The Health, Safety and welfare of our customers, colleagues and trustees

The health, safety and welfare of our customers, colleagues and Trustees remains extremely important to the organisation. This is demonstrated through the effective implementation of our Health and Safety and safeguarding policies and procedures.

We will ensure that relevant training in areas such as conflict resolution and dealing with aggressive behaviour are risk assessed and measures put in place to reduce or remove risks where possible.

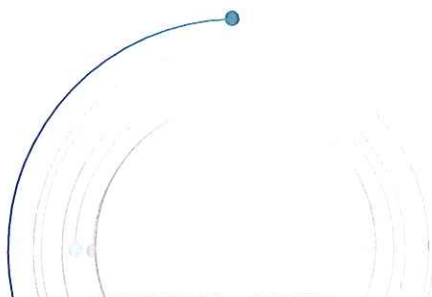
Better access to technology and automated systems for our community based colleagues will enable us to closely monitor and review concerns and issues arising so we can offer support as situations arise.

Devolved Commissioning for Employment Related Support Services

We are seeing the true impact of the devolvement of services and funding through the West Midlands Combined Authority (WMCA), Local Enterprise Partnerships (LEPS) and the NHS.

Building Better Opportunities has already set us up well by linking with strategic partners to enable us to remain competitive and innovative. We must ensure that the connection to the local commissioners is solid and that we can respond to the changing needs of our customers.

Our robust response to risk management on new ventures and a willingness to invest and innovate to grow our business ensures we are prepared fully for every eventuality before we agree our response. These risk assessment procedures have resulted in working closely with others as a delivery partner to spread the risks when we believe the risk to ourselves is too great.



OPPORTUNITIES

Our aim is to continue to work with partners both collaboratively and strategically. In all cases we will publicise and promote good practice such as with the Building Better Opportunities project which has seen Steps to Work promoted nationally by the Big Lottery as a beacon example of partnership.

This demonstrates to commissioners and stakeholders that we are leading on raising the aspirations of the Third Sector whilst increasing our reach and services across the wider West Midlands region.

The commissioning of the new Work & Health programme has already seen a focus on locally based delivery. We have secured provisional contract offers from two prime contractors and hope to commence delivery in late 2017.

The (WMCA) and the new Mayor are aware of our reputation and intention to play a wider leading role in the region. We will seek to capitalise on this by bidding to deliver new services such as largest global trail of "intensive placement support" employment for those suffering from mental health issues called "Thrive into Employment".

We are involved with Walsall Council and plans to develop a feasibility study into the creation of a Third Sector "social impact hub" in Walsall. We have been invited to play a part in the strategic planning group utilising the WMCA "One Public Access Agenda" to draw down funding followed up with potential focus on social investment through Big Society Capital.

We are on course to ensure that Steps to Work sets out a clear strategic plan to scale up our services and to enable us to help more of those who face the biggest barriers to build a better future.

Investment policy:

Historically our Trustees and bankers have favoured a low risk and low return approach to investments. Our financial sub-committee is in place and is considering a more innovative approach to investments. We are also recruiting Trustees onto the Board who have the skills we need such as finance, Law, PR and Social Care to ensure we can make the most from our investments. We are committed to ensuring our investments work in a more entrepreneurial way whilst ensuring we can cover any liabilities and operating costs.

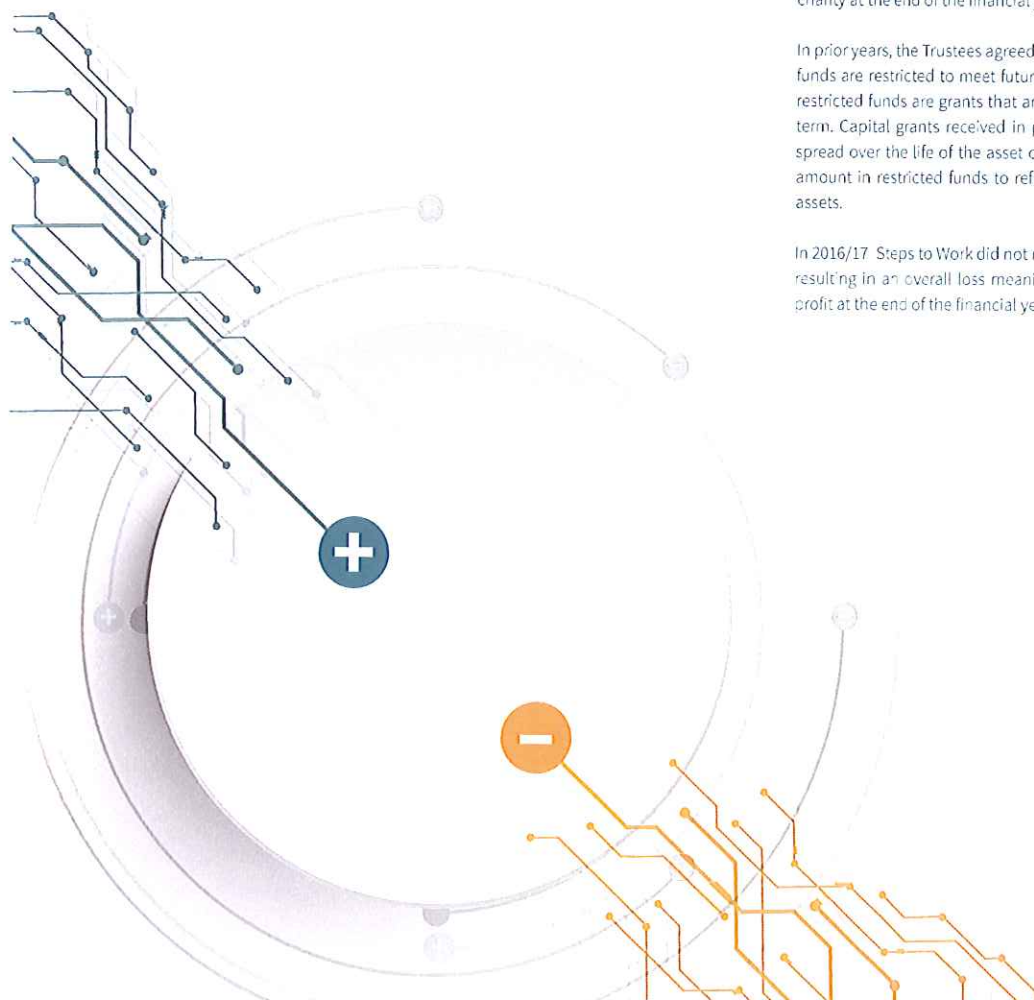
Reserves policy:

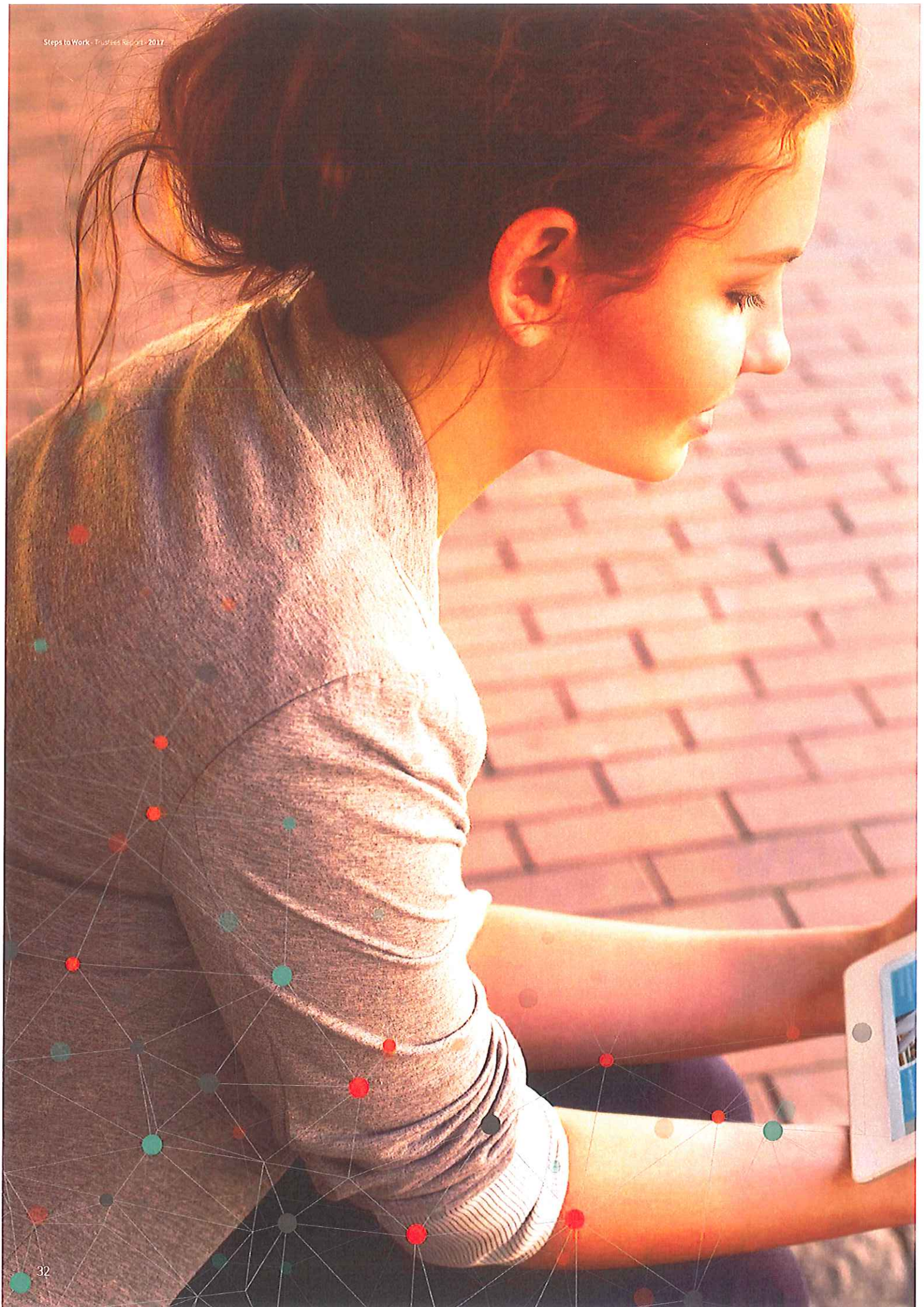
The income we receive from our contracts remains largely retrospective therefore requires us to keep the majority of our reserves in unrestricted general funds. This is so that our expenditure profiles can be met.

For 16/17 we expect our pension liability valuation to increase significantly. We have seen Starting Points reserves grow marginally due to a focus on reducing the number of higher value roles we send to our supply chain recruiters. The Business Growth team investment has affected the overall profits of Starting Point. We continue to invest 95% of Starting Point reserves as gifted into the charity at the end of the financial year.

In prior years, the Trustees agreed that it would be prudent to ensure that certain funds are restricted to meet future development and replacement costs. Some restricted funds are grants that are given to the charity for a defined purpose or term. Capital grants received in prior years continue to have the depreciation spread over the life of the asset or contract. As in previous years we include an amount in restricted funds to reflect future depreciation charge relating to the assets.

In 2016/17 Steps to Work did not meet the required income in a number of areas resulting in an overall loss meaning there is a negative effect on overall group profit at the end of the financial year which has affected our reserves.





The Future

Brexit negotiations are likely to have implications on the employment support sector however it remains uncertain how long negotiation of withdrawal from the European Union will take. We remain close to our trade body partner ERSA who are working closely with the DWP to ascertain the potential implications of the EU referendum result and how it will affect funding for the sector post 2020.

Whilst 2015/16 was a very lean year for new contracts, 2016/17 has yet to see a significant increase in opportunities. The new DWP "Umbrella Framework" is in place and new contracts will follow after the procurement of the Work & Health Programme in late 2017. We are on course to be chosen as a sub-contractor by two of the three short-listed Prime contractors.

Smaller localised ESF funded contracts are beginning to be procured through Local Authorities but often have long lead times and shorter delivery timescales.

We have established ourselves as a nationally recognised lead organisation on Building Better Opportunities (BBO) which acknowledges the hard work of the team. We aim to use this status to play a larger role in the implementation of training and delivery as a partner of the Big Lottery should they agree to deliver "BBO2"

Thanks to BBO, STW are now at the forefront of locally procured contracts which involve a number of funding streams and stakeholders such as WMCA, NHS and the Local Enterprise Partnerships.

Devolution and collaboration are the key words in terms of commissioning, with more power and financial control coming to local authorities we are well placed to build on the strong foundations Steps to work have developed over the last twenty years.

We are committed to developing our Board of Trustees in 2017 by working with our Chairs Ninder Johal and Neil Pulker. We will recruit up to six new Trustees in the coming year who have the commercial acumen to match the passion for communities our existing Trustees demonstrate. This will assist us in developing our services and growing the organisation and strengthening our governance and key strategic links across the region.

PARTNERSHIP AND COLLABORATION

Our Partnership discussions took a new direction due to the uncertainty surrounding our contracts and income streams. We have therefore decided to remain as an independent organisation which focuses on growing regionally by working in collaboration with a number of strategic partners who share our vision and values.

The WMCA, LEPS and Social Investment Organisation's will become closer partners particularly in developing the feasibility study for the Third Sector Social Impact Hub.

This will demonstrate to commissioners and stakeholders that we have a clear strategic plan to scale up our services and to create innovative services which will enable us to help more of those who face the biggest barriers to build a better future.

EMPLOYER ENGAGEMENT

As we move into 2017/18 we must focus on the needs of employers. We will do this by working with the Chambers Of Commerce in the Black Country and Greater Birmingham.

As employers start to procure their own training under the Apprenticeship Levy we can play a supporting role in engaging local businesses whilst building links to our wider services.

As in 2015/16 we will continue to build stronger links with Starting Point Recruitment to enable us to provide employers at all levels with services which support them to secure growth in the region.

Starting point delivered an effective recruitment solution to Walsall Council for over 12 years and we will use our experience to secure further contracts with Public and private sector partners which will enable us to increase the profits we will re-invest into the charity to create social impact.

BUILDING TALENT AND ENSURING QUALITY


We are proud to report that we have retained our external accreditation and secured our Leaders in Diversity award alongside our Gold Investors in People award.

Our Business Management system and Compliance has received very positive feedback from contract commissioners such as the Big Lottery as BBO commissioners.

After several years of cutting costs and losing staff we have begun to attract and recruit new talent into the organisation which has had a very positive effect on morale and the levels of new skills and cross training.

We have developed a clear talent management strategy which will help us build skills and provide career progression to our colleagues. However this must be backed up with an overlap of winning longer term contracts so we can provide an element of security and longevity to our colleagues.

As the CEO I am prepared to offer our colleagues a culture of progression and talent management which is backed up by our commitment to manage our resources proactively so we do not return to the days of placing people at risk every two years.

Steps to Work 

Partnerships & Funding Partners

Steps to Work gratefully acknowledges the financial support it has received from the following organisations and funding streams.

- People Plus
- 3SC
- Department for Work and Pensions
- European Social Fund
- Leamore Tenant Management Organisation
- Big Lottery Fund
- Education & Skills Funding Agency
- Performance Through People
- Walsall Council
- Walsall Area Partnership
- Walsall Adult Community College
- Staffordshire County Council

Thank You

PROFESSIONAL SERVICES

Auditors

Dains LLP
15 Colmore Row, Birmingham, B3 2BH

Bank

National Westminster Bank PLC
Park Street, Walsall, West Midlands, WS1 1ER

Insurance

D E Ford Insurance Brokers Ltd
Poppleton Grange, Low Poppleton Lane, York,
North Yorkshire, YO26 6GZ

Solicitors

HCB Solicitors Ltd
20 Lichfield Street, Walsall, WS1 1TJ



Steps to Work

Head office:

Challenge Building, Hatherton Road, Walsall. WS1 1XS
Tel: 01922 627555 Fax: 01922 622133

'One Stop' Employment Shop

Work on the Horizon:

1 Queens Parade, High Street, Bloxwich, Walsall. WS3 2EX
Tel: 01922 496555 Fax: 01922 408589

Darlaston JET:

39A King Street, Darlaston. WS10 8DE
Tel: 0121 526 6238 Fax: 0121 568 3848



Registered Office: Challenge Building, Hatherton Road, Walsall, WS1 1XS.
A Company Limited by Guarantee. Registered in England No: 3738249. Charity Registration No: 1100403



Steps to Work (Walsall) Limited
(A company limited by guarantee)

Trustees' Responsibilities Statement
for the year ended 31 March 2017

The Trustees (who are also directors of Steps to Work (Walsall) Limited for the purposes of company law) are responsible for preparing the Group strategic report, the Trustees' report 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Steps to Work (Walsall) Limited
(A company limited by guarantee)

Independent Auditor's Report to the Members of Steps to Work (Walsall) Limited

We have audited the financial statements of Steps to Work (Walsall) Limited for the year ended 31 March 2017 which comprise the consolidated statement of financial activities, the consolidated and company balance sheets, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2017 and of the group's 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

Steps to Work (Walsall) Limited
(A company limited by guarantee)

Independent Auditor's Report to the Members of Steps to Work (Walsall) Limited

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.



Andrew Morris FCA (Senior statutory auditor)

for and on behalf of

Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham
28 September 2017

Steps to Work (Walsall) Limited
(A company limited by guarantee)

Consolidated Statement of Financial Activities
(Incorporating Income and Expenditure Account)
for the year ended 31 March 2017

	Note	Designated funds 2017 £	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Income and endowments from:						
Charitable activities	5	-	1,414,610	-	1,414,610	1,854,674
Other trading activities:						
Trading activities		-	-	11,396,982	11,396,982	11,719,785
Investments	4	-	-	10,074	10,074	12,916
Total income and endowments		-	1,414,610	11,407,056	12,821,666	13,587,375
Expenditure on:						
Raising funds		-	-	10,997,254	10,997,254	11,478,423
Charitable activities	6,7	422,236	1,414,610	162,428	1,999,274	2,290,295
Total expenditure		422,236	1,414,610	11,159,682	12,996,528	13,768,718
Net income / (expenditure) before transfers		(422,236)	-	247,374	(174,862)	(181,343)
Transfers between Funds	19	(86,889)	-	86,889	-	-
Net income / (expenditure) before other recognised gains and losses		(509,125)	-	334,263	(174,862)	(181,343)
Actuarial (losses)/gains on defined benefit pension schemes	17	-	-	(1,092,000)	(1,092,000)	414,000
Net movement in funds		(509,125)	-	(757,737)	(1,266,862)	232,657
Reconciliation of funds:						
Total funds brought forward		530,798	-	424,241	955,039	722,382
Total funds carried forward		21,673	-	(333,496)	(311,823)	955,039

All activities relate to continuing operations.

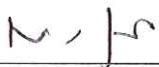
The notes on pages 8 to 23 form part of these financial statements.

Steps to Work (Walsall) Limited
(A company limited by guarantee)
Registered number: 03738249

Consolidated Balance Sheet
as at 31 March 2017

	Note	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	12		21,673		115,071
Current assets					
Debtors	14	1,986,668		1,859,851	
Cash at bank and in hand		2,688,987		2,299,570	
		<u>4,675,655</u>		<u>4,159,421</u>	
Creditors: amounts falling due within one year	15	(2,282,151)		(1,734,453)	
Net current assets			<u>2,393,504</u>		<u>2,424,968</u>
Total assets less current liabilities			<u>2,415,177</u>		<u>2,540,039</u>
Defined benefit pension scheme liability	17	(2,727,000)		(1,585,000)	
Net assets including pension scheme liabilities			<u>(311,823)</u>		<u>955,039</u>
Funds					
Designated funds	19		21,673		530,798
Unrestricted funds:					
Unrestricted funds excluding pension liability		2,393,504		2,009,241	
Pension reserve		<u>(2,727,000)</u>		<u>(1,585,000)</u>	
Total unrestricted funds			<u>(333,496)</u>		<u>424,241</u>
			<u>(311,823)</u>		<u>955,039</u>

The financial statements were approved by the Trustees on 28 September 2017 and signed on their behalf, by:


N Johal
Trustee


The notes on pages 8 to 23 form part of these financial statements.

Steps to Work (Walsall) Limited
(A company limited by guarantee)
Registered number: 03738249

Company Balance Sheet
as at 31 March 2017

	Note	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	12		21,673		114,632
Investments	13		1		1
			<u>21,674</u>		<u>114,633</u>
Current assets					
Debtors	14	301,010		668,680	
Cash at bank and in hand		2,671,625		2,028,273	
		<u>2,972,635</u>		<u>2,696,953</u>	
Creditors: amounts falling due within one year	15	(712,529)		(404,946)	
Net current assets			<u>2,260,106</u>		<u>2,292,007</u>
Total assets less current liabilities			<u>2,281,780</u>		<u>2,406,640</u>
Defined benefit pension scheme liability	17		(2,727,000)		(1,585,000)
Net assets including pension scheme liabilities			<u>(445,220)</u>		<u>821,640</u>
Charity Funds					
Designated funds	19		21,673		530,798
Unrestricted funds:	19				
Unrestricted funds excluding pension liability		2,260,107		1,875,842	
Pension reserve		(2,727,000)		(1,585,000)	
Total unrestricted funds			<u>(466,893)</u>		<u>290,842</u>
Total (deficit)/funds			<u>(445,220)</u>		<u>821,640</u>

The financial statements were approved by the Trustees on 28 September 2017 and signed on their behalf, by:


N Johal
Trustee

The notes on pages 8 to 23 form part of these financial statements.

Steps to Work (Walsall) Limited
(A company limited by guarantee)

Consolidated Cash Flow Statement
for the year ended 31 March 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	402,888	(427,395)
Cash flows from investing activities:			
Dividends, interest and rents from investments		10,074	12,916
Purchase of fixed assets		(23,545)	(7,576)
Net cash (used in)/provided by investing activities		(13,471)	5,340
Change in cash and cash equivalents in the year		389,417	(422,055)
Cash and cash equivalents brought forward		2,299,570	2,721,625
Cash and cash equivalents carried forward		2,688,987	2,299,570

1. Accounting Policies

1.1 Basis of preparation of financial statements

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006

Steps to Work (Walsall) Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

1.2 Basis of consolidation

The financial statements consolidate the accounts of Steps to Work (Walsall) Limited and all of its subsidiary undertakings ('subsidiaries').

The company has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and expenditure account.

The income and expenditure account for the year dealt with in the accounts of the company was £(118,639) (2016 - £232,655).

1.3 Company status

The company is a company limited by guarantee. The members of the company are the Trustees. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1. Accounting Policies (continued)

1.5 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the company where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Notes to the Financial Statements
for the year ended 31 March 2017

1. Accounting Policies (continued)

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold buildings	-	on a straight line basis over 3 years
Furniture, fittings and equipment	-	on a straight line basis over 3 years

1.8 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.9 Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

1.10 Pensions

The company operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2016.

The difference between the fair value of the assets held in the charity's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the charity's balance sheet as a pension scheme asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the charity is able to recover the surplus either through reduced contributions in the future or through refunds to the scheme.

Changes to the defined benefit scheme asset or liability arising from the factors other than cash contribution by the charity are charged to the consolidated statement of financial activity in accordance with Financial Reporting Standard 102.

1.11 Support cost apportionment

Support costs are allocated directly to the activity which they relate. Where support costs relate to several activities, they have been allocated to each of the activities. This is performed on the basis of the number of direct staff supported during the period in the relevant activity.

The number of staff involved in an activity is deemed to be the appropriate basis for allocating support costs as it closely reflects the resource usage of the support functions of the core activities. The number of staff working on a particular activity is determined by the estimated equivalent time devoted by a full time staff member to perform the task.

1.12 Interest receivable

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

1. Accounting Policies (continued)

1.13 Recognition of Liabilities

Liabilities are recognised on the accruals basis in accordance with normal accounting principles, modified where necessary in accordance with the guidance given in the Charities SORP (FRS 102) issued by the Charity Commission.

1.14 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.15 Cash at Bank and in hand

Cash at bank and 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.

1.16 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.17 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 measured at amortised cost using the effective interest method.

1.18 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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2. Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing the asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual values consider such things as future market conditions, the remaining life of the asset and projected disposal values.

3. Net income from trading activities of subsidiary

The charity has a wholly owned trading subsidiary (Starting Point Recruitment Limited) which is incorporated in England, which provides a recruitment agency service.

A summary of its trading results are shown below.

Profit and loss account

	2017 £	2016 £
Turnover	11,450,613	11,936,105
Cost of sales	(11,022,057)	(11,399,873)
Gross profit	428,556	536,232
Administrative expenses	(380,359)	(374,437)
Operating profit	48,197	161,795
Interest receivable	210	366
Gift aid payment to parent	-	-
Profit on ordinary activities before taxation	48,407	162,161
Tax on profit on ordinary activities	-	-
Profit for the financial year	48,407	162,161
Retained earnings at the beginning of the year	133,398	133,398
Payment under gift aid to Steps to Work (Walsall) Limited	(48,407)	(162,161)
Retained earnings at the end of the year	133,398	133,398

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Balance sheet

	2017 £	2016 £
Fixed assets	-	440
Current assets	1,819,612	1,642,096
Creditors: amounts falling due within one year	(1,686,213)	(1,509,137)
Net assets	<u>133,399</u>	<u>133,399</u>
Called up share capital	1	1
Profit and loss account	133,398	133,398
Shareholders' funds	<u>133,399</u>	<u>133,399</u>

Creditors amounts falling due within one year shown above include £116,592 owed to the charity (2016 - £179,628).

4. Investment income

	Designated funds 2017 £	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Interest receivable	-	-	10,074	10,074	12,916
	<u>-</u>	<u>-</u>	<u>10,074</u>	<u>10,074</u>	<u>12,916</u>

In 2016, of the total investment income, £12,916 was to unrestricted funds.

5. Income from charitable activities

	Designated funds 2017 £	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Support for the unemployed	-	1,414,610	-	1,414,610	1,854,674
	<u>-</u>	<u>1,414,610</u>	<u>-</u>	<u>1,414,610</u>	<u>1,854,674</u>

In 2016, of the total income from charitable activities, £1,854,674 was to restricted funds.

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6. Analysis of expenditure on charitable activities

	Designated funds 2017 £	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Support for the unemployed	422,236	1,414,610	148,428	1,985,274	2,276,720

In 2016, of the total expenditure, £151,593 was expenditure from unrestricted funds and £2,125,127 was expenditure from restricted funds.

7. Governance costs

	Designated funds 2017 £	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Auditors' remuneration	-	-	12,400	12,400	12,050
Production of annual report	-	-	1,600	1,600	1,525
	-	-	14,000	14,000	13,575

8. Direct costs

	Unemployed £	Total 2017 £	Total 2016 £
Direct salary costs	1,147,722	1,147,722	1,287,545
Support costs	335,974	335,974	372,657
Beneficiary related costs	23,635	23,635	130,912
Advertising & promotion	24,527	24,527	18,663
Premises costs	344,890	344,890	356,678
Depreciation	108,526	108,526	110,264
	1,985,274	1,985,274	2,276,719

9. Support costs breakdown

The Charity allocates its support costs between the charitable activities undertaken as shown below. Support costs are apportioned on staff time based upon the ESF methodology.

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Support costs

	2017	2017	2016
	Unemployed	Total	Total
	£	£	£
Management	175,923	175,923	103,657
Finance	73,032	73,032	122,024
Marketing	20,100	20,100	21,715
Human resources	39,846	39,846	40,525
Other	27,073	27,073	84,736
	<u>335,974</u>	<u>335,974</u>	<u>372,657</u>
Total	<u>335,974</u>	<u>335,974</u>	<u>372,657</u>

10. Net incoming resources/(resources expended)

This is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets:		
- owned by the charitable group	108,526	110,264
Auditor's remuneration	12,400	12,050
Hire of plant and machinery - operating leases	8,643	6,538
Hire of other assets - operating leases	9,461	25,922
	<u>139,030</u>	<u>154,774</u>

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11. Staff costs

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Salaries and wages	1,246,351	1,481,122	1,030,743	1,262,788
Social security	98,517	96,561	78,050	79,319
Pension	57,091	69,425	45,767	51,605
Total	1,401,959	1,647,108	1,154,560	1,393,712

The average number of employees of the group and charity during the year was as follows:

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Project officer	25	28	25	28
Employment agency	12	10	-	-
Administration and finance	19	24	19	24
Total	56	62	44	52

No employee earned over £60,000 during the year and the prior year.

The trustees received no emoluments or expenses.

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12. Tangible fixed assets

	Leasehold land and buildings £	Furniture, fittings and equipment £	Total £
Group			
Cost			
At 1 April 2016	752,578	955,822	1,708,400
Additions	-	23,545	23,545
Disposals	(429,602)	(778,995)	(1,208,597)
At 31 March 2017	322,976	200,372	523,348
Depreciation			
At 1 April 2016	752,578	840,751	1,593,329
Charge for the year	-	109,126	109,126
On disposals	(429,602)	(771,178)	(1,200,780)
At 31 March 2017	322,976	178,699	501,675
Net book value			
At 31 March 2017	-	21,673	21,673
At 31 March 2016	-	115,071	115,071
Company			
Cost			
At 1 April 2016	752,578	924,307	1,676,885
Additions	-	23,544	23,544
Disposals	(429,602)	(778,995)	(1,208,597)
At 31 March 2017	322,976	168,856	491,832
Depreciation			
At 1 April 2016	752,578	809,675	1,562,253
Charge for the year	-	108,686	108,686
On disposals	(429,602)	(771,178)	(1,200,780)
At 31 March 2017	322,976	147,183	470,159
Net book value			
At 31 March 2017	-	21,673	21,673
At 31 March 2016	-	114,632	114,632

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13. Fixed asset investments

	Shares in group undertakings	
Company	£	
Cost		
At 1 April 2016 and 31 March 2017	<u>1</u>	
Company investments at cost comprise:		
	2017	2016
	£	£
Share in Starting Point Recruitment Limited	1	1

The parent company holds the whole of the equity share capital of Starting Point Recruitment Limited a company incorporated in England and Wales. Its principal activity is to develop and deliver a professional and supportive "employment business" to both its temporary workers and its customers.

14. Debtors

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	1,773,688	1,162,919	28,681	152,637
Amounts owed by group undertakings	-	-	116,592	179,628
Prepayments and accrued income	212,980	696,932	155,737	336,415
	1,986,668	1,859,851	301,010	668,680

15. Creditors:
Amounts falling due within one year

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	1,044,775	882,543	57,874	79,721
Other taxation and social security	285,410	222,343	18,669	60,613
Other creditors	581,478	83,124	578,300	31,417
Accruals and deferred income	370,488	546,443	57,686	233,195
	2,282,151	1,734,453	712,529	404,946

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16. Contingent liabilities

The income claims of the company are subject to periodic audit by the awarding organisations. These audits could result in income previously claimed having to be repaid. The Trustees do not consider that any material liability would arise as a result of the reviews and accordingly no provision is made in the financial statements.

17. Pension commitments

The company belongs to the West Midlands Metropolitan Authorities Pension Fund which is a defined benefit pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds.

A full actuarial valuation of the defined benefit scheme was carried out at 31 March 2016. The company's share of the assets and liabilities of the scheme since joining have been estimated at 31 March 2017 by a qualified independent actuary on a Financial Reporting Standard 102 basis. The major assumptions at 31 March 2017 used by the actuary were:

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages) :

	2017	2016
Discount rate at 31 March	2.80 %	3.90 %
Future salary increases	4.20 %	3.95 %
Future pension increases	2.70 %	2.20 %

These assumptions are set with reference to market conditions at 31 March 2017.

The estimate of the duration of the Employer's liabilities is 25 years.

The discount rate is the annualised yield at the 25 year point on the Merrill Lynch AA-rated corporate bond yield curve which has been chosen to meet the requirements of FRS102 and with consideration of the duration of the Employer's liabilities. This is consistent with the approach used at the last accounting date.

The assets in the scheme and the expected rates of return were:

	Fair value at 31 March 2017 £	Fair value at 31 March 2016 £
Equities	2,725,000	2,046,000
Gilts	343,000	263,000
Other bonds	175,000	157,000
Property	326,000	279,000
Cash	121,000	154,000
Other	540,000	480,000
Total market value of assets	<u>4,230,000</u>	<u>3,379,000</u>

The actual return on scheme assets was £733,000 (2016 - £(12,000)).

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17. Pension commitments (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2017 £	2016 £
Current service cost	72,000	213,000
Net interest on the defined liability	60,000	64,000
Administration expenses	2,000	1,000
Total	134,000	278,000
Actual return on scheme assets	733,000	(12,000)

Movements in the present value of the defined benefit obligation were as follows:

	2017 £	2016 £
Opening defined benefit obligation	4,964,000	5,240,000
Interest cost	193,000	178,000
Contributions by scheme participants	23,000	29,000
Actuarial losses/(gains)	1,769,000	(540,000)
Past service costs	-	108,000
Current service cost	72,000	105,000
Benefits paid	(64,000)	(156,000)
Closing defined benefit obligation	6,957,000	4,964,000

Changes in the fair value of scheme assets were as follows:

	2017 £	2016 £
Opening fair value of scheme assets	3,379,000	3,318,000
Return on assets less interest	600,000	(126,000)
Interest income	133,000	114,000
Actuarial gains and (losses)	77,000	-
Contributions by employer	84,000	201,000
Contributions by scheme participants	23,000	29,000
Benefits paid	(64,000)	(156,000)
Administration expenses	(2,000)	(1,000)
	4,230,000	3,379,000

The group expects to contribute £127,000 to its Defined benefit pension scheme in 2018.

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17. Pension commitments (continued)

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2017 £	2016 £
Defined benefit obligation	(6,957,000)	(4,964,000)
Scheme assets	4,230,000	3,379,000
Deficit	(2,727,000)	(1,585,000)
Experience adjustments on scheme liabilities	(1,769,000)	540,000
Experience adjustments on scheme assets	77,000	-

18. Operating lease commitments

At 31 March 2017 the Group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2017 £	2016 £	2017 £	Other 2016 £
Group and charity				
Expiry date:				
Within 1 year	-	-	12,599	3,693
In two to five years	-	-	15,000	5,768

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19. Statement of funds

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General funds	2,009,241	11,407,056	(11,109,682)	86,889	-	2,393,504
Pension reserve	(1,585,000)	-	(50,000)	-	(1,092,000)	(2,727,000)
	<u>424,241</u>	<u>11,407,056</u>	<u>(11,159,682)</u>	<u>86,889</u>	<u>(1,092,000)</u>	<u>(333,496)</u>
Designated funds						
Fixed assets	530,798	-	(422,236)	(86,889)	-	21,673
Restricted funds						
Support for the unemployed	-	1,414,610	(1,414,610)	-	-	-
Total of Funds	<u>955,039</u>	<u>12,821,666</u>	<u>(12,996,528)</u>	<u>-</u>	<u>(1,092,000)</u>	<u>(311,823)</u>

Summary of funds

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	424,241	11,407,056	(11,159,682)	86,889	(1,092,000)	(333,496)
Designated funds	530,798	-	(422,236)	(86,889)	-	21,673
Restricted funds	-	1,414,610	(1,414,610)	-	-	-
	<u>955,039</u>	<u>12,821,666</u>	<u>(12,996,528)</u>	<u>-</u>	<u>(1,092,000)</u>	<u>(311,823)</u>

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20. Analysis of net assets between funds

	Designated funds 2017 £	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Tangible fixed assets	-	-	21,672	21,672	115,072
Current assets	21,673	-	4,653,983	4,675,656	4,159,421
Creditors due within one year	-	-	(2,282,151)	(2,282,151)	(1,734,454)
Provisions for liabilities and charges	-	-	(2,727,000)	(2,727,000)	(1,585,000)
	<u>21,673</u>	<u>-</u>	<u>(333,496)</u>	<u>(311,823)</u>	<u>955,039</u>

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2017 £	2016 £
Net expenditure for the year (as per Statement of financial activities)	(174,862)	(181,343)
Adjustment for:		
Depreciation charges	109,126	111,335
Loss on disposal of fixed assets	7,818	-
Dividends, interest and rents from investments	(10,074)	(12,916)
Defined benefit pension contributions	(84,000)	(201,000)
Pension cost borne by pension fund	134,000	278,000
(Increase)/decrease in debtors	(126,817)	888,356
Increase/(decrease) in creditors	547,697	(1,309,827)
Net cash provided by/(used in) operating activities	<u>402,888</u>	<u>(427,395)</u>

22. Analysis of cash and cash equivalents

	2017 £	2016 £
Cash in hand	2,688,987	2,299,570
Total	<u>2,688,987</u>	<u>2,299,570</u>