


Steps to Work (Walsall) Limited

Trustees' Report and Financial Statements

for the year ended 31 March 2018

Steps to Work 

Trustees Report // **2018**



stepstowork.co.uk



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Trustees Report // 2018

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.

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MISSION

To help those who face the biggest barriers in life to build a better future

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

AIMS

The longer-term objectives of STW are detailed in The Strategic Plan for 2018-2023 which sets out the strategic aims of both Steps to Work and Starting Point Recruitment over the next 5 years.

Strategic Aims & Objectives

- To provide our customers with life changing services and opportunities to develop skills and gain employment
- Develop innovative employment, training and recruitment services which increase ambition and sustain careers
- To innovate and create new commercial services to aid our growth
- Support people to improve their health and well-being
- Secure geographical and financial growth
- Developing new business & win new contracts across the region
- Develop our strategic partnerships alongside creating new opportunities for collaborative working in Public, Charitable and the Private Sectors.
- Maintain the highest levels of Quality, Performance and Sustainability in all that we do.
- Build a strong and value driven organisation
- To become champions of social impact across the West Midlands
- Embed a culture of Talent Management across our business
- Ensure strong and representative governance
- Promote equality, diversity and accessibility in all that we do

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DELIVERING PUBLIC BENEFIT

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

Our work covers a multitude of areas and provides real impact and measurable benefits to the people we have supported, this is summarised under the following principals.

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 and Health Programme (DWP Funded)
- Work on the Horizon (Big Lottery Funded)
- Supporting those not in Employment, Education or Training (NEET)
- Building Better Opportunities (funded by Big Lottery Fund and European Social Fund)
- Skills Support for the Unemployed (European Social Fund)
- Other projects designed to assist employees and employers

Principle 1b Delivering high quality, accessible and inclusive services which benefit our customers and the wider community.

This report details the projects and case studies which demonstrate the benefits our various services have provided to our customers. This directly links to the aims, vision and mission of the Charity and has helped us to support over 35000 people into work.

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.

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.

Our Trustees have examined the organisation's programmes, projects and actions, alongside comprehensive risk mapping. The Trustees agree that any detriment or harm caused would not outweigh the potential benefits we offer in assisting those who are disadvantaged in the labour market to gain the skills and knowledge required to access sustainable employment.

As an Organisation we are ranked number 14 in the top 100 companies by the National Centre for Diversity. We ensure that actions which could be potentially 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 staff training.

Our organisation adheres to strict health and safety and safeguarding policies and procedures which 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 are recognised externally through the retention of external accreditations such as Investors in People Gold standard, the Leaders in Diversity award and securing Disability Confident status alongside Matrix accreditation.

Our Commitment to Environmental Sustainability is contained within this report and is managed to the ISO14001 standard. The organisation's commitment to reducing potential detriment or damage to the environment is published in our sustainable development and environmental policy statements and 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 benefit 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.

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

This is underpinned by four clear principle headings.

Principle 2a Programme Delivery focuses predominantly on the unemployed population (our customers) of the West Midlands region.

Principle 2b Benefits are 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 because of the support and assistance we have provided.



FACTS AND STATISTICS

These charts show the background of customers who have used Steps to Work services in the financial year 2017-2018.

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	45%
Female	55%

AGE

Under 24	20%
25-49	48%
50+	32%

DISABILITY

No disability	60%
Disability	33%
Prefer not to say	0%
Not known	7%

ETHNIC ORIGIN

2.55%	Indian
0.48%	Asian or Asian British Other
2.83%	Asian or Asian British Pakistani
0.34%	Asian or Asian British Bangladeshi
3.17%	Black or Black British Caribbean
1.03%	Black or Black British African
0.28%	Black or Black British Other
1.93%	Mixed White and Black Caribbean
0.21%	Mixed White and Asian
0.83%	Mixed White/Black African
0.62%	Mixed Other
0.07%	Chinese
4.21%	Not known
0.41%	Other
79.72%	White British
0.28%	White Irish
1.03%	White Other



LOCATIONS OF DELIVERY

Our services were delivered at four fixed sites across Walsall over this financial year.

Challenge Building

Steps to Work operates from the Head Office at Challenge Building in Walsall town Centre. Several teams are located here including: The Evolve project, The Work Programme, Teaching and Learning and the Corporate team.

Work on the Horizon

Since 2005 our One stop shop has been located on Bloxwich High Street, Walsall, West Midlands and continues to support the residents of the Bloxwich and Blakenall area. Services are now wider reaching thanks to several outreach projects.

Darlaston Jet

After a brief closure in late 2015 we reopened DJET in April 2016. To make this viable we transferred our work programme and some of the BBO Bridges teams to ensure Darlaston had a valuable resource open 5 days a week.

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



TRUSTEES

Chair of the Board - Mr Ninder Johal	Managing Director – Nachural Productions
Vice chair of the Board - Mr Manjit Singh Jhooty	Managing Director - Pasab Ltd t/a Jhoots Pharmacy
Mrs Vera Birch	Community Resident - South Willenhall Local Committee (Stepped down September 2017)
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 elected Member and Sandwell College
Mr Andy Woodall	Owner – One Degree Difference
Ms Eileen Schofield	Principle – Schofield and Associates
Mr Mike Gahir	Regional Director – Santander
Mr Paul Cadman	CEO – Ex Forces Recruitment

SENIOR MANAGEMENT TEAM

James Walsh	Chief Executive Officer
Sue Dimmock	Deputy Chief Executive Officer (Left July 2017)
Crystina Woolley	Business Continuity Information & Compliance Manager
Tamara Crutchley	Business Development Manager
Stephanie Hammond	Partnership Manager
Rizwana Hussain	Work Programme Manager

CORPORATE TEAM

Raj Sarai	HR Manager
Natasha Mann	Marketing Officer
Andrew Radford	Health and Safety and Facilities Officer
Cordell O'Neill	Corporate Support Officer



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

Having completed my second year as Chair of the Board I can look back on the last twelve months and say that Steps to Work has had to react constantly to the ever changing political and economic environment.

We have seen the charity sector face an unprecedented level of scrutiny and a real drop in public opinion due to some larger charities activities and spending. Steps to Work has never once defaulted from its aims and ambitions and always focussed on the customers who need our help.

As a Board and organisation, we have continued to remain nimble and reactive enough to operate in this world whilst building up our skills and governance to future proof the organisation in the eyes of the Charity Commission and our customers.

Despite the challenges and uncertainty, we faced in 2017/18 we have grown in terms of securing a significant sub contract for the governments flagship "Work & Health Programme" This is to be commended given the level of competition for this contract and the fact that so many charitable organisations have fallen into difficulty and joined many high street names in closing their doors.

During the last year Steps to Work has shown how intuitive we have become by developing our own training programme for Mental Health First Aid which is being delivered both internally and externally.

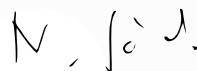
Our hard work and commitment has been recognised both regionally and nationally, Steps to Work was shortlisted for the Community Champion award by the Black Country Chamber of Commerce.

Nationally, Steps to Work secured the number 14 spot in the National Centre for Diversities (NCFD) list of top 100 UK companies for diversity. Our CEO was also shortlisted by the NCFD for the UK CEO / MD of the year. This shows we are moving in the right direction and that we are meeting our aim of delivering services for the public benefit.

We have continued to strengthen the Board and our governance by developing a full Trustee induction programme for new Trustees and development plan for all Trustees.

I have thoroughly enjoyed the last two years as Chair of the Board and I am proud of what we have managed to achieve. The time has come however for me to hand over the reins to a new Chair who will hopefully continue to help the organisations strengths and ensure that Steps to Work plays a key part in supporting the people of the Black Country and wider West Midlands.

I hope that you enjoy reading the Trustees report which highlights the achievements we have made and some of the lives we have changed during the last year.



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 and have required skills to enhance our governance.

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



James Walsh
Steps to Work
Chief Executive
Officer

Welcome to the 2017/18 Trustees Report for Steps to Work Ltd. The last operating year has continued to challenge us in many ways. Localised commissioning has been embedded and we are beginning to feel the benefit of the work we have done to position the charity in a fiercely competitive commissioning world.

As in previous years we have tried to ensure that our commercial contracts support the grant funded, not for profit and cost recovery programmes. Our corporate overheads and management costs remain lean and we have continued to drive hard for savings on procurement of business services.

Our colleagues have risen to the challenges in terms of reducing staffing on contracts which are coming to an end and seeking out redeployment wherever possible.

Sadly, we faced issues with staff leaving the organisation in circumstances which reflected poorly on our reputation in the local press. During this time, we ensured that the focus remained on the good work we do as an organisation and dealt with any negative potential impact in a robust and efficient manner. This led to the organisation being nominated by the National Centre for Diversity for a national award alongside securing a number 14 spot in the top 100 companies for diversity. Throughout this difficult time the colleagues and Trustees of the organisation remained supportive and committed to our aims and objectives.

In 2017/18 we continued to focus on developing strong relationships in readiness for the DWP employment Services Framework and the new Work and Health Programme. Our local partnerships and excellent work in the Black Country on the Building Better Opportunities programme assisted us in securing a £4.5 million sub contract through Shaw Trust to deliver employment support to people with disabilities and chronic health conditions in Sandwell and Dudley.

We also committed resources to supporting customers and businesses in dealing with mental health by training 4 instructors to become Mental Health First Aid Instructors. Those instructors have trained our staff and we have also developed a suite of commercial training products for local companies. We aim to increase the revenue in our Teaching and Learning Department by delivering MHFA across the region in 2018/19 and beyond.

In this year we continued to look for a strategic partner and whilst we identified 2 potential partners we decided not to progress with the discussions after the first stages. We will continue to discuss partnership opportunities however our Trustees and senior management will ensure that that any potential partner has aligned visions and values and can aid the growth of the charity.

Our continued governance review has seen a number of changes at Board level. We have had an unprecedented number of new Trustees join the Board and all have started our Trustee recruitment programme. We will continue to bring new skills and experience to the Boards of Steps to Work and Starting Point Recruitment.

I trust you will enjoy reading this year's report and reflect for a moment on how a small charity in Walsall can improve so many lives. This highlights the power of the third sector and the difference it makes to people every day.

"THOSE WHO FACE THE BIGGEST BARRIERS IN LIFE



James Walsh
Chief Executive Officer



DESERVE HELP TO BUILD A BETTER FUTURE”

Programme Delivery

SUMMARY OF PROGRAMMES DELIVERED DURING 2017 - 2018

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.



[FEEDBACK]

Mental Health First Aid Training



In 2017 Steps to Work committed to support employers to improve workplace wellbeing by delivering Mental Health First Aid (MHFA) commercially.

Three members of staff attended the 7-day MHFA Instructor training in London where they became qualified MHFA instructors. Since then Steps to Work has not only committed to training all employees in MHFA by the end of 2018 but has also begun offering MHFA training to employers across the country.



The purpose of the training is to provide employees with the skills and knowledge to support individuals suffering with mental ill health and provide help on a first aid basis. MHFA reduces the stigma around mental health and contributes to helping employers save the costs associated with mental health related sick leave.



One in four people in the UK will experience a mental health condition at some point in their life. Stress, anxiety and depression are the biggest cause of sickness absence costing UK employers an estimated £34.9 billion each year, with over 91 million working days lost every year. MHFA aims to reduce these costs and increase productivity in the workplace by ensuring employees have the correct support available to them.



“The course has been very informative and has helped open my mind to people’s thoughts, feelings and emotions”

———— (MHFA) ————

“Everything was well delivered by very informative, passionate and knowledgeable tutors within a safe environment that made it easy to have an open discussion”



“I enjoyed the delivery, there was a lot of variety in the way it was delivered e.g. handouts, group work, powerpoints, videos and brainstorms”

———— (MHFA) ————

“Well delivered by a knowledgeable and passionate trainer, very interesting and informative”



“The course has meant I will know and understand the signs of someone suffering from depression and mental health so that I can better support them”

———— (MHFA) ————

“The course will help me to be more aware of other people’s feelings, be more wary of the words used when talking to people and be able to offer support if I see someone suffering with mental ill health”





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 Job Centre Plus, Walsall Adult Community College, Pre-School Learning Alliance, the NHS, Probation Services, West Midlands Fire Service, Blakenall Information Centre, local Libraries, Work & Health Programme, Invest in Skills People etc.

The figures below show what the Reaching Out project has achieved between 1st of June 2017 and 31st of March 2018. 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.

In February 2017 Work on the Horizon became a sub-contractor with Skills Training on their IAG/NEETS contract aimed at 16 to 24 years and were the highest performer for progressions.

New Users	300
CVs	254
IAG	219
Training	154
Into Employment	40
People engaged through outreach	89



AMY MARSHALL, WOTH

Amy's long-term ambition was to become a sonographer in foetal imaging. She said that sonographers had played an important role in her mum's pregnancy with her when she was born very early and Amy was fascinated with how technology had advanced having had her own two children.

At 23 years old Amy lives with her partner and two young children aged 3 and 6. She started a family as soon as she left school and never had the chance to get into work or improve her education. Amy felt she had missed her chances by making mistakes when she was young and before she got much older she wanted to take the opportunity while she could and now that her children are in school and pre-school she finally felt she had the time she needed to focus on herself.

Amy knew she'd have to improve her qualifications in order to pursue her goal and was unsure how to go about it until she made contact with Work on the Horizon's project co-ordinator Vicky through the website asking for support.

Vicky's advice was to enrol on an Access to Higher Education course at Walsall College to improve on her existing qualifications. Amy took the advice immediately and began the course. Shortly after she returned to Work on the Horizon for support in sourcing work experience within the Health and Social Care sector in order to enhance her CV ready to apply for the Sonographer course at University.

Amy received support to write a CV that would help explain her motivation and enthusiasm to improve her education and establish a career, with the goal of helping her to gain some work experience despite a lack of work history. Amy then used this new CV to apply for opportunities in Health and Social Care and eventually she was offered an interview; just two months after taking the initiative to make a life change.

The interview went really well, way beyond Amy's expectations, and at her first interview she was offered the job! She will now be working in a Care Home helping people with learning difficulties for 30 hours a week. For her first interview, this was a fantastic result!

We will continue to support Amy with her career goals. She intends to combine working at her new job with studying at Walsall College to improve her Maths, followed by a Science qualification which will enable her to then apply to University to study Medical Ultrasound and take a further step towards achieving her goal.

Within three months Amy has taken steps to completely change her life and is now well on her way to achieving her dream; she has a bright future ahead of her.

"I feel so lucky, first ever interview and I got it! Thank you for all of the help you've given me, I really appreciate it."

Department for Work and Pensions (DWP)

We are now in year 8 of the Work Programme. We have seen major welfare reforms introduced over the last 7 years which include Universal Credits and claimant commitment.

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 a lot of money in dealing with health and employment matters most of which is spent on preventable health strategies.

We want to help people into work and make sure that work pays. In return, people currently claiming "out-of-work" benefits are positively encouraged to take 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 look for and take up employment the UK. The Government has created a structure that treats people as individuals and allows 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 on the results they achieve.

The Work Programme is currently part funded by the European Social Fund.



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 Credits, 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.

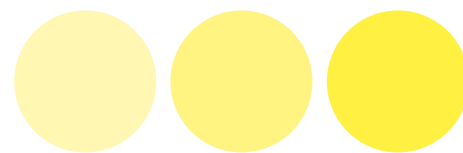
All customers due to join the Work Programme are referred by Jobcentre Plus; the Job centre advisors determine a customer's eligibility for the programme to determine whether the Work Programme is the most appropriate option for that customer.

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..

PeoplePlus Performance Figures April 2017 – March 2018:

Referrals	10
Attachments	10
Job Entry	78
2nd Day Jobs	80
Job Outcomes	93
Job Sustainment's	1149

PeoplePlus



Work & Health Programme

Steps to work have successfully secured a new contract with Shaw Trust. The Work and Health Programme is forecasted to make a kick start in January 2018.

The Work and Health Programme encompasses some of the traditions of Work Choice and Work Programme however it is designed and commissioned to offer holistic, tailor made and Individualised support Plans.

The person-centred approach is much more tailored to meet specific Key life area needs and is different to other programmes because it recognises that everyone

- Is different
- Has their own set of challenges
- Has their own individual reasons for being out of work
- Will have a different path to finding a job

Supported Key Life Areas-Participant engagement will be based on the following:



[CASE STUDY]

DIANE, WORK PROGRAMME

After being unemployed for 12 months, Diane (59) was eager to get back into work and felt that she had a lot to offer an employer.

Diane was referred to the Work Programme at Steps to Work by the Jobcentre back in November 2015 and felt apprehensive as she wasn't sure what to expect. After a negative experience at the Jobcentre Diane was unsure when she came to her first appointment and explained that despite applying for a number of jobs she hadn't had much response.

Diane was invited to interview for a warehouse operative position at Lidl which was opening in Wednesbury however during the interview she stumbled on some of the questions and found herself unable to give answers and unfortunately, she was not successful.

As it was her first interview in a long time, Diane felt she was a bit rusty and needed some support to brush up on her interview technique. Her work programme coach helped her complete the relevant paperwork and explained what her journey on the work programme would look like whilst applying for suitable vacancies. An action plan was set out and the first step was to attend a mock interview to help improve her confidence when answering interview questions.

Diane said she felt the mock interview was very informative and she came away with a better knowledge of how to conduct herself and how to answer interview questions. Diane's coach also booked her in to see a careers advisor to help Diane look at other possibilities and Diane was very pleased to have the opportunity to consider how to utilise her transferable skills.

Overall Diane was pleased with how her journey on the work programme was going. One to one job searches were conducted on a regular basis with the support of her advisor, who would also email suitable job opportunities to Diane so that she could apply.

Eventually, with the support and guidance from her adviser an opportunity came up for Ignition Components. Diane did some research and felt positive about the opportunity. She attended an interview and was successful! After hearing the good news Diane came straight into Steps to Work to see her coach with a big smile on her face!

Diane began her new job on the 1st of March and was supported with clothing for work and offered assistance paying for travel however Diane said she would prefer to walk and didn't wish to use funding that someone less fortunate could benefit from. Diane continues to be offered support from her employment coach who communicates via text message whenever Diane feels she needs advice or support and she is thoroughly enjoying her new job!

"After being told by the job centre that I was unemployable my confidence was really low. The first time I attended STW Karen was really helpful; she arranged a practice interview session and careers advice and I had help with my CV.

I have had more help than I have had over the last 12 months at the Job Centre. I cannot stress how good they are at their job."

[CASE STUDY]

CARL, DWP WORK AND HEALTH PROGRAMME

When Carl was 5 years old he was involved in an incident that resulted in permanent brain damage, meaning he had to move in with his grandparents.

Sadly a few years ago Carl's Nan passed away, Carl now lives with his Grandad who is getting older.

With limited support around him, Carl needed some help with independent living.

His employment advisor Zoe identified this need for support and referred Carl onto Steps to Work's weekly job search club.

As well as this Carl also received support with personal hygiene, budgeting and with learning difficulties. Carl opened up to Zoe to explain that his Grandad would limit the use of the washing machine, meaning that Carl struggled with hygiene, and that he had never really learned how to take proper care of himself.

Zoe was able to provide Carl with a daily and weekly routine that he could follow in order to take care of himself and stay clean.

Zoe also referred him to the Salvation Army where they supported him further with hygiene, independent living, budgeting and money management.

Carl was also going through a fraud case after his card was cloned and the Salvation Army were able to help him address the issue.

Carl has noticeably improved following this support, his job club tutor was impressed with the transformation and commented that his cleanliness and personal presentation had vastly improved.

As well as this, Carl's confidence has improved, he now feels confident talking to new people and working as part of a team.

One of the biggest confidence boosts for Carl came when he secured a work trail for a gardening firm.

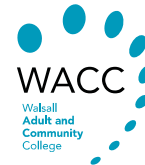
The employer has agreed to employ Carl on an ad-hoc basis to help with the workload which has given Carl confidence that he can find work!

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 2017/18 academic year (Aug 17 – Jul 18):



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	217
WACC Strand 2	15
April 2017-July 2017	

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 2019.

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 2017 and completed 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 adult 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"



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.

BRIDGES

The Building Reachable Individual Dreams Gaining Employment & Skills (BRIDGES) project is formed of 26 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 partners operational by January 2017.

Between April 2017 and March 2018, 1270 participants engaged with the programme, each of them receiving individually tailored support, 152 participants have already progressed into employment and 40 participants have progressed from the programme into education or training.



[CASE STUDY]

During February 2018 Bridges participants from Walsall and Sandwell got the opportunity to work together on a 2 day Confidence, Team Building and Skills Activity event.

The 2 day event was designed to encourage communication and team building skills while developing their employability skills and growing in confidence.

Day 1 involved participants attending a workshop where they worked together to complete a workbook which covered aspects of CV Building, Barriers, Transferable skills, LGBTQ Awareness and The History Of The Black Country.

Day 2 of the event took place at The Black Country Living Museum, which encouraged them to communicate and grow their confidence within a relaxed environment while learning about barriers and hardship that previous generations had to overcome.

The 2 day event was a brilliant success with many of the participants commenting that they had gained a lot of confidence and knowledge by attending.

This activity is just another example of how the Bridges project is using different techniques and methods to help Bridges participants overcome their barriers and move closer to their individual goals.

"I loved meeting new people which has really boosted my confidence" (RB).

"I enjoyed meeting new people and learning new skills" (GB).

"I really enjoyed meeting new people and learning about the Black Country" (MH).



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

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, which commenced in January 2017, is delivered across the Lichfield, Cannock, Tamworth and East Staffordshire Districts. This project is funded, until 31st December 2019, by the European Social Fund and the National Lottery, through the Big Lottery Fund.

2018 will see changes to the Evolve project with 3 partners leaving the partnership due to a variety of reasons. Approval has been sought from the Big Lottery Fund to replace these partners and upon a review of the partnership a gap has been identified in Tamworth and East Staffordshire for provision for Carers and Single Adult Households and Tamworth for people with long term health conditions, specifically people with enduring mental health conditions.

We look forward to welcoming the new delivery partners to the Evolve partnership.

In addition, Steps to Work have recruited 2 Engagement Officers to support the partners in increasing the number of participants on programme and to offer extra networking opportunities with referring organisations.

The Engagement Officers will be in post by early August 2018.



[CASE STUDY]

Ian was an apprentice gunsmith, which ended after 6 months due to not being suitable. He had experience in farm work, worked as a labourer, had lots of driving jobs and took part in multiple schemes such as St Margery Hospital, Brooklyn Technical, and Urban Wildlife.

He had to take care of his mother, who suffered with dementia, by himself for 4 years before she passed away. His severe anxiety led him to withdraw himself from socialising and working and he became vulnerable.

When he heard from Support Staffordshire about a volunteer role at COGS, he went in for an interview and chat to Brenda and started coming in.

He was getting back into being around people and socialising; he was slowly becoming used to being around people again. He loves gardening but lacked the confidence but we very soon realised his talent for gardening.

Shortly after he had started, we discussed with him if he would like to join the Evolve program and signed on since he was eligible to join.

As his skills progressed, he began leaving offsite to work on the contracts with the gardeners. He had wanted to become a support worker and began taking the role towards those who needed the extra support. He found it challenging but still enjoyed taking care of them nonetheless.

He moved into a new flat on his own which was a challenge for him and is adjusting to his new life style.

"I have come a million miles from where I was, no doubt about it. This place has done Better for me than the anti-depressant tablets!"

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.



Steps to Work 

starting
point
RECRUITMENT



[CASE STUDY]

In February 2018 energy company Engie was going through a period of redundancies and contacted Steps to Work seeking support in providing their staff with employability training.

Many of Engie's staff members had been working at the same organisation for a number of years and did not feel confident at the prospect of searching for jobs at the end of their employment.

Recognising that this was having a negative impact on staff morale and mental health, Engie approached Steps to Work to plan and deliver an employability course at their premises in Telford to those facing redundancy.

Steps to Work's commercial training co-ordinator worked in partnership with Starting Point Recruitment to develop a session covering CV writing, interview techniques and confidence and motivation with Starting Point Recruitment on-hand during the sessions to register individuals interested in finding work through the agency.

This provided well-rounded employability training that left the individuals feeling more confident and positive about finding work after redundancy.

Commercial Manager David Yates said:

"I would like to say thank you to Steps to Work for the training they provided members of our team.

Due to contract changes a number of staff were unfortunately being made redundant. At short notice the team at Steps to Work put together a programme to assist them in finding new jobs.

Kerry and Lea really helped the team improve their confidence in interview techniques, produce professional C.V's. and understand what prospective employers are looking for from applicants.

Feedback from the team was very positive, they felt it gave them the confidence for interviews and they particularly thought the session on identifying their skills was very helpful.

Once again, I would like to say thank you for arranging everything at such short notice and so efficiently. I will certainly call the team again to assist us if needed."

Highlights of the Year

2017/18 has seen Steps to Work go from strength to strength with the commencement of the Work and Health Programme which has seen a significant growth in our staffing. Steps to Work continues to strive to diversify and deliver services that meet the changing needs of employers and jobseekers across the region

WORK AND HEALTH PROGRAMME LAUNCH

2017 saw the launch of the Work and Health Programme.

Steps to Work are working in partnership with lead organisation Shaw Trust to deliver the Work and Health Programme which will replace the Work Programme.

It is designed to improve employment outcomes for people with health conditions or disabilities and those unemployed for more than two years.

COLLEAGUE CONFERENCE

We held our third annual colleague conference in November 2017 at The Crossing at Saint Pauls in Walsall.

The purpose of the day is to bring staff from across the organisation together and give people the chance to work with people they wouldn't usually work with.

The feedback was once again very positive and highlighted the value in bringing all staff together for a day of team building.





NATIONAL CENTRE FOR DIVERSITY

For the third year in a row Steps to Work has made it onto the National Centre for Diversity's Top 100 Employer's list, making it to number 14 for 2018.

As well as this, Steps to Work was nominated for the CEO of the Year award at the NCFD awards.

BLACK COUNTRY CHAMBER AWARDS

In November 2017 Steps to Work attended the Black Country Chamber Awards after being shortlisted for the Community Champion award, recognised for the organisation's commitment to helping people overcome their barriers and get back into work.

MENTAL HEALTH FIRST AID

In 2017 Steps to Work made the commitment to train four members of staff to be Mental Health First Aid instructors with the aim of not only providing Mental Health First Aid training to all colleagues, but also offering the training commercially to other businesses.

BOARD AWAY DAY

In July 2017 we held our first Board Away Day, where trustees and members of the senior management team spent the day discussing the business and the operational plan for the coming year. It was also an opportunity for new trustees to meet key managers and get involved.



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 2017/18 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 recognises that the environment is a major factor in determining the quality of life in and around the communities and areas in which it operates.

The Organisation is committed to environmental sustainability and aims to ensure that its activities do not cause pollution or have detrimental effect on the environment and the communities therein. Our approach continues to be to reduce the impact of our and our partners activities by placing the 'Environment' at the heart of our approach and the adoption of an Environmental Management System and objectives that are in line with the requirements of the ISO 14001 Standard.

Like all ISO management system standards, ISO 14001 includes the need for continual improvement of both systems and environmental matters.

The standard has recently been revised (ISO 14001:2015), with key improvements placing increased emphasis of environmental management within the organization's strategic planning processes, greater input from leadership and a stronger commitment to proactive initiatives that boost environmental performance.

In recent times the Environmental, Health & Safety team (EHS) have placed considerable focus upon making the transition from the existing ISO 14001:2004 to the 'new' ISO 14001:2015. The new version of the Standard follows the ISO Annexe XL standard structure and will benefit the organisation by enabling increased synergy of the ISO standards that we hold.

This will simplify the audit process as well as enabling greater integration of our management systems. It is anticipated that the updated system will be introduced in the 1st quarter of 2018-9.

In the past financial year we have continued with the approach of keeping environmental matters to the forefront of our considerations. In this time we have continued to place emphasis not only on reducing our negative impacts but also in line with the updated Standard looking at how we may capitalise on opportunities that arise from our approach to environmental management.

Commitment to the environmental policy and the management system that lies behind it comes from the leadership of the organisation and is cascaded down to all levels. Whilst the overall objective is not to create pollution we have focussed upon a number of key aspects that occur as a result of our activities and work to minimise any resultant negative impact or increase any positive impacts.

Particular areas of focus have included:

- Energy & Natural Resources
- Maintenance Activities
- Waste Management
- Procurement
- Travel & Transportation
- Nuisance

In identifying the key aspects, some of which are identified above, we have considered what we need to do to meet our compliance objectives. This process requires a regular review of legislative, stakeholder, customer and client requirements to ensure our approach remains current.

In our activities we continue to encourage all to reduce their consumption of energy through the 'better off' campaign as well as procurement of efficient electrical items in line with the Sustainable Procurement Policy and the implementation of an improved planned maintenance schedule.

Our increased emphasis on improving the management of waste has further been strengthened by the introduction of a Waste Management Policy.

This policy is designed to minimise disposal to waste and encourages;

- Consideration of the waste hierarchy before disposing to waste
- Better segregation of waste including the provision of improved facilities
- Donation of surplus/excess furniture to other 3rd sector organisations

With increasing numbers of 'distributed' employees resulting in increasing use of vehicles and fuel we have placed greater emphasis on encouraging car sharing, use of public transport and cycling to work. Going forward we shall look to further encourage these positive actions to further reduce our 'footprint' by considering how we can better incentivise such behaviours.

Personnel will continue to be encouraged to contribute to the environmental performance through the provision of information, training and awareness sessions. Further communications takes place through the periodic environmental bulletins, team briefings as well as via the environmental noticeboards that are located around the sites.

Our transition to the new ISO 14001:2015 will further improve the relevance and effectiveness of the management system and in this we shall continue to set objectives along with measurable key performance indicators. This process, which will continue in the future, will where possible be broadened to increase our measurability of performance so that we are able to further reduce our negative impact.



Our commitment to Investors in People, Leaders in Diversity and Disability confident



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

This year we have been working towards becoming a Disability Confident Leader and later this year we will be re-assessed against the Investors in People and the Leaders in Diversity Standards.

As part of our work towards these standards we regularly undertake surveys with the staff.

Quotes from staff in the last survey in October 2017 were:

I am very happy with my job role, I enjoy helping people and get great satisfaction from seeing the customers do well from the initial assistance they receive from us.

I still believe in STW and all it stands for and am proud to work for the company.

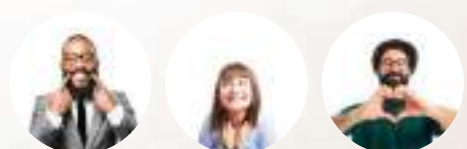
STW gave me a chance, support and training and they provide this service for anyone who comes across our door.

We have invested heavily this year in training up four members of our team to become Mental Health First Aid Instructors.

These members of staff are now training up their colleagues in Mental Health First Aid and providing support and advice to their colleagues too.

This has been a very beneficial exercise in developing the staff and helping them to gain the skills and knowledge to provide excellent customer service to our participants.

The above accreditations are beneficial to Steps to Work because not only do they support our bids/tenders for contracts, but they also help us to assess our practices on a continual basis and constantly strive to improve.



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 decreased from £2,727,000 to £2,568,000.

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 £493,887 compared to £333,496 in 2017. The movement in funds incorporates the pension reserve of £2,568,000.

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 has been seen in the net incoming resources due to contracts entering the last phase and 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 2018

	Designated funds 2018 £	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income and endowments from:					
Charitable activities	-	1,447,476	-	1,447,476	1,414,610
Other trading activities:					
Trading activities	-	-	15,238,177	15,238,177	11,396,982
Investments	-	-	3,908	3,908	10,074
Total income and endowments	-	1,447,476	15,242,085	16,689,561	12,821,666
Expenditure on:					
Raising funds	-	-	15,004,970	15,004,970	10,997,254
Charitable activities	15,409	1,447,476	528,256	1,991,141	1,999,274
Total expenditure	15,409	1,447,476	15,533,226	16,996,111	12,996,528
Net expenditure before transfers	(15,409)	-	(291,141)	(306,550)	(174,862)
Transfers between Funds	107,251	-	(107,251)	-	-
Net income / (expenditure) before other recognised gains and losses	91,842	-	(398,392)	(306,550)	(174,862)
Actuarial gains/(losses) on defined benefit pension schemes	-	-	238,000	238,000	(1,092,000)
Net movement in funds	91,842	-	(160,392)	(68,550)	(1,266,862)
Reconciliation of funds:					
Total funds brought forward	21,673	-	(333,496)	(311,823)	955,039
Total funds carried forward	113,515	-	(493,888)	(380,373)	(311,823)

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 2018

	£	2018 £	£	2017 £
Fixed assets				
Tangible assets		113,515		21,673
Current assets				
Debtors	4,169,746		1,986,668	
Cash at bank and in hand	1,502,723		2,688,987	
	<u>5,672,469</u>		<u>4,675,655</u>	
Creditors: amounts falling due within one year		<u>(3,598,357)</u>		<u>(2,282,151)</u>
Net current assets		<u>2,074,112</u>		<u>2,393,504</u>
Total assets less current liabilities		<u>2,187,627</u>		<u>2,415,177</u>
Defined benefit pension scheme liability		<u>(2,568,000)</u>		<u>(2,727,000)</u>
Net liabilities including pension scheme liabilities		<u>(380,373)</u>		<u>(311,823)</u>
Funds				
Designated funds		113,515		21,673
Unrestricted funds:				
Unrestricted funds excluding pension liability	2,074,112		2,393,504	
Pension reserve	<u>(2,568,000)</u>		<u>(2,727,000)</u>	
Total unrestricted funds		<u>(493,888)</u>		<u>(333,496)</u>
Total deficit		<u>(380,373)</u>		<u>(311,823)</u>

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 2018 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 2018 and will soon be submitted to the Charity Commission and to Companies House. They received an unqualified audit report from Dains LLP on 21 September 2018 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 2018

Risks and Opportunities

The current operating environment continues to present many challenges for Steps to Work and Starting Point Recruitment. Those challenges bring both opportunities and threats to the future of the organisation. Alongside this our Board of Trustees has challenged us to diversify and grow as an organisation.

RISKS

In July 2017 we held a joint SMT / Board away day in which we sought the views of our Senior Management Team and our Board of Trustees to assess the organisations Strengths, Opportunities, Weaknesses and Threats. Alongside this we have also conducted a review of the Political, Environmental, Social and Technological factors which affect us as a business.

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

- Location of our services
- Business continuity / Disaster recovery
- Financial performance and sustainability
- Damage to the company's reputation in the eyes of customers, commissioner's stakeholders and partners
- Providing the correct resources to deliver effective and efficient services
- The Health, Safety and welfare of our customers, colleagues and Trustees
- Policy changes locally regionally and nationally for Employment Related Support, skills and welfare reform
- The implications of Brexit and the changes to funding streams
- Mergers/ partnerships and increased competition

Our risk plan has been updated to reflect the changes in risk we have identified throughout 2017/18. The organisations operational and strategic plans are aligned with the risk plan and form a key part of the annual business management review which also includes actions taken to reduce and mitigate risks.

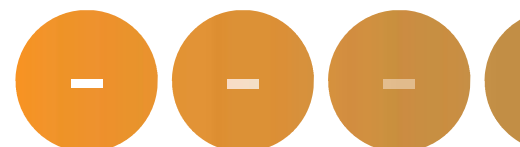
Our robust approach to risk management reflects on the assessment of new projects, these risk assessment procedures have resulted in us working closely with commissioners and potential delivery partners to spread the risks when we believe the risk to ourselves is too great.

We remain committed to our risk assessment process and where necessary will pass on opportunities which present too much of a financial risk. This was demonstrated in our assessment of bidding to be a prime contractor on the Work and Health Programme, instead we agreed to secure sub contract with a prime contractor who is aligned to our organisations vision mission and aims.

OPPORTUNITIES

The SWOT analysis conducted in July 2017 helped identify the below opportunities:

- Availability of Youth Employment Initiatives, DWP Dynamic Purchasing System and the Work and Health Programme
- Improving marketing and brand awareness
- Greater collection and analysis of our data
- Celebrate success and our achievements
- Develop talent management and staff training to meet new market demands
- Build effective Brand \ Partnerships across the wider West Midlands and Staffordshire
- Secure market growth for Starting Point Recruitment
- Cross selling of Agency, Training and Employability services to employers
- Developing specialist consultancy services
- Capitalise on devolved commissioning and funding changes



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 have recruited Trustees who bring the skills 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 requires us to keep most of our reserves in unrestricted general funds. This is so that our expenditure profiles can be met.

We have seen Starting Points reserves grow marginally due to a focus on developing a new business team and a reduction in roles filled by suppliers.

Starting Point will continue to gift 95% of its profit to the charity at the end of the financial year to assist with organisational costs and creating measurable social impact.

Our prudent policy has ensured that certain funds are restricted to meet future development and replacement costs. We must adhere to the fact that 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.

For 18/19 we expect our pension liability valuation to decrease slightly as people leave the business and the valuations stabilise.

In 2017/18 Steps to Work did not met the required income in many 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.

For 2018/19 we aim to stabilise losses to bring the group to a virtual break-even position at year end.





The Future

The next 12 months will see continued changes in localised services and devolved commissioning. Steps to Work will focus on our Lead Contractor services alongside delivery BBO and DWP contracts whilst bidding for sub contract and prime opportunities.

2018/19 will be a pivotal year to stabilise and aim for a group break even position. This will hopefully be achieved by Starting Point Recruitment securing the Walsall Council Master Vendor Contract together with a focus on business development and growth on the private sector recruitment. This will allow us to invest the profits from our recruitment business into Steps to Work to continue to create social value.

Our priorities over the next 5 years have been shaped by understanding the new commissioning world alongside diversification and growth of our business.

- By the end of 2020 we will have assisted 40000 people in to work
- By the end of 2023 this figure will be 45000 people in to work

Over the next five years we will build upon our successes and become champions of social impact across the West Midlands. We aim to establish social innovation hub for the region by 2025.

The hub would bring together integrated services in the region to allow better access to connected public services such as health, social care, housing, skills, and employment.

Our mission is to help those who face the biggest barriers in life build a better future by working with local people and businesses across the West Midlands.

PARTNERSHIP AND COLLABORATION

Partnership and collaboration are essential in terms of growth and diversification, localised commissioning has already shifted to more partnership evidence and we are in a strong position to build on the foundation and reputation Steps to Work and Starting Point have built over the years.

Partnership opportunities did come along in 2017/18 however they did not progress beyond early discussion stages as we did not feel the timing was right nor organisational alignment was achievable. For the immediate future we will remain an independent organisation which focusses on growing regionally by working in collaboration with strategic partners who share our vision and values.

However, we will look at opportunities to secure a long term strategic partner to enable growth in line with our strategic aims which could be supported by becoming partners in a larger group by 2020. This could help us cash flow larger contract opportunities and invest in creating a suite of innovative services to support social innovation.

GOVERNANCE REVIEW

We are committed to developing our board of trustees in 2018/19 and will see our current chair of the board Ninder Johal step down and make way for new chair Mike Gahir.

As the CEO I would like to personally thank Ninder for his hard work over the last 2-3 years, he has helped to improve the range of skills we have on our board of trustees.

We will be further improving our governance by undertaking a full Governance review to update our constitution and governing documents to reflect the changing times ahead for both the charity and not for profit sector.

This will provide a modern governance framework to enable our Board of Trustees to continue to support the delivery of our services and meet our charitable aims whilst strengthening our financial position.

EMPLOYER ENGAGEMENT

As we move into 2018/19 we will focus on the evolving needs of local employers. We have invested in dedicated resources to ensure we can work closely with numerous Chambers of Commerce across the West Midlands.

We have invested in a dedicated role of Employer Liaison Manager who will focus on building long term and volume based opportunities with local employers. This role will enable Steps to work Programmes to perform and secure income as well as providing SPR with links to clients for both temp and permanent roles.

Our Employer Relationship Manager will build stronger links with Starting Point Recruitment to and Steps to Work 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, 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.

Our region has seen huge transformation in recent years and the labour market has at times struggled to keep up. Our local employers are the backbone of the region and we have worked hard with employers to understand their needs and tailor our services to suit the opportunities they provide which really can change lives.

We play a vital role between our customers and local employers to make sure that they both get what they are looking for. We are proud to work with so many socially conscious employers in the region who offer the chance to build a better future to our customers.

BUILDING TALENT AND ENSURING QUALITY

We have undertaken all necessary work to prepare for the changing standards on our external accreditation. We have seen the rewards already, securing number 14 in the National Centre for Diversity top 100 employers.

Our Business Management system and Compliance is at leading edge of the sector and we have supported other third sector organisations with developing their capacity and skill through BBO contracts.

To strengthen the business, we have attracted new talent which has had a very positive effect across the organisation. All new staff rate the experience of joining Steps to Work very highly and whilst we have lost some staff it is important that we are an aspirational employer who people want to work for in a sector which is rapidly losing skilled people.

As the CEO I firmly believe that our biggest asset is our people, whilst a talent management strategy provides career progression it is critical that our business development function wins new contracts to allow us to retain the talent we have and provide sustainable careers for our colleagues.

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
- 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 (Walsall) Limited
(A company limited by guarantee)

Trustees' Responsibilities Statement
for the year ended 31 March 2018

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

Opinion

We have audited the financial statements of Steps to Work (Walsall) Limited (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the consolidated statement of financial activities, the consolidated and company balance sheets, the consolidated cash flow statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included

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

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

in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Group Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- the parent charitable company has not kept adequate and sufficient 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.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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



Andrew Morris FCA (Senior statutory auditor)

for and on behalf of

Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham
1 October 2018

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 2018

	Note	Designated funds 2018 £	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income and endowments from:						
Charitable activities	5	-	1,447,476	-	1,447,476	1,414,610
Other trading activities:						
Trading activities		-	-	15,238,177	15,238,177	11,396,982
Investments	4	-	-	3,908	3,908	10,074
Total income and endowments		-	1,447,476	15,242,085	16,689,561	12,821,666
Expenditure on:						
Raising funds		-	-	15,004,970	15,004,970	10,997,254
Charitable activities	6,7	15,409	1,447,476	528,256	1,991,141	1,999,274
Total expenditure		15,409	1,447,476	15,533,226	16,996,111	12,996,528
Net expenditure before transfers		(15,409)	-	(291,141)	(306,550)	(174,862)
Transfers between Funds	19	107,251	-	(107,251)	-	-
Net income / (expenditure) before other recognised gains and losses		91,842	-	(398,392)	(306,550)	(174,862)
Actuarial gains/(losses) on defined benefit pension schemes	17	-	-	238,000	238,000	(1,092,000)
Net movement in funds		91,842	-	(160,392)	(68,550)	(1,266,862)
Reconciliation of funds:						
Total funds brought forward		21,673	-	(333,496)	(311,823)	955,039
Total funds carried forward		113,515	-	(493,888)	(380,373)	(311,823)

All activities relate to continuing operations.

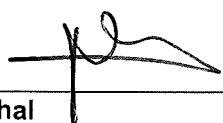
The notes on pages 9 to 26 form part of these financial statements.

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

Consolidated Balance Sheet
as at 31 March 2018

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	12		113,515		21,673
Current assets					
Debtors	14	4,169,746		1,986,668	
Cash at bank and in hand		1,502,723		2,688,987	
		<u>5,672,469</u>		<u>4,675,655</u>	
Creditors: amounts falling due within one year	15	<u>(3,598,357)</u>		<u>(2,282,151)</u>	
Net current assets			<u>2,074,112</u>		<u>2,393,504</u>
Total assets less current liabilities			<u>2,187,627</u>		<u>2,415,177</u>
Defined benefit pension scheme liability	17		<u>(2,568,000)</u>		<u>(2,727,000)</u>
Net liabilities including pension scheme liabilities			<u><u>(380,373)</u></u>		<u><u>(311,823)</u></u>
Funds					
Designated funds	19		113,515		21,673
Unrestricted funds:					
Unrestricted funds excluding pension liability			2,074,112		2,393,504
Pension reserve			<u>(2,568,000)</u>		<u>(2,727,000)</u>
Total unrestricted funds			<u>(493,888)</u>		<u>(333,496)</u>
Total deficit			<u><u>(380,373)</u></u>		<u><u>(311,823)</u></u>

The financial statements were approved and authorised for issue by the Trustees on 1 October 2018 and signed on their behalf, by:



N Johal
Trustee

The notes on pages 9 to 26 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 2018

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	12		113,515		21,673
Investments	13		1		1
			<u>113,516</u>		<u>21,674</u>
Current assets					
Debtors	14	1,280,585		301,010	
Cash at bank and in hand		1,492,698		2,671,625	
		<u>2,773,283</u>		<u>2,972,635</u>	
Creditors: amounts falling due within one year	15	(832,570)		(712,529)	
Net current assets			<u>1,940,713</u>		<u>2,260,106</u>
Total assets less current liabilities			<u>2,054,229</u>		<u>2,281,780</u>
Defined benefit pension scheme liability	17	(2,568,000)		(2,727,000)	
Net assets including pension scheme liabilities			<u>(513,771)</u>		<u>(445,220)</u>
Charity Funds					
Designated funds	19		89,006		21,673
Unrestricted funds:	19				
Unrestricted funds excluding pension liability		1,965,223		2,260,107	
Pension reserve		<u>(2,568,000)</u>		<u>(2,727,000)</u>	
Total unrestricted funds			<u>(602,777)</u>		<u>(466,893)</u>
Total deficit			<u>(513,771)</u>		<u>(445,220)</u>

The financial statements were approved and authorised for issue by the Trustees on 1 October 2018 and signed on their behalf, by:



N Johal
Trustee

The notes on pages 9 to 26 form part of these financial statements.

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

Consolidated Statement of Cash Flows
for the year ended 31 March 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	(1,073,174)	402,888
Cash flows from investing activities:			
Dividends, interest and rents from investments		3,908	10,074
Purchase of fixed assets		(116,998)	(23,545)
Net cash used in investing activities		(113,090)	(13,471)
Change in cash and cash equivalents in the year		(1,186,264)	389,417
Cash and cash equivalents brought forward		2,688,987	2,299,570
Cash and cash equivalents carried forward		1,502,723	2,688,987

The notes on pages 9 to 26 form part of these financial statements.

1. Accounting Policies

1.1 General information

Steps to Work (Walsall) Limited is a company incorporated in England and Wales under Companies Act. The address of the registered office is given in the company information section. The nature of the company's operations and its principal activities are set out in the trustees' report.

1.2 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) Limited 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.

1.3 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 section 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 £(68,551) (2017 - £(118,639)).

1.4 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. Accounting Policies (continued)

1.5 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.

1.6 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. Accounting Policies (continued)

1.7 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.

1.8 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

1.9 Investments

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

1.10 Operating leases

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

1. Accounting Policies (continued)

1.11 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.

1.12 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.

1.13 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.

1.14 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.

1.15 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.

1.16 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. Accounting Policies (continued)

1.17 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.

1.18 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.

1.19 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.

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.

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

Notes to the Financial Statements
for the year ended 31 March 2018

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

	2018 £	2017 £
Turnover	15,281,579	11,450,613
Cost of sales	(14,688,041)	(11,022,057)
Gross profit	593,538	428,556
Administrative expenses	(426,675)	(380,359)
Operating profit	166,863	48,197
Interest receivable	48	210
Profit on ordinary activities before taxation	166,911	48,407
Tax on profit on ordinary activities	-	-
Profit for the financial year	166,911	48,407
Retained earnings at the beginning of the year	133,398	133,398
Payment under gift aid to Steps to Work (Walsall) Limited	(166,911)	(48,407)
Retained earnings at the end of the year	<u>133,398</u>	<u>133,398</u>

Balance sheet

	2018 £	2017 £
Fixed assets	24,509	-
Current assets	3,960,600	1,819,612
Creditors: amounts falling due within one year	(3,851,710)	(1,686,213)
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 £1,085,924 owed to the charity (2017 - £116,592).

Steps to Work (Walsall) Limited
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Notes to the Financial Statements
for the year ended 31 March 2018

4. Investment income

	Designated funds 2018 £	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Interest receivable	-	-	3,908	3,908	10,074
Total 2017	-	-	10,074	10,074	

5. Income from charitable activities

	Designated funds 2018 £	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Support for the unemployed	-	1,447,476	-	1,447,476	1,414,610
	-	1,447,476	-	1,447,476	1,414,610
Total 2017	-	1,414,610	-	1,414,610	

6. Analysis of expenditure on charitable activities

	Designated funds 2018 £	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Support for the unemployed	15,409	1,447,476	515,356	1,978,241	1,985,274
Total 2017	422,236	1,414,610	148,428	1,985,274	

Steps to Work (Walsall) Limited
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Notes to the Financial Statements
for the year ended 31 March 2018

7. Governance costs

	Designated funds 2018 £	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Auditors' remuneration	-	-	11,650	11,650	12,400
Production of annual report	-	-	1,250	1,250	1,600
	-	-	12,900	12,900	14,000

8. Direct costs

	2018 Unemployed £	Total 2018 £	Total 2017 £
Direct salary costs	1,158,267	1,158,267	1,147,722
Support costs	374,015	374,015	335,974
Beneficiary related costs	52,134	52,134	23,635
Advertising & promotion	21,929	21,929	24,527
Premises costs	346,740	346,740	344,890
Depreciation	25,155	25,155	108,526
Subtotal	1,978,240	1,978,240	1,985,274
Other direct costs	1	1	-
	1,978,241	1,978,241	1,985,274
Total 2017	1,985,274	1,985,274	

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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Notes to the Financial Statements
for the year ended 31 March 2018

Support costs

	2018 Unemployed £	2018 Total £	2017 Total £
Management	219,125	219,125	175,923
Finance	48,793	48,793	73,032
Marketing	22,074	22,074	20,100
Human resources	47,911	47,911	39,846
Other	36,112	36,112	27,073
Total	374,015	374,015	335,974

10. Net income/(expenditure)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets: - owned by the charitable group	25,156	109,126
Auditor's remuneration	13,000	14,675
Hire of equipment and other assets - operating leases	60,432	18,104

11. Staff costs

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Salaries and wages	1,522,153	1,246,351	1,206,082	1,030,743
Social security	145,541	98,517	121,518	78,050
Pension	141,023	57,091	122,869	45,767
Total	1,808,717	1,401,959	1,450,469	1,154,560

Steps to Work (Walsall) Limited
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Notes to the Financial Statements
for the year ended 31 March 2018

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

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Project officer	28	25	28	25
Employment agency	14	12	-	-
Administration and finance	25	19	25	19
Total	67	56	53	44

One employee earned £60,000 - £70,000 during the year with pension contribution being £1,300. No employee earned over £60,000 in 2017.

The trustees received no emoluments or expenses.

12. Tangible fixed assets

Group	Leasehold land and buildings £	Furniture, fittings and equipment £	Total £
Cost			
At 1 April 2017	322,976	200,372	523,348
Additions	-	116,998	116,998
Disposals	-	(1,231)	(1,231)
At 31 March 2018	322,976	316,139	639,115
Depreciation			
At 1 April 2017	322,976	178,699	501,675
Charge for the year	-	25,156	25,156
On disposals	-	(1,231)	(1,231)
At 31 March 2018	322,976	202,624	525,600
Net book value			
At 31 March 2018	-	113,515	113,515
At 31 March 2017	-	21,673	21,673

Steps to Work (Walsall) Limited
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Notes to the Financial Statements
for the year ended 31 March 2018

Company	Leasehold land and buildings £	Furniture, fittings and equipment £	Total £
Cost			
At 1 April 2017	322,976	168,856	491,832
Additions	-	116,998	116,998
At 31 March 2018	322,976	285,854	608,830
Depreciation			
At 1 April 2017	322,976	147,183	470,159
Charge for the year	-	25,156	25,156
At 31 March 2018	322,976	172,339	495,315
Net book value			
At 31 March 2018	-	113,515	113,515
At 31 March 2017	-	21,673	21,673

Steps to Work (Walsall) Limited
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Notes to the Financial Statements
for the year ended 31 March 2018

13. Fixed asset investments

Company	Shares in group undertakings
Cost	£
At 1 April 2017 and 31 March 2018	1
Company investments at cost comprise:	
	2018
	£
Share in Starting Point Recruitment Limited	1
	2017
	£
	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	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	1,616,665	1,773,688	51,362	28,681
Amounts owed by group undertakings	-	-	1,061,415	116,592
VAT recoverable	162,811	-	10,476	-
Prepayments and accrued income	2,390,270	212,980	157,332	155,737
	4,169,746	1,986,668	1,280,585	301,010

15. Creditors: Amounts falling due within one year

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Trade creditors	2,672,276	1,044,775	121,670	57,874
Other taxation and social security	30,208	285,410	-	18,669
Other creditors	696,680	581,478	688,398	578,300
Accruals and deferred income	199,193	370,488	22,502	57,686
	3,598,357	2,282,151	832,570	712,529

Notes to the Financial Statements
for the year ended 31 March 2018

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 2018 by a qualified independent actuary on a Financial Reporting Standard 102 basis. The major assumptions at 31 March 2018 used by the actuary were:

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

	2018	2017
Discount rate at 31 March	2.60 %	2.80 %
Future salary increases	3.80 %	4.20 %
Future pension increases	2.30 %	2.70 %

These assumptions are set with reference to market conditions at 31 March 2018.

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 2018 £	Fair value at 31 March 2017 £
Equities	2,746,000	2,725,000
Gilts	314,000	343,000
Other bonds	164,000	175,000
Property	331,000	326,000
Cash	106,000	121,000
Other	636,000	540,000
Total market value of assets	<u>4,297,000</u>	<u>4,230,000</u>

The actual return on scheme assets was £3,000 (2017 - £733,000).

Steps to Work (Walsall) Limited
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Notes to the Financial Statements
for the year ended 31 March 2018

17. Pension commitments (continued)

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

	2018	2017
	£	£
Current service cost	122,000	72,000
Net interest on the defined liability	75,000	60,000
Administration expenses	2,000	2,000
	<hr/>	<hr/>
Total	199,000	134,000
	<hr/> <hr/>	<hr/> <hr/>
Actual return on scheme assets	3,000	733,000
	<hr/> <hr/>	<hr/> <hr/>

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

	2018	2017
	£	£
Opening defined benefit obligation	6,957,000	4,964,000
Interest cost	194,000	193,000
Contributions by scheme participants	21,000	23,000
Actuarial (gains)/losses	(354,000)	1,769,000
Current service cost	122,000	72,000
Benefits paid	(75,000)	(64,000)
	<hr/>	<hr/>
Closing defined benefit obligation	6,865,000	6,957,000
	<hr/> <hr/>	<hr/> <hr/>

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

	2018	2017
	£	£
Opening fair value of scheme assets	4,230,000	3,379,000
Return on assets less interest	(116,000)	600,000
Interest income	119,000	133,000
Actuarial gains	-	77,000
Contributions by employer	120,000	84,000
Contributions by scheme participants	21,000	23,000
Benefits paid	(75,000)	(64,000)
Administration expenses	(2,000)	(2,000)
	<hr/>	<hr/>
	4,297,000	4,230,000
	<hr/> <hr/>	<hr/> <hr/>

The group expects to contribute £122,000 to its Defined benefit pension scheme in 2019.

Steps to Work (Walsall) Limited
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Notes to the Financial Statements
for the year ended 31 March 2018

17. Pension commitments (continued)

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	2018	2017	2016	2015	2014
	£	£	£	£	£
Defined benefit obligation	(6,865,000)	(6,957,000)	(4,964,000)	(5,240,000)	(3,840,000)
Scheme assets	4,297,000	4,230,000	3,379,000	3,318,000	2,752,000
Deficit	(2,568,000)	(2,727,000)	(1,585,000)	(1,922,000)	(1,088,000)
Experience adjustments on scheme liabilities	354,000	(1,769,000)	540,000	(1,086,000)	715,000
Experience adjustments on scheme assets	-	77,000	-	-	-

	2018	2017
	years	years
Retiring today		
Males	22	22
Females	24	24
Retiring in 20 years		
Males	24	24
Females	27	27

Sensitivity analysis

	2018	2017
	£	£
Discount rate +0.1%	164,000	165,000
Discount rate -0.1%	(168,000)	(170,000)
Salary increase +0.1%	(16,000)	(21,000)
Salary increase -0.1%	16,000	21,000
Pension increase +0.1%	(152,000)	(149,000)
Pension increase -0.1%	148,000	145,000
Life expectancy +1 year	(244,000)	(247,000)
Life expectancy - 1 year	235,000	238,000

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Notes to the Financial Statements
for the year ended 31 March 2018

18. Operating lease commitments

At 31 March 2018 the Group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings			Other
Group and charity	2018	2017	2018	2017
Expiry date:	£	£	£	£
Within 1 year	-	-	130,025	12,599
In two to five years	-	-	180,361	15,000

19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2017	Income	Expenditure	Transfers in/(out)	Gains/ (Losses)	Balance at 31 March 2018
	£	£	£	£	£	£
Unrestricted funds						
General funds	2,393,504	15,242,085	(15,454,226)	(107,251)	-	2,074,112
Pension reserve	(2,727,000)	-	(79,000)	-	238,000	(2,568,000)
	(333,496)	15,242,085	(15,533,226)	(107,251)	238,000	(493,888)
Designated funds						
Fixed assets	21,673	-	(15,409)	107,251	-	113,515
Restricted funds						
Support for the unemployed	-	1,447,476	(1,447,476)	-	-	-
Total of funds	(311,823)	16,689,561	(16,996,111)	-	238,000	(380,373)

Steps to Work (Walsall) Limited
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Notes to the Financial Statements
for the year ended 31 March 2018

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2017 £
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 - current year

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2018 £
General funds	(333,496)	15,242,085	(15,533,226)	(107,251)	238,000	(493,888)
Designated funds	21,673	-	(15,409)	107,251	-	113,515
Restricted funds	-	1,447,476	(1,447,476)	-	-	-
	<u>(311,823)</u>	<u>16,689,561</u>	<u>(16,996,111)</u>	<u>-</u>	<u>238,000</u>	<u>(380,373)</u>

Summary of funds - prior year

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2017 £
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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Notes to the Financial Statements
for the year ended 31 March 2018

19. Statement of funds (continued)

20. Analysis of net assets between funds

	Designated funds 2018 £	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Tangible fixed assets	113,515	-	-	113,515	21,672
Current assets	-	-	5,672,470	5,672,470	4,675,656
Creditors due within one year	-	-	(3,598,358)	(3,598,358)	(2,282,151)
Provisions for liabilities and charges	-	-	(2,568,000)	(2,568,000)	(2,727,000)
	<u>113,515</u>	<u>-</u>	<u>(493,888)</u>	<u>(380,373)</u>	<u>(311,823)</u>

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

	Group 2018 £	2017 £
Net expenditure for the year (as per Statement of Financial Activities)	(306,550)	(174,862)
Adjustment for:		
Depreciation charges	25,156	109,126
Loss on disposal of fixed assets	-	7,818
Dividends, interest and rents from investments	(3,908)	(10,074)
Defined benefit pension contributions	(120,000)	(84,000)
Pension cost borne by pension fund	199,000	134,000
Increase in debtors	(2,183,078)	(126,817)
Increase in creditors	1,316,206	547,697
Net cash (used in)/provided by operating activities	<u>(1,073,174)</u>	<u>402,888</u>

22. Analysis of cash and cash equivalents

	Group 2018 £	2017 £
Cash in hand	1,502,723	2,688,987
Total	<u>1,502,723</u>	<u>2,688,987</u>

Steps to Work

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