

# Trustees Annual Report and Financial Statements for the year ending 31st March 2024

A Charitable Company Registered in  
the United Kingdom

Steps To Work Charity No 1100403  
Steps to Work Company No 03738249

## Contents

<b>Statement from the Interim Chair .....</b>	<b>3</b>
<b>Statement from the Chief Executive Officer.....</b>	<b>6</b>
<b>Who We Were.....</b>	<b>8</b>
Our Purpose .....	8
Statement of Public Benefit (Steps to Work) .....	8
Our Vision .....	9
Our Mission.....	9
Our Values.....	9
Our Strategic Differentiators & USP.....	9
Objectives & Activities to Provide Public Benefit.....	10
<b>Structure, Governance &amp; Management .....</b>	<b>11</b>
Governing Document.....	11
Governance Structure and Board Operations.....	11
Appointment and Development of Trustees .....	11
Board of Trustees – during the reporting year.....	12
Restructure of Executive Team .....	13
Executive Team (as at September 2024).....	13
Registered Office (as at cessation of trading) .....	13
<b>Our Programmes.....</b>	<b>14</b>
Walsall Bridges.....	14
Black Country Futures.....	14
DWP Restart Scheme .....	14
<b>Our Commitments.....</b>	<b>15</b>
Commitment to Our People, Principles and Practice.....	15
Our Commitment to Quality Standards (ISO 9001).....	15
Our Commitment to Environmentally Sustainable Development.....	15
Information Security Management Systems (ISO 27001) .....	16
Business Continuity Management Systems (ISO 22301).....	16
Occupational Health & Safety Management Systems (ISO 45001).....	17
<b>Risks &amp; Opportunities .....</b>	<b>18</b>
Strategic Risks .....	18
Opportunities.....	19
<b>Our Future (Strategic Vision 2023-2025) .....</b>	<b>19</b>
Strategic Objectives 2023-2025 .....	20
<b>Auditors.....</b>	<b>21</b>
<b>Approval of the Trustees' Report .....</b>	<b>21</b>
<b>Financial Statements.....</b>	<b>22</b>
<b>Appendix 1 – Removal of Petros Andres Nicolaides .....</b>	<b>49</b>
<b>Appendix 2 – Opus LLP Limited Scope Review .....</b>	<b>49</b>
<b>Appendix 3 – Statement of Affairs .....</b>	<b>49</b>

## Statement from the Interim Chair

For over two decades, Steps to Work made a significant contribution to communities across the West Midlands – empowering individuals through employment, training, and support services. However, following prolonged financial challenges and the loss of a vital income stream, the organisation ceased trading on 27 September 2024, and subsequently entered formal liquidation.

This outcome is not what any of us had hoped for. Throughout 2023 and into 2024, the Board of Trustees and Senior Leadership Team undertook substantial efforts to restructure and preserve the charity's legacy. We are grateful for the dedication of our staff and the support of partners, funders, and stakeholders who stood with us during the most testing of times.

### A Difficult History of Financial Strain

For the majority of its operating life, Steps to Work ran at a financial loss, with sustained deficits recorded in every financial year from 2004 onwards. The continuation of its charitable services was only made possible through the annual profit donations from its wholly owned subsidiary, Starting Point Recruitment (SPR). Since 2004, SPR contributed over £4.65 million to STW, including £2.64 million in the final four years alone. This financial support underpinned the delivery of vital employability and community-based programmes across the West Midlands, directly benefitting thousands of local residents.

While this funding model enabled STW to continue its mission despite ongoing deficits, it also obscured underlying structural challenges within the charity. These included a persistently high-cost base, historical contract commitments, and an inability to generate sufficient unrestricted income to cover core operating costs independently of SPR's commercial performance.

A pivotal turning point for the Group came in September 2023, when the SPR Master Vendor contract with Walsall Council, worth approximately £14.5 million per annum, was awarded to an alternative supplier. This decision was not the result of any concerns over service delivery or performance. In fact, no formal service provision concerns had ever been raised with SPR, and operational standards continued to meet expectations.

The loss of the contract was instead the result of a change in the Council's procurement framework, which fundamentally altered the eligibility criteria and structure for retendering. These revised conditions effectively removed SPR's ability to participate in the re-procurement process, despite the organisation's efforts to do so.

In the months leading up to the decision, SPR made repeated attempts to engage with Walsall Council's decision-makers to explore alternative delivery models, partnership arrangements, and opportunities for continued collaboration. Unfortunately, these efforts did not result in any reconciliation or viable path forward.

The unexpected transition of SPR's temporary workforce to the new supplier significantly disrupted the commercial arm's operations. With this core capacity and the associated revenue stream - removed almost overnight due to a contractual dispute, the Group lost a critical source of income. As a result, SPR could no longer deliver services on a sustainable commercial basis, despite its ongoing commitment to quality, accountability, and community impact.

In the 2023/24 financial year, STW recorded an operating loss of £2.05 million, following a loss of £1.02 million the previous year. SPR also recorded a trading loss of £0.44 million in 2024. By the time liquidation proceedings commenced, unaudited group losses totalled £2.52 million, leaving the group with a negative balance sheet of £295,077.

## Actions Taken

From October 2023, Trustees and the Executive Team, supported by professional advisers throughout, acted swiftly to explore all viable options to avoid insolvency. Key steps included:

- Strategic realignment, including revisiting our organisational purpose and delivery model;
- Operational streamlining, through the transfer and/or closure of unviable community projects and targeted redundancies;
- Commercial negotiation, with an aim to renegotiate supplier agreements and reduce contractual overheads;
- Structural reform, and the sale of SPR [Appendix 2 & 3], thereby safeguarding employment and the future delivery of commercial recruitment services.
- Governance renewal, through the recruitment of new Trustees with diverse skillsets and professional expertise, to strengthen the Board's strategic capacity and better position the organisation for recovery and future resilience.

The above actions included a comprehensive programme of financial recovery and cost reduction, implemented under the direction of the Executive Team, which included:

- A £3.5 million (58%) year-on-year reduction in overhead costs between 2022–23 and 2023–24, decreasing from £5.99 million to £2.49 million;
- A further forecasted reduction to £1.81 million in 2024–25, representing a total 70% drop in overhead spend from baseline levels;
- A headcount reduction from 155 to 65 staff, with annualised payroll savings of £2.5 million, equating to £208,000 per month;
- The above totalled savings of over £6.7 million across two years, including consultancy, staffing, premises, travel, and professional services

Unfortunately, these efforts were not sufficient to overcome all of the pressures facing the organisation. In August 2024, a significant and unexpected and disputed legal claim, valued at £1 million, was brought against STW by a former IT supplier. This, combined with existing liabilities, rendered continued operation untenable.

## Closure and Liquidation

On 26 September 2024, the Board took the difficult but necessary decision to cease trading, prioritising the interests of creditors and stakeholders. STW formally ceased all operations on 27 September 2024 and entered liquidation in October 2024 [Appendix 4].

The Trustees are proud of what Steps to Work achieved throughout its operational life – helping thousands of individuals into employment, building confidence, and delivering social value across the West Midlands. The decision to cease trading was not taken lightly. Throughout the period of financial difficulty, the Trustees took all reasonable steps to act in the best interests of the charity, exploring every viable option to secure its future. All appropriate steps were taken to wind up the charity's affairs in accordance with legal and regulatory requirements. While it was not possible to continue the charity's work despite best efforts, the Trustees extend their sincere thanks to the staff, partners, funders, and supporters who contributed to the organisation's mission over more than two decades.

We extend our sincerest apologies to our staff, beneficiaries, partners, and funders who placed their trust in us. While the organisation has now come to an end, the social value it generated over its lifespan – Impacting countless families and communities – should not be forgotten.

On behalf of the Board of Trustees, thank you for your unwavering support and belief in our mission.



Amy Deakin (May 30, 2025 14:48 GMT+1)

Amy Deakin

Interim Chair of the Board of Trustees

## Statement from the Chief Executive Officer

It is with a deep sense of duty that I reflect on what has been the most pivotal year in the history of Steps to Work. As Chief Executive Officer, appointed in April 2023, I assumed leadership at a time of profound challenge and complexity. My mandate from the Board was clear, stabilise the organisation, embed commercial rigour, and secure a path to long-term viability. In doing so, it was also my responsibility to prepare for all possible outcomes with clarity, professionalism, and a firm commitment to legal, financial, and ethical standards. Ensuring that, regardless of circumstance, the organisation's affairs were managed with transparency and integrity.

At the heart of the charity's financial model was a structural dependency, for nearly two decades, Steps to Work had relied on profit contributions from its trading subsidiary, Starting Point Recruitment Ltd (SPR), to fund its charitable work. This relationship had masked an underlying trend, the charity itself had operated at a deficit in every financial year since 2004. In effect, the commercial strength of SPR had carried the charity's mission. When SPR's commercial foundation collapsed in September 2023, the implications for the Group were both immediate and existential.

The catalyst was the loss of SPR's £14.5 million Master Vendor contract with Walsall Council – a core contract it had delivered without issue for over a decade. Despite no service failings being raised, a change to the Council's procurement framework rendered SPR ineligible to retender. We made numerous proactive attempts to engage constructively with Council decision-makers to explore revised commercial models, partnerships, or phased transition proposals. However, no viable path forward was offered. The loss of this contract, combined with the unauthorised transfer of core workers, stripped the Group of its operational capacity and a majority of its revenue base.

In response, I led a full strategic review, supported by professional restructuring advisers, Opus LLP, and governed by an increasingly active and engaged Board of Trustees. The Board and Executive Team implemented a robust cost-reduction and recovery programme that achieved the following:

- A reduction in Group staff from 144 to 68 by comparing April 2022 to March 2024, with further reduction to 31 prior to cessation of trading in September 2024
- An annualised payroll saving of £2.36 million by comparing April 2022 to March 2024
- Over £6.7 million in forecasted overhead savings over two years
- Elimination of legacy operational inefficiencies, reduction in non-essential contracts, and a freeze on capital expenditure
- Governance during this period was of paramount importance. The Board strengthened its composition, recruiting Trustees with legal, financial, and operational experience. However, the charity also had to address serious internal governance challenges. This included the removal of two Trustees during the year.

As CEO, I also oversaw a restructure of the Executive Team. A new Head of Finance, Head of People, and Head of Skills & Performance were appointed, and reporting lines were strengthened. This brought clear accountability to a leaner leadership model that was better equipped to manage crisis operations.

Despite all efforts, including the sale of SPR to 145 Holdings Ltd in July 2024 to preserve jobs and isolate commercial risks, the charity's core deficit remained insurmountable. The decision to cease trading in September 2024, and the subsequent appointment of liquidators, was taken in full accordance with legal advice, fiduciary duty, and moral accountability to staff, creditors, and our community.

Throughout this year, Steps to Work never lost sight of its mission: to help people furthest from the labour market find dignity, purpose, and employment. Across two and a half decades, we supported thousands of



individuals across the West Midlands, delivered over £200 million in economic and social value, and stood as a trusted partner in the fight against unemployment and exclusion.

My gratitude goes to every staff member, partner, funder and beneficiary who supported our work. I thank the Board for their fortitude in difficult circumstances and for placing trust in an executive function committed to doing the right thing.

We close not in failure, but with honesty, having faced the full truth of our circumstances, acted transparently, and placed people, purpose and principle at the heart of every decision.

A handwritten signature in black ink, appearing to read 'Paul Cadman', is positioned above a horizontal blue line.

Paul Cadman (May 30, 2025 14:30 GMT+1)

**Prof. Paul Cadman**  
Chief Executive Officer

## Who We Were

Steps to Work (STW) was a community-focused charity with a mission to empower those facing the greatest barriers to employment. For over 25 years, we supported local people to build brighter futures – offering tailored employment support, skills development, and confidence-building programmes that helped thousands achieve financial independence and social inclusion.

Our work was rooted in a belief that meaningful employment is a catalyst for personal transformation and stronger communities. Through our services, we sought to tackle long-term unemployment, economic hardship, and social inequality – especially among underrepresented and disadvantaged groups.

A core part of our delivery model was supported by our wholly owned trading subsidiary, Starting Point Recruitment Limited (SPR). As a commercial recruitment agency, SPR operated with a unique social purpose: 100% of its distributable profits were donated to STW to reinvest in employment support initiatives. Over the course of its operation, SPR provided professional recruitment services across the West Midlands while helping to fund projects that changed lives for the better.

Though our doors have now closed, the legacy of Steps to Work lives on in the thousands of individuals, families, and communities whose lives we touched.

## Our Purpose

### Steps to Work

We believed that those facing the greatest barriers deserved the most support to realise their potential. Our purpose was to build brighter, more secure futures by helping individuals overcome complex challenges through employment and skills development.

### SPR

We existed to redefine recruitment with purpose – donating 100% of our distributable profits to charitable employment support programmes via Steps to Work. Our goal was to fuel a responsible recruitment revolution, using commercial success to fund social good.

## Statement of Public Benefit (Steps to Work)

Throughout its operational life, Steps to Work delivered meaningful public benefit in accordance with its charitable objectives and the Charities Act 2011. The charity's activities were designed to improve lives, strengthen communities, and promote inclusive economic participation.

The public benefits that flowed from our purpose included:

- (a) Enhanced quality of life and emotional well-being for individuals facing disadvantage, through engagement in structured programmes that built confidence, independence, and community connections;
- (b) Increased social cohesion through inclusive access to skills development, volunteering, and community initiatives that brought people together and fostered belonging;
- (c) Improved employment prospects for underrepresented and marginalised individuals, enabling many to secure sustainable, meaningful work – contributing positively to the local economy and social mobility.

Although Steps to Work ceased trading in September 2024, the legacy of its public benefit is reflected in the thousands of individuals and families who were supported into employment, education, and self-sufficiency over more than 25 years of service.





### Our Vision

Our vision was to help local people – particularly those facing multiple and complex barriers—find sustainable, rewarding, and meaningful employment. We aimed to create opportunities that empowered individuals, uplifted families, and strengthened communities.

### Our Mission

Our mission was to create opportunities and change futures by forging meaningful connections between local people and businesses. We aimed to break down barriers to employment, open doors to economic participation, and help individuals build lasting, dignified careers.

### Our Values

Our core values defined who we were, shaped our work ethic, and guided every interaction with our customers, communities, and colleagues. They formed the foundation of our organisational culture and the legacy we leave behind:

**Our Passion Inspired** – We were deeply passionate about creating opportunities for all and transforming lives. With passion at the heart of our work, we nurtured ideas, inspired excellence, and sought creative ways to support and empower local people.

**Creating Positive Social Impact** – We strived to make a tangible, positive difference in people’s lives – helping them overcome barriers and realise their ambitions. We acted responsibly, pursued sustainable growth, and ensured our decisions benefited the wider community and environment.

**Acting with Integrity** – We worked transparently and ethically to build trust and respect across all stakeholders. We valued diversity, celebrated difference, and fostered inclusion – ensuring that every voice was heard and every person felt seen.

**We Transformed Through Innovation** – We pursued innovation and excellence relentlessly. Our teams remained agile and forward-thinking, always seeking better ways to meet the needs of those we served and to improve how we delivered impact.

### Our Strategic Differentiators & USP

What set us apart was our ability to combine the delivery of social value with commercial effectiveness – creating a business model that generated impact alongside income.

Through our trading subsidiary, Starting Point Recruitment (SPR), we reinvested all distributable surpluses directly into charitable activities. This model allowed us to deliver value to commercial clients while sustaining programmes that supported those furthest from the labour market.

Our unique approach positioned us as both a trusted recruitment partner and a purpose-driven social enterprise – proving that business success and community impact can go hand in hand.

Though our operations have concluded, this integrated social-commercial model remains a defining feature of our legacy.

### Objectives & Activities to Provide Public Benefit

Throughout its years of operation, Steps to Work aimed to deliver measurable public benefit through programmes and partnerships designed to reduce inequality and promote access to employment. The charity's objectives were carried out through a range of impactful activities, including:

- Supporting individuals facing multiple and complex barriers to find sustainable, rewarding, and meaningful employment;
- Designing and delivering a broad portfolio of employment support programmes across the Black Country and the wider West Midlands region;
- Creating progression pathways for residents in areas of high unemployment, including Walsall, Wolverhampton, Dudley, Sandwell, and Staffordshire;
- Working collaboratively with local authorities, employers, and third-sector partners to meet the evolving employability needs of the region;
- Offering temporary and flexible employment opportunities to local residents through our wholly owned social enterprise, Starting Point Recruitment Limited.

These objectives were rooted in our charitable purpose and designed to create long-term positive impact on individuals, families, and communities. Although Steps to Work ceased trading in September 2024, these activities formed the backbone of our contribution to the public good for over 25 years.

## Structure, Governance & Management

### Governing Document

Steps to Work was registered as a charity in England and Wales (Charity No. 1100403) and as a company limited by guarantee (Company No. 3738249). The organisation was governed by its Memorandum and Articles of Association, which set out its charitable objects, powers, and the responsibilities of its trustees.

The charity operated within the regulatory frameworks established by the Charity Commission and Companies House, and its governance arrangements were overseen by a board of trustees who met regularly throughout the year.

Following a period of significant financial pressure, the Board resolved to cease trading on 27<sup>th</sup> September 2024, and formal liquidation proceedings commenced on 28<sup>th</sup> October 2024.

### Governance Structure and Board Operations

Throughout its final year of operation, Steps to Work was governed by a Board of Trustees who met on a bi-monthly basis to provide oversight and direction for both the charity and its trading subsidiary, Starting Point Recruitment Ltd (SPR).

The Board received structured reports from the Chief Executive Officer and Executive Team covering strategic, operational, and financial matters. These reports included key financial and delivery programme performance data, along with recommendations requiring Board decisions. The Board maintained active oversight during a period of considerable challenge and supported the executive team in navigating the charity through the final stages of trading.

Day-to-day management responsibilities were delegated to the Chief Executive Officer, supported by the Executive Team, in accordance with the organisation's Memorandum and Articles of Association and within the framework of the following core policy areas:

- Financial Transactions
- Business Development
- Business Management
- Contract & Service Level Agreement Obligations
- Resource Allocations, including People, Property and IT
- Marketing and Communications
- Quality of Services Delivery
- Environmental Impact
- Health & Safety
- Safeguarding

### Appointment and Development of Trustees

Steps to Work maintained an open and structured approach to trustee recruitment, consistent with the principles of the Charity Governance Code. Trustees were appointed based on their alignment with the charity's mission and their ability to strengthen the Board's collective skills and experience. Key aspects of our trustee recruitment and development process included:

1. Open recruitment based on skills required by the Board at any given time;
2. Candidates demonstrating alignment with the organisation's values and charitable aims;
3. Formal interviews conducted by a panel of existing Trustees and the Company Secretary;
4. Clear role descriptions and person specifications tailored to specific Board needs;
5. An annual budget allocated for training and development to ensure consistent governance standards;

6. A staggered rolling programme for Board succession, supporting continuity and renewal over a three-year cycle.

During 2023–24, the Trustees maintained a strong focus on board renewal and professional integrity, ensuring that governance remained aligned to the charity’s evolving operational needs. New Trustees were recruited to broaden the skills, experience, and oversight capacity of the board, enhancing its ability to respond to both operational and strategic challenges. The Board remained committed to upholding high standards of transparency, due diligence, and accountability throughout the charity’s final year of operations.

**In October 2023, the Board resolved to remove Petros Andreas Nicolaides from his position, following repeated breaches of governance protocol, breaches of his fiduciary duties, lack of trust, indications of financial wrongdoings along with breaches of the charity commission rules, including unauthorised communication with stakeholders and dissemination of factually inaccurate material, several of which were made without the knowledge or approval of the Board or Executive Team.**

Despite repeated efforts to clarify expectations and request appropriate conduct, Mr Nicolaides continued to act outside the scope of his authority as a Trustee. The Board commissioned independent legal advice from Gately PLC (21 September 2023) which concluded that the Board had sufficient grounds, both procedurally and substantively, to remove Mr Nicolaides in line with its governing documents and Companies Act provisions. A formal resolution was passed on 20 October 2023, and a letter of removal was issued. The Charity Commission was informed of this decision in a timely manner, with a full explanation of the reasons, process, and legal basis on 27 October 2023.

The Board’s actions reflected its unanimous conclusion that Mr Nicolaides’ continued presence on the Board posed a risk to internal cohesion, decision-making integrity, and external credibility. The decision was not taken lightly but was considered necessary to protect the charity’s interests and enable effective governance during a period of significant challenge.

All steps were taken in accordance with the charity’s Articles of Association, following proper legal advice, and in line with Charity Commission expectations for trustee conduct and removal. [Appendix 1]. In the time since this, a complaint about his conduct has been made to the West Midlands Police.

Separately, the Board oversaw the removal of Darren Lake as a Trustee, following serious concerns relating to a conflict of interest. Although the IT contract in question had been entered into prior to Mr Lake’s appointment as a Trustee, evidence emerged indicating that he had exercised influence over the then Finance Director in relation to the supplier involved. This raised significant governance concerns given his later involvement as a Board member. The Board determined that this created an unmanageable conflict of interest which compromised confidence in his ability to act in the charity’s best interests with the required independence. While the legal claim associated with the termination of that IT contract arose after Mr Lake’s removal, the circumstances surrounding his earlier involvement warranted action. His removal was undertaken in line with the governing documents, following appropriate legal advice and board deliberation.

Although the organisation has now ceased operations, the commitment, integrity, and governance upheld by the Trustees during its final year ensured that closure was approached responsibly, transparently, and with due regard to the interests of creditors, beneficiaries, and staff.

## Board of Trustees – during the reporting year

	Appointed	Resigned
Amy Deakin (Interim Chair)	November 2018	
Lakhbir Singh	May 2022	
Richard Fallon	January 2024	
Inez Brown (Chair*)	May 2022	June 2024 *
Thomas Clarke-Forrest	January 2023	July 2024

Prof Paul Cadman	August 2017	May 2023
Sally Beavan (Vice Chair*)	March 2019	October 2023 *
Ryan Hawley	June 2020	June 2023
Darren Lake	June 2020	June 2023 (Removed)
Prof Deborah Lock	January 2022	July 2023
Lisa Nicholson	May 2022	April 2023
Petros Nicolaides	May 2022	October 2023 (Removed)
Hendrika Bruekelaar	January 2023	September 2023
Anthony Colville	January 2023	September 2023
Nadyia Hussain	January 2023	September 2023
Peter Adkins	January 2024	June 2024
Alan Downton	January 2024	July 2024
Aaron Jarvis	January 2024	June 2024
Andrew Moss	January 2024	June 2024
Alex Tross	January 2024	June 2024

### Restructure of Executive Team

During 2023–24, significant changes were made to strengthen the leadership of Steps to Work in response to the challenging operating environment. The Executive Team was restructured to bring together expertise across finance, people management, and programme delivery.

In April 2023, Professor Paul Cadman – formerly Chair of the Board of Trustees – was appointed Chief Executive Officer of Steps to Work. This was after the recruitment panel failed to find a suitable candidate for the role. They independently approached Paul for the position, and it was voted on by the Trustees and he was appointed after a successful vote. This strategic transition was made during a period of considerable operational and financial uncertainty, and it marked a pivotal moment in the charity’s efforts to stabilise, restructure, and preserve its mission.

Professor Cadman brought with him an extensive background in business leadership, social enterprise, and civic engagement. As a Fellow of both the Institute of Directors and the Royal Society of Arts, he has consistently championed ethical business practices, inclusive employment, and skills development throughout his career. His track record in industry, public service, and education provided the charity with a leader who understood the complexity of social impact work while navigating the commercial realities facing the sector.

Under Paul’s leadership, the organisation restructured its senior team, refined its strategic focus, and engaged proactively with stakeholders to explore every possible route to sustainability. In one of the most challenging periods in the charity’s history, his clarity of vision and calm leadership were instrumental in ensuring that critical services continued to be delivered with integrity and accountability, right up to the charity’s final days. While the outcome was not what any of us hoped for, Paul’s tenure as CEO ensured that the charity acted transparently, responsibly, and with due care for its staff, beneficiaries, and creditors. His leadership reflects a broader commitment to community investment, social justice, and dignified closure – a legacy that will endure well beyond the life of the organisation.

Further appointments were made to bolster senior leadership capacity across core functions, including People, Finance, and Service Delivery.

### Executive Team (as at September 2024)

Prof Paul Cadman	Chief Executive Officer (from April 2023)
Jamie Naish	Head of Finance (from August 2023)
Mireille Harris	Head of People (from June 2023)
Mitch Bhamra	Head of Skills & Performance (from November 2023)

### Registered Office (as at cessation of trading)

Floor 6 Townend House  
Park Street

## Our Programmes

Despite significant financial challenges during the reporting period, Steps to Work continued to deliver meaningful services to residents across the West Midlands. Through the support of key funders and partners, the charity remained focused on empowering individuals through employability programmes, health and wellbeing support, and personalised guidance.

### Walsall Bridges

Funded by the UK Shared Prosperity Fund (UKSPF), the Walsall Bridges programme supported community-based outreach and employability support across the borough.

Between April 2023 and March 2024:

- 53 community events were delivered offering in-person advice and guidance;
- 103 individuals received tailored employability support including CV writing, application assistance, and digital access;
- 31 people were supported with mental or physical health challenges that had previously acted as barriers to employment;
- 97 participants improved their interpersonal skills and self-confidence, increasing their readiness for work and ability to contribute to their communities.

### Black Country Futures

Funded by the National Lottery Community Fund, Black Country Futures provided holistic support for residents aged 16+ across the region. The programme offered a broad range of services through 14 delivery partners, including benefits advice, digital skills training, housing support, and confidence-building activities.

Between April 2023 and March 2024:

- 426 participants joined the project;
- 50 moved into employment;
- 63 progressed into training or further education;
- 167 participants reported improved confidence and aspiration.

### DWP Restart Scheme

As a local subcontractor to Serco under the Department for Work & Pensions' Restart Scheme, Steps to Work provided 12-month personalised support to Universal Credit claimants who had been out of work for nine months or more.

Between 1 April 2023 and 31 March 2024:

- 1145 individuals in Walsall were referred to Steps to Work;
- 608 participants entered their first employment placement;
- 173 moved into subsequent jobs;
- 354 achieving sustained employment and meeting government outcome thresholds.

## Our Commitments

### Commitment to Our People, Principles and Practice

At Steps to Work, we consistently strived to be an inclusive, fair, and progressive employer. We were proud to be recognised as a Disability Confident Leader and to hold Investors in People – Gold Standard accreditation, affirming our dedication to equality, staff development, and continuous improvement.

We also participated in the Thrive at Work Wellbeing Programme, which supported our commitment to creating a healthy, supportive, and empowering workplace for all employees.

These accreditations not only reinforced our operational credibility in bids and tenders but also reflected our wider values as a responsible employer. They guided us in promoting wellbeing, championing diversity, and ensuring every team member had the tools and support to reach their potential.

Although the organisation has now closed, our commitment to these principles was a defining characteristic of our culture and remains a key part of our legacy.

### Our Commitment to Quality Standards (ISO 9001)

Steps to Work held a longstanding commitment to quality assurance, underpinned by our accreditation to ISO 9001. This framework supported our dedication to delivering high-quality services to both internal and external customers through a culture of continuous improvement.

We maintained a trained team of internal quality auditors who delivered a structured, year-round programme of audits across all areas of activity. These audits examined service delivery, customer satisfaction, complaints handling, and corporate functions such as Finance and HR.

Findings and recommendations were reviewed by senior leadership, with examples of best practice implemented across the organisation to ensure consistency and improvement. We regularly engaged with customers through feedback channels and forums to ensure our services remained relevant, responsive, and aligned with stakeholder expectations.

Our management information systems were reviewed and updated routinely to support evidence-based decision-making and reinforce our commitment to excellence in delivery.

Although Steps to Work is no longer operational, our dedication to quality standards contributed to our reputation for professionalism, accountability, and social value throughout our years of service.

### Our Commitment to Environmentally Sustainable Development

Steps to Work recognised that environmental wellbeing is a critical factor in improving the quality of life within the communities we served. We remained committed to minimising the environmental impact of our operations and those of our partners, placing sustainability at the core of our organisational ethos.

Our approach was underpinned by the adoption of an Environmental Management System aligned with the principles of ISO 14001. This system supported our commitment to legal compliance, continual improvement, and environmental responsibility across all service areas.

Leadership of our environmental strategy came from the top, with the Executive Team championing initiatives that were embedded at every level of the organisation. While our overarching goal was to prevent pollution, we focused specifically on mitigating environmental impact in the following key areas:

- Energy and Natural Resource Consumption
- Maintenance and Facilities Activities



- Waste Management and Reduction
- Environmentally Conscious Procurement
- Business Travel and Transport
- Nuisance Prevention (e.g., noise, odour, disruption)

Our environmental performance objectives were reviewed regularly to remain responsive to evolving legislation, stakeholder expectations, and community needs.

Staff engagement played a central role in our environmental commitment. Personnel were encouraged to contribute through training, awareness campaigns, and site-based communications such as bulletins, team briefings, and dedicated noticeboards.

Although our operations have now concluded, our commitment to environmentally sustainable development reflected our broader values of responsibility, community stewardship, and ethical practice.

### Information Security Management Systems (ISO 27001)

Steps to Work operated in alignment with the principles of **ISO 27001**, the international standard for Information Security Management. This framework enabled the organisation to implement, monitor, and improve robust information security controls – ensuring the protection of sensitive data across all areas of delivery.

Information security was treated as a strategic priority, particularly where required under programme-specific funding conditions. Where applicable, we implemented dedicated **Security Plans** to meet contractual obligations and reassure stakeholders of our compliance with data protection standards.

Our Information Security Management System (ISMS) was supported by a suite of organisation-wide policies and procedures, including:

- Information Security
- Information and Communication Systems
- Information Security Incident Management
- Data Protection and GDPR Compliance

These policies were regularly reviewed to ensure compliance with legislative requirements and evolving best practices in data governance.

While Steps to Work has now ceased trading, our approach to information security reflected our broader values of accountability, trust, and ethical service delivery – principles that guided how we safeguarded personal and organisational data throughout our operations.

### Business Continuity Management Systems (ISO 22301)

Steps to Work adhered to the principles of ISO 22301, the international standard for Business Continuity Management. This framework enabled the organisation to identify potential threats to operations and to mitigate the impact of those threats – ensuring continuity of critical services even in times of disruption.

Our Business Continuity Plan was designed to support the recovery of key operational activities following unforeseen events. It served as both a risk management tool and an operational safeguard, particularly in the delivery of externally funded contracts and public services.



The framework delivered a range of organisational benefits, including:

- Strengthening resilience to disruption;
- Managing risks that could not be insured against;
- Building capability to respond to and manage incidents;
- Reducing the consequences of unplanned interruptions;
- Restoring our ability to deliver essential services;
- Protecting organisational reputation and public trust;
- Demonstrating reliability to funders, partners, and beneficiaries.

Although the organisation formally ceased operations in September 2024, our proactive approach to business continuity ensured that decisions around closure were made in a structured, transparent, and managed way – preserving the dignity of service users and stakeholders during the transition.

### Occupational Health & Safety Management Systems (ISO 45001)

Steps to Work followed the principles of ISO 45001, the internationally recognised standard for Occupational Health and Safety Management. This framework supported our commitment to providing a safe, healthy, and supportive working environment for all employees, volunteers, and stakeholders.

Our approach was rooted in prevention, continuous improvement, and compliance with health and safety legislation. We proactively identified, assessed, and mitigated risks to the wellbeing of those who worked with and within the organisation.

Our ISO 45001-aligned systems enabled us to:

- Embed a culture of safety awareness and shared responsibility across all teams;
- Reduce workplace incidents and near misses through systematic monitoring and reporting;
- Comply with legal and contractual obligations across diverse delivery environments;
- Support the physical and mental wellbeing of staff and service users;
- Maintain safe facilities and working practices in line with evolving health and safety guidance.

This structured approach ensured that health and safety remained an integral part of our operations and decision-making processes.

Although Steps to Work ceased trading in September 2024, our commitment to occupational health and safety was central to our organisational values and played a key role in protecting our people and service delivery throughout our lifetime.

### Strategic Risks

Throughout 2023–24, the Trustees and Executive Team operated against an increasingly volatile financial backdrop. The risk environment was dominated by structural funding challenges, dependency on third-party income, and the deterioration of the Group’s financial position, all of which created significant operational and strategic risk exposure. While a structured approach to risk assessment was maintained throughout the year, it became increasingly clear that the scale and pace of financial deterioration presented risks that could not be mitigated through operational controls alone.

The financial position of Steps to Work deteriorated sharply during the year. A combination of long-term deficits, dependency on income from SPR, the sudden loss of key commercial contracts, and unforeseen legal liabilities created a systemic financial risk. These risks ultimately overwhelmed the charity’s ability to sustain its operations despite comprehensive internal savings programmes and restructuring.

A strategic financial review was conducted in October 2023, which triggered a range of corrective actions. This included the immediate implementation of a significant cost-reduction programme, the restructure of the Trustees and Executive Team, and the introduction of enhanced financial reporting and controls. These actions resulted in an overhead reduction of 58% by June 2024 and total forecasted savings of £6.7 million over two years. However, these measures were ultimately not sufficient to reverse the impact of compounding legacy issues and revenue collapse.

The table below summarises the key risks that were monitored in the final year:

Risk	Impact	Probability	Risk Area	Response & Mitigation
Structural financial deficit and unsustainable operating model	H	H	Finance	Financial recovery plan implemented Oct 2023; achieved significant cost savings but unable to restore viability
Loss of commercial contract income (e.g. Walsall Council vendor contract)	H	H	SPR	Strategic engagement attempted with decision-makers; contract loss not related to performance
Outstanding legal liabilities, including IT supplier dispute	H	M	Operational	Legal representation sought; liability managed through insolvency process
Limited brand visibility among customers, stakeholders, and staff	H	M	Marketing	New brand strategy developed and rolled out with external support
Failure to modernise business processes and digital systems	H	M	Operational	Continuous improvement programme launched and partially delivered
Organisational resistance to cultural change	H	M	People	Leadership and values-led transformation initiated in early 2023
Non-compliance with the Charity Code of Governance	H	L	Governance	Oversight Committee active; trustee renewal and legal review processes completed

Despite ultimately ceasing operations, the charity remained compliant with the Charity Code of Governance. Key risk registers were actively monitored and updated throughout 2023–24, major risks were escalated to the Board, and actions were taken to safeguard the interests of staff, funders, beneficiaries, and creditors.

This commitment to transparency, control, and accountability was critical in ensuring that the organisation's closure was managed ethically, lawfully, and with the highest degree of professional care.

## Opportunities

While 2022/23 presented significant financial challenges for the Steps to Work Group, it also provided a catalyst for reflection and strategic reassessment. Despite holding a positive balance sheet position at the start of the period, the Group recorded a consolidated deficit of over £1 million for the year – prompting the leadership team to revisit and realign its organisational strategy through the development of the “Our Future” framework.

Entering 2023/24, the Group identified a number of opportunities to improve performance, modernise delivery, and position the organisation for long-term sustainability. These opportunities, although ultimately overtaken by events, demonstrated the charity’s ongoing commitment to innovation, social impact, and responsible leadership:

- Demonstrating thought leadership in equity, diversity, and inclusion (EDI), with a focus on cognitive diversity as a driver of superior organisational performance;
- Enhancing internal efficiency and user experience through investment in digital infrastructure, including cloud-based solutions and workflow automation tools;
- Pursuing new funding and contract opportunities for Steps to Work, alongside commercial growth through SPR;
- Maximising social value delivery and reinvesting surpluses into self-funded projects and community-led initiatives;
- Expanding brand recognition across Steps to Work, SPR, and associated projects to improve visibility and engagement;
- Driving continuous improvement to stabilise internal systems, reduce waste, and support agile growth;
- Implementing a refreshed strategic plan (2023 – 2025) with clear emphasis on cultural evolution, group restructure, and financial independence.

Although these strategic opportunities could not be fully realised due to the decision to cease trading, they reflect the forward-thinking intent of the Executive Team and Board, and their genuine commitment to safeguarding the charity’s purpose for as long as circumstances allowed.

## Our Future (Strategic Vision 2023-2025)

At the outset of 2023–24, the Steps to Work Group entered what was intended to be a transformative phase of growth and innovation. The organisation recognised the need for strategic reinvention – driven by lessons learned from the previous year and the need for a more commercially sustainable model.

A bold restructure was envisioned that would enable the Group to evolve, diversify, and strengthen its long-term viability. Central to this vision was the understanding that, in order to continue delivering high-quality services, the Group would need to modernise its structure, operations, and culture – becoming more agile, target-driven, and financially resilient.

The proposed future model centred on a restructured group with Steps to Work (the charity) as the parent entity, supported by three distinct but strategically aligned subsidiaries:

1. Steps to Work Ltd - A new commercial delivery arm intended to bid for and deliver government-funded programmes such as Restart. This entity would embody a performance-oriented culture, incentivising staff to meet ambitious delivery outcomes while maintaining service integrity.
2. Starting Point Recruitment Ltd – Already established as a trusted recruitment partner, SPR was set to enter a period of ambitious growth across the West Midlands. Plans included expanding its geographical footprint and launching new innovations such as Regional and Internal Job Boards.
3. Circle of Life Training Ltd (CoL Train) – This planned entity aimed to break into the training and adult education market, targeting new West Midlands Combined Authority contracts and delivering responsive skills programmes aligned with regional priorities.

This strategic model represented an integrated vision for sustainable growth – combining charitable purpose with commercial acumen, and creating a group structure capable of adapting to a dynamic funding and employment landscape.

While this future was ultimately not realised due to the financial circumstances that unfolded later in the year, the groundwork laid by the Board and Executive Team reflected a clear and credible strategy to futureproof the organisation's mission and impact.

### Strategic Objectives 2023-2025

At the start of the 2023–24 financial year, the Steps to Work Group set out a clear strategic vision to restructure and diversify its operations over a three-year period. The aim was to strengthen financial sustainability, expand social impact, and reposition the Group within a rapidly evolving employment and skills landscape.

The objectives outlined below formed the foundation of the Group's strategic plan:

1. Expand the charitable reach of Steps to Work by increasing delivery of high-impact community projects, including food pantries, food banks, and local support services targeted at vulnerable residents across the West Midlands.
2. Position Steps to Work Ltd as a commercially focused delivery arm – operating on a for-profit basis while maintaining a deep-rooted commitment to social impact through government contract delivery, particularly in the employability and skills sectors.
3. Accelerate the growth of Starting Point Recruitment Ltd (SPR) by focusing on regional expansion, enhanced stakeholder engagement, digital transformation, and differentiated branding – creating a stronger market position in both the public and private sectors.
4. Launch Circle of Life Training Ltd (CoL Train) as a sustainable training provider offering entry-level functional skills, with a long-term strategy to build capacity, form strategic partnerships, and evolve into a fully commercial adult education organisation.

While these objectives were not realised due to the organisation's closure later in the year, they reflected a clear and thoughtful direction – anchored in purpose, commercial discipline, and a genuine desire to serve communities in a sustainable and innovative way.

## Auditors

In the previous reporting period, the Charity's independent auditor operated under the trading name MHA MacIntyre Hudson, which was rebranded to MHA on 15 May 2023.

For the year ended 31 March 2024, due to the cessation of trading in September 2024 and commencement of liquidation in October 2024, no statutory audit was undertaken. However, the Group exceeded the audit threshold as set out in the Companies Act 2006, and therefore these accounts would ordinarily be subject to statutory audit.

As the charity is in liquidation, the requirement for a statutory audit will be addressed by the appointed liquidators, and these unaudited financial statements are being submitted as part of the winding-up process.

The Trustees confirm that:

- They have taken all reasonable steps to ensure the accuracy of the financial information contained in this report;
- So far as each Trustee is aware, there is no relevant financial information of which the reporting party is unaware.

These financial statements are prepared in accordance with the Charities SORP (FRS 102) and will form part of the final statutory reporting under both the Companies Act 2006 and the Charities Act 2011.

## Approval of the Trustees' Report

The Trustees' Report, incorporating the Strategic Report, was approved by order of the Board of Trustees, in their capacity as Company Directors, on 30<sup>th</sup> May 2025, and is signed on behalf of the Board by:

  
Amy Deakin (May 30, 2025 14:48 GMT+1)

**Amy Deakin**  
Interim Chair of the Board of Trustees

**STEPS TO WORK**  
**(A Company Limited by Guarantee)**

**STATEMENT OF TRUSTEE'S RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 MARCH 2024**

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report, including the Strategic 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 Group and the Company, and of their incoming resources and application of resources, including income and expenditure, 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 in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 Group will continue in operation.

In light of the charity ceasing trading in September 2024 and entering liquidation in October 2024, the Trustees have prepared the financial statements on a non-going concern basis.

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

This report was approved by order of the Board of Trustees and signed on its behalf by:

  
Amy Deakin (May 30, 2025 14:48 GMT+1)

**Amy Deakin**  
Interim Chair of Trustees  
Date: 30/05/2025

## **STEPS TO WORK**

### **(A Company Limited by Guarantee)**

## **INDEPENDENT REPORTING STATEMENT**

In accordance with the requirements of Section 475 of the Companies Act 2006, the charitable company would ordinarily be required to appoint an independent auditor, as it exceeds the qualifying thresholds for audit exemption.

However, no statutory audit was carried out for the financial year ended 31 March 2024. This decision was taken following the charity's cessation of trading on 27 September 2024 and the commencement of formal liquidation proceedings in October 2024.

These financial statements have been prepared on an unaudited basis by the Trustees, in accordance with:

- The Companies Act 2006
- The Charities Act 2011
- The Charities SORP (FRS 102)
- United Kingdom Generally Accepted Accounting Practice (UK GAAP)

The financial statements are presented to provide a clear record of the Group and Charity's financial position up to the point of cessation. No assurance or audit opinion is provided.

Responsibility for any future audit requirements or final statutory reporting now rests with the appointed liquidators as part of the winding-up process.

The Trustees confirm that:

- Adequate accounting records were maintained throughout the reporting period;
- The financial statements are, to the best of their knowledge, a true and fair reflection of the charity's financial activities and position prior to liquidation;
- All steps were taken to ensure the integrity and completeness of financial reporting for the period.

### **Going Concern and Liquidation Disclosure**

The financial statements for the year ended 31 March 2024 have not been prepared on a going concern basis.

The Trustees confirm that the Group and Charity ceased trading on 27 September 2024, following a prolonged period of financial difficulty, including the loss of key income streams and the inability to meet ongoing liabilities. Formal steps were taken to initiate liquidation proceedings, which commenced in October 2024 under the direction of appointed professional liquidators.

In light of these events, the Trustees determined that the going concern assumption was no longer appropriate in preparing the financial statements. As such:

- The accounts have been prepared on a non-going concern basis, in line with the requirements of FRS 102, Section 3.4 and SORP paragraph 3.38–3.41;
- All assets and liabilities have been reviewed and measured on the basis that the organisation will not continue its operations beyond the reporting date;
- No provision has been made for future trading or operational activity beyond the cessation date;
- Any remaining assets, liabilities, and obligations will be managed through the formal liquidation process.

The Trustees have made this disclosure in accordance with best practice and to ensure transparency for creditors, funders, beneficiaries, and other stakeholders.

**STEPS TO WORK**  
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

		Restricted Funds 2024 £	Unrestricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
	Note				
<b>Income From:</b>					
Charitable Activities	3	983,748	1,597,709	2,581,456	7,316,963
Trading Activities	4	-	8,772,526	8,772,526	15,773,390
Investments	5	-	8,880	8,880	8,384
<b>Total Income</b>		<b>983,748</b>	<b>10,379,115</b>	<b>11,362,862</b>	<b>23,098,737</b>
<b>Expenditure On:</b>					
Raising Funds	6	-	9,247,344	9,247,344	14,565,483
Charitable Activities	7	1,131,565	3,502,784	4,634,349	9,557,701
<b>Total Expenditure</b>		<b>1,131,565</b>	<b>12,750,128</b>	<b>13,881,693</b>	<b>24,123,184</b>
<b>Net (Expenditure)/Income</b>		<b>(147,817)</b>	<b>(2,371,014)</b>	<b>(2,518,831)</b>	<b>(1,024,447)</b>
<b>Net Movement In Funds Before Other Recognised Gains</b>		<b>(147,817)</b>	<b>(2,371,014)</b>	<b>(2,518,831)</b>	<b>(1,024,447)</b>
<b>Other Recognised Gains:</b>					
Actuarial Gains on Defined Benefit Pension Schemes	24	-	-	-	2,504,000
<b>Net Movement In Funds</b>		<b>(147,817)</b>	<b>(2,381,014)</b>	<b>(2,518,831)</b>	<b>1,479,553</b>
<b>Reconciliation of Funds:</b>					
Total Funds Brought Forward		147,817	2,075,937	2,223,754	744,201
Net Movement in Funds		(147,817)	(2,371,014)	(2,518,831)	1,479,553
<b>Total Funds Carried Forward</b>	17	<b>-</b>	<b>(295,077)</b>	<b>(295,077)</b>	<b>2,223,754</b>



**STEPS TO WORK**  
(A Company Limited by Guarantee)

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 MARCH 2024**

	Note	2024 £	2023 £
<b>Fixed Assets</b>			
Tangible Assets	12	<u>42,245</u>	<u>58,976</u>
		<b>42,245</b>	<b>58,976</b>
<b>Current Assets</b>			
Stocks	14	1,876	11,555
Debtors	15	747,790	1,965,364
Cash at bank and in hand		<u>127,371</u>	<u>2,001,989</u>
		<b>877,037</b>	<b>3,978,908</b>
Creditors: amounts falling due within one year	16	<u>(1,214,359)</u>	<u>(1,814,130)</u>
<b>Net Current Assets</b>		<u><b>(337,322)</b></u>	<u><b>2,164,778</b></u>
<b>Total Assets less Current Liabilities</b>		<u><b>(295,077)</b></u>	<u><b>2,223,754</b></u>
Defined benefit pension scheme liability	24	-	-
<b>Total Net Assets</b>		<u><b>(295,077)</b></u>	<u><b>2,223,754</b></u>
<b>Charity Funds</b>			
Restricted Funds:			
Restricted Funds	17	<u>-</u>	<u>147,817</u>
Total Restricted Funds		-	147,817
Unrestricted Funds:			
Unrestricted Funds excluding pension asset	17	(295,077)	2,075,937
Pension Reserve	17	<u>-</u>	<u>-</u>
Total Unrestricted Funds		<u><b>(295,077)</b></u>	<u><b>2,075,937</b></u>
<b>Total Funds</b>	17	<u><b>(295,077)</b></u>	<u><b>2,223,754</b></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

**Amy Deakin**  
Interim Chair of Trustees

Date: 30/05/2025

The notes on pages 28 to 48 form part of these financial statements.

**STEPS TO WORK**  
(A Company Limited by Guarantee)

**COMPANY BALANCE SHEET**  
**AS AT 31 MARCH 2024**

	Note	2024 £	2023 £
<b>Fixed Assets</b>			
Tangible Assets	12	<b>41,596</b>	58,976
Investments	13	<u><b>1</b></u>	<u>1</u>
		<b>41,597</b>	58,977
<b>Current Assets</b>			
Stocks	14	<b>1,876</b>	11,555
Debtors	15	<b>592,773</b>	1,314,644
Cash at bank and in hand		<u><b>93,524</b></u>	<u>977,967</u>
		<b>688,173</b>	2,304,166
Creditors: amounts falling due within one year	16	<u><b>(692,309)</b></u>	<u>(272,786)</u>
<b>Net Current Assets</b>		<u><b>(4,136)</b></u>	<u>2,031,380</u>
<b>Total Assets less Current Liabilities</b>		<b>37,461</b>	2,090,357
Defined benefit pension scheme liability	24	-	-
<b>Total Net Assets</b>		<u><b>37,461</b></u>	<u>2,090,357</u>
<b>Charity Funds</b>			
Restricted Funds:			
Restricted Funds	17	<u>-</u>	<u>147,817</u>
Total Restricted Funds		-	147,817
Unrestricted Funds:			
Unrestricted Funds excluding pension asset	17	<b>37,461</b>	2,037,481
Pension Reserve	17	<u>-</u>	<u>-</u>
Total Unrestricted Funds		<u><b>37,461</b></u>	<u>1,942,540</u>
<b>Total Funds</b>	17	<u><b>37,461</b></u>	<u>2,090,357</u>

The Company's net movement in funds for the year was -£2,052,896 (2023: £1,426,677).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

**Amy Deakin**  
Interim Chair of Trustees

Date: 30/05/2025

The notes on pages 28 to 48 form part of these financial statements.

**STEPS TO WORK**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

		<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
	<b>Note</b>		
<b>Cash Flows from Operating Activities</b>			
Net Cash (Used In)/Provided By Operating Activities	20	<b>(1,859,737)</b>	<b>(1,284,719)</b>
<b>Cash Flows from Investing Activities</b>			
Dividends, Interests and Rents from Investments	5	<b>8,880</b>	<b>8,384</b>
Purchase of Tangible Fixed Assets	12	<b>(23,761)</b>	<b>(14,282)</b>
<b>Net Cash Used in Investing Activities</b>		<b>(14,881)</b>	<b>(5,898)</b>
<b>Change in Cash and Cash Equivalents in the Year</b>		<b>(1,874,618)</b>	<b>(1,290,617)</b>
Cash and cash equivalents at the beginning of the year	22	<b>2,001,989</b>	<b>3,292,606</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>127,371</b>	<b>2,001,989</b>

The notes on pages 28 to 48 form part of these financial statements.

**STEPS TO WORK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**1. Accounting Policies**

**1.1 Basis of preparation of financial statements**

Steps to Work is a company limited by guarantee, incorporated in England and Wales (Company No. 03738249) and registered with the Charity Commission (Charity No. 1100403). These financial statements have been prepared in accordance with Financial Reporting Standard 102 (FRS 102) – The Financial Reporting Standard applicable in the UK and Republic of Ireland, Charities SORP (FRS 102) – Accounting and Reporting by Charities; and The Companies Act 2006.

The Charity meets the definition of a public benefit entity under FRS 102.

These financial statements are presented in Pounds Sterling (£), which is the functional and presentation currency of the Group. Monetary amounts are rounded to the nearest pound.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet incorporate the financial results of the Charity and its wholly owned subsidiary, Starting Point Recruitment Limited, on a line-by-line basis. Intercompany transactions and balances are eliminated on consolidation.

The Charity has taken advantage of the exemption under section 408 of the Companies Act 2006 not to present a separate SOFA for the parent Charity.

**1.2 Company status**

Steps to Work is a charitable company limited by guarantee. In the event of the Charity being wound up, the liability of each member is limited to £1. The registered office is listed on page 7 of this report. The principal activities of the Charity are described in the Trustees' Report.

**1.3 Going concern**

These financial statements have been prepared on a non-going concern basis.

Following a period of significant financial difficulty, the Board of Trustees resolved to cease trading on 27 September 2024. Formal liquidation proceedings commenced in October 2024, and professional liquidators were appointed to manage the winding-up of the Charity and its subsidiary.

As a result, the financial statements do not assume the ongoing operation of the Charity or the Group. Assets and liabilities have been assessed on a break-up basis, and no provision has been made for future trading or operations beyond the cessation date. This approach is consistent with FRS 102 Section 3.4 and Charities SORP paragraphs 3.38–3.41.

**1.4 Income**

All income is recognised in the Statement of Financial Activities (SOFA) when the charity has entitlement to the income, it is probable that the income will be received, and the amount can be measured reliably. Income is measured at the fair value of the consideration received or receivable, excluding any discounts, rebates, VAT, and other sales taxes.

Income from service contracts and programme delivery was recognised in the period in which the services were provided, based on the stage of completion of contractual obligations at the reporting date. Revenue was recognised when it could be measured reliably, when it was probable that the consideration would be received, when the stage of completion could be assessed, and when both incurred and future costs could be estimated reliably.

## **STEPS TO WORK**

### **(A Company Limited by Guarantee)**

Grants and funding from government departments, local authorities, and other funders were recognised as income when the conditions for entitlement had been met, the income could be measured reliably, and receipt was probable. Where specific performance conditions were attached to such income, it was recognised as restricted income and released to unrestricted funds as those conditions were met.

Gifts in kind donated for distribution were recognised as income when distributed, valued at their estimated fair value at the point of use. Donated goods for resale were recognised as income when sold.

Investment income and bank interest were recognised on an accruals basis. Other income was recognised when receipt was probable and the amount could be measured reliably.

No income has been recognised beyond the charity's cessation date of 27 September 2024. All income reported in these financial statements relates to activities prior to the commencement of liquidation.

#### **1.5 Expenditure**

Expenditure is recognised in the financial statements when there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that such a transfer will be required, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs associated with each activity comprise both direct and shared costs. Direct costs that are attributable to a specific activity are charged directly to that activity. Shared costs, which contribute to multiple activities, and support costs, which cannot be attributed to any one specific activity, are apportioned across activities in a manner consistent with the use of underlying resources. Staff costs are allocated based on the proportion of time spent on each activity, while depreciation is allocated according to the asset's usage in support of those activities.

Expenditure on raising funds includes all costs incurred in securing voluntary income and managing non-charitable trading activities through the Group's subsidiary. This includes the costs of fundraising events and the operation of the trading subsidiary, Starting Point Recruitment Ltd.

Expenditure on charitable activities represents the costs of delivering services and programmes that advance the Group's objectives. This includes direct delivery costs and associated support costs that enable the charity to operate effectively and efficiently.

All expenditure presented in these financial statements relates to the period prior to the charity's cessation of trading in September 2024.

#### **1.6 Government grants**

Government grants relating to the acquisition of tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets to which they relate, reflecting the matching of income with the depreciation expense on those assets.

Revenue grants and other forms of government funding are recognised in the Consolidated Statement of Financial Activities when the related expenditure is incurred, provided that the terms of entitlement have been met, receipt is probable, and the amount can be measured reliably.

#### **1.7 Interest receivable**

Interest on funds held on deposit is recognised when it becomes receivable and the amount can be measured reliably. This is typically upon notification from the financial institution of the interest paid or payable. Interest income is included in the Consolidated Statement of Financial

## **STEPS TO WORK**

### **(A Company Limited by Guarantee)**

Activities as unrestricted income unless otherwise specified by the terms of the deposit or the funding agreement

#### **1.8 Taxation**

The Company is considered to meet the conditions set out in Paragraph 1 of Schedule 6 to the Finance Act 2010 and therefore qualifies as a charitable company for UK corporation tax purposes. As such, the Company is potentially exempt from taxation on income and capital gains falling within the scope of Chapter 3, Part 11 of the Corporation Tax Act 2010 and Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that these funds are applied solely for charitable purposes.

#### **1.9 Tangible fixed assets and depreciation**

Tangible fixed assets costing £350 or more are capitalised and recognised in the financial statements when it is probable that future economic benefits will flow to the Group and the cost or value of the asset can be measured reliably. Tangible fixed assets are initially recorded at cost, which includes all expenditure directly attributable to bringing the asset into working condition for its intended use.

Following initial recognition, tangible fixed assets are measured using the cost model, stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is charged on a straight-line basis so as to allocate the cost of the assets, less their estimated residual value, over their expected useful lives.

Depreciation is applied as follows: leasehold land and buildings are depreciated over three years on a straight-line basis (33.33%), and furniture, fixtures and fittings are depreciated on the same basis over three years (33.33%).

The estimated useful lives, residual values and depreciation methods are reviewed annually, and adjusted prospectively where necessary, to reflect any significant changes in the pattern of expected economic benefits or condition of the asset.

#### **1.10 Investments**

Fixed asset investments are classified as financial instruments and are initially recognised at their transaction cost. Subsequent to initial recognition, investments are measured at fair value at the balance sheet date where this can be measured reliably. Where fair value cannot be measured reliably, investments are held at cost less any provision for impairment.

All investment gains and losses, whether realised or unrealised, are recognised in the Consolidated Statement of Financial Activities and presented under the heading 'Gains/(Losses) on investments'.

Investments in subsidiary undertakings are held at cost, less any impairment in value where applicable.

#### **1.11 Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete, slow-moving, or damaged items. Cost includes all direct expenditure and a proportionate share of fixed and variable overheads incurred in bringing the stock to its present location and condition. Net realisable value represents the estimated selling price less all further costs to be incurred in marketing, selling, and distribution.

#### **1.12 Debtors**

Trade and other debtors are recognised at the settlement amount expected to be received, net of any trade discounts offered. Prepayments are recorded at the amount prepaid, net of any

**STEPS TO WORK**  
**(A Company Limited by Guarantee)**

trade discounts due. Debtors are reviewed regularly for recoverability, and any irrecoverable amounts are written off to expenditure when identified.

**1.13 Cash at bank and in hand**

Cash at bank and in hand includes cash held in current accounts and short-term, highly liquid investments that are readily convertible to known amounts of cash. These are subject to an insignificant risk of changes in value and have a maturity period of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.14 Liabilities and provisions**

Liabilities and provisions are recognised when the Charity has a legal or constructive 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 to settle the obligation, and the amount can be measured reliably.

Creditors are recognised at the amount that the Charity expects to pay in settlement of its obligations or the amount received in advance for goods or services to be delivered in future periods.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the time value of money is material, the provision is stated at the present value of the expected payments, discounted at a pre-tax rate that reflects the risks specific to the obligation. The unwinding of the discount is recognised as a finance cost in the Consolidated Statement of Financial Activities.

**1.15 Financial instruments**

The Group only holds financial assets and financial liabilities that are classified as basic financial instruments under FRS 102. Basic financial instruments are initially recognised at their transaction value and are subsequently measured at their settlement value, except for bank loans, which are measured at amortised cost using the effective interest method. Financial assets include trade and other receivables, cash at bank and in hand, while financial liabilities include trade and other payables and accruals.

**1.16 Operating leases**

Rentals payable under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the term of the lease. This approach ensures that the cost is recognised evenly over the lease period, irrespective of the timing of payments.

**1.17 Pensions**

The Group operated both a defined contribution and a defined benefit pension scheme during the reporting period.

For the defined contribution scheme, the pension charge represents the amounts payable by the Group to the fund in respect of the financial year. Contributions are recognised as expenditure in the period in which they are due. The Group has no further payment obligations once the contributions have been made.

The defined benefit scheme is accounted for based on a full actuarial valuation dated 31 March 2023. The difference between the fair value of the scheme's assets and its liabilities, calculated on an actuarial basis using the projected unit method, is recognised on the Charity's balance sheet as a pension asset or liability, as appropriate.

Any resulting pension scheme asset is recognised only to the extent that the Charity is able to recover the surplus through future reduced contributions or refunds from the scheme. Changes in the defined benefit asset or liability arising from actuarial gains or losses, changes in

## **STEPS TO WORK**

### **(A Company Limited by Guarantee)**

assumptions, or experience adjustments are recognised in the Consolidated Statement of Financial Activities in accordance with FRS 102.

#### **1.18 Fund accounting**

General funds represent unrestricted income which is available for use at the discretion of the Trustees in furtherance of the objectives of the Group and which has not been designated for specific purposes.

Designated funds are unrestricted funds that have been set aside by the Trustees for particular projects or purposes. These funds remain under the control of the Trustees and can be reallocated if necessary. The purpose and intended use of each designated fund is disclosed in the notes to the financial statements.

Restricted funds are income funds subject to specific conditions imposed by donors or funders, or raised by the Group for particular purposes. These funds may only be used for the activities or projects for which they were given. The associated support and administrative costs are charged against the relevant restricted fund. Details of the purpose and use of each restricted fund are set out in the notes to the financial statements.

Investment income, gains, and losses are allocated to the relevant fund according to the terms of the individual fund and the nature of the investment.

## **2. Critical accounting estimates and areas of judgement**

The preparation of financial statements in accordance with FRS 102 requires the use of certain accounting estimates and assumptions. It also requires management to exercise judgement in applying the Charity's accounting policies. Estimates and judgements are continuously evaluated and are based on historical experience, current circumstances, and expectations of future events that are considered reasonable and relevant.

The key areas of estimation and judgement that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

The valuation of the defined benefit pension scheme represents a significant estimate within the financial statements. The valuation is calculated in accordance with FRS 102 and reflects the present value of future pension liabilities less the fair value of plan assets. This valuation is sensitive to changes in key actuarial assumptions including discount rates, inflation, and mortality rates. Further details of the assumptions applied are disclosed in Note 26, and the relevant accounting policy is outlined in Note 1.17.

Depreciation on tangible fixed assets is calculated based on the estimated useful economic lives and residual values of assets. These assumptions are reviewed annually to ensure they reflect the expected pattern of economic benefit derived from the assets. Changes in these estimates may affect the depreciation charge and the carrying value of tangible fixed assets. Further information is provided in Note 13 and the related accounting policy in Note 1.9.



**STEPS TO WORK**  
**(A Company Limited by Guarantee)**

**3. Income from charitable activities**

	<b>Restricted Funds 2024 £</b>	<b>Unrestricted Funds 2024 £</b>	<b>Total Funds 2024 £</b>
Support for the unemployed	<u>983,748</u>	<u>1,597,709</u>	<u>2,581,456</u>

	<b>Restricted Funds 2023 £</b>	<b>Unrestricted Funds 2023 £</b>	<b>Total Funds 2023 £</b>
Support for the unemployed	<u>4,274,524</u>	<u>3,042,439</u>	<u>7,316,963</u>

**4. Income from other trading activities**

**Income from non charitable trading activities**

	<b>Unrestricted Funds 2024 £</b>	<b>Total Funds 2024 £</b>
Charity trading income - Trading subsidiary	<u>8,772,526</u>	<u>8,772,526</u>

	<b>Unrestricted Funds 2023 £</b>	<b>Total Funds 2023 £</b>
Charity trading income - Trading subsidiary	<u>15,775,390</u>	<u>15,773,390</u>

**5. Investment income**

	<b>Unrestricted Funds 2024 £</b>	<b>Total Funds 2024 £</b>
Interest receivable	<u>8,880</u>	<u>8,880</u>

	<b>Unrestricted Funds 2023 £</b>	<b>Total Funds 2023 £</b>
Interest receivable	<u>8,384</u>	<u>8,384</u>

**STEPS TO WORK**  
**(A Company Limited by Guarantee)**

**6. Expenditure on raising funds**

**Trading subsidiary expenditure**

	<b>Unrestricted Funds 2024 £</b>	<b>Total Funds 2024 £</b>
Cost of sales	8,020,232	<b>8,020,232</b>
Administration expenses	545,023	<b>545,023</b>
Administration staff costs	682,089	<b>682,089</b>
	<u>9,247,344</u>	<u><b>9,247,344</b></u>

	<b>Unrestricted Funds 2023 £</b>	<b>Total Funds 2023 £</b>
Cost of sales	14,449,056	14,449,056
Administration expenses	6,402	6,402
Administration staff costs	110,025	110,025
	<u>14,565,483</u>	<u>14,565,483</u>

**7. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2024 £</b>	<b>Support Costs 2024 £</b>	<b>Total Funds 2024 £</b>
Support for the unemployed	<u>3,385,733</u>	<u>1,248,616</u>	<u><b>4,634,349</b></u>

	<b>Activities undertaken directly 2023 £</b>	<b>Unrestricted Funds 2023 £</b>	<b>Total Funds 2023 £</b>
Support for the unemployed	<u>8,297,250</u>	<u>1,260,451</u>	<u><b>9,557,701</b></u>

## STEPS TO WORK (A Company Limited by Guarantee)

### 8. Auditors' remuneration

Fees payable to the Group's auditors and their associates in respect of the audit of the consolidated and parent company's annual accounts have been accrued in these financial statements. However, these fees were not incurred due to the Group entering formal liquidation prior to the commencement of the statutory audit process.

As at the reporting date, the Trustees had not appointed an auditor for the year ended 31 March 2024. The financial statements are therefore unaudited and prepared for the purposes of closure and statutory compliance under the direction of the appointed liquidators.

	2024 £	2023 £
Fees accrued for the auditors and their associates for the audit of the consolidated and parent Company's annual accounts.	14,000	36,000
Fees payable to the Group's auditor in respect of: All non-audit services not included above	-	1,426

### 9. Employees

The average monthly headcount during the year ended 31 March 2024 was 85 (2023: 119), reflecting a structured and phased reduction in workforce in response to the Group's financial position.

At the start of the year (April 2023), the Group employed 105 staff. By the end of the reporting period (March 2024), this had reduced to 68, representing a 35% reduction in total staffing. This reduction was aligned to strategic cost-saving measures designed to bring operating costs in line with post-contract income levels.

Headcount reductions occurred across all areas of the organisation:

- Admin & Finance staff decreased from 34 to 22
- Project Officer roles reduced from 55 to 39
- Employment Agency staff reduced from 16 to 7

A total of 76 staff exits were recorded during the year, with the following reasons for exit identified:

- 48 due to resignation or natural attrition
- 9 through formal redundancy processes, 4 of which were attributable to the closure of the BBO (Building Better Opportunities) programme
- 17 transferred under TUPE regulations
  - 5 following the loss of SPR's Master Vendor Contract
  - 12 following the handing back of the Work and Health Programme
- 1 settlement agreement
- 1 retirement

These workforce changes supported significant cost reductions. From April 2022, the Group achieved a payroll cost saving of £2,208,530. Furthermore, by comparing monthly payroll in March 2024 (£190,855) to April 2022 (£388,079), the annualised payroll savings were equivalent to £2,366,688.

## STEPS TO WORK

### (A Company Limited by Guarantee)

The most substantial reductions occurred between September and December 2023, when total headcount fell from 94 to 64. This coincided with the loss of core income following SPR's Walsall Council contract transfer and underpinned the charity's attempt to return to financial stability.

Staff changes were managed in line with employment law, Charity Commission expectations, and HR best practice. Redundancy processes were accompanied by appropriate consultation, redeployment efforts, and transition support.

These changes were central to the Group's overall £6.7 million two-year overhead savings programme and reflect the decisive steps taken by the Board and Executive Team to preserve the charity's sustainability prior to entering liquidation.

#### 10. Trustee's remuneration and expenses

During the year ended 31 March 2024, no Trustees received any remuneration or other benefits from the Group or its subsidiaries (2023: £Nil).

No Trustees were reimbursed for expenses during the year (2023: £69 was reimbursed to one Trustee in respect of travel expenses).

Trustees did not receive any other form of payment or benefit from the charity or its subsidiary undertaking during the period.

#### 11. Pension finance income

	2024 £	2023 £
Interest income on pension scheme assets	(290,000)	(168,000)
Interest on pension scheme liabilities	262,000	235,000
	<u>(28,000)</u>	<u>67,000</u>

**STEPS TO WORK**  
**(A Company Limited by Guarantee)**

**12. Tangible fixed assets**

**Group**

	<b>Leasehold Land and Buildings</b>	<b>Furniture, Fixtures and Fittings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or Valuation</b>			
At 1 April 2023	27,239	590,088	617,327
Additions	-	23,761	23,761
At 31 March 2024	27,239	613,849	641,088
<b>Depreciation</b>			
At 1 April 2023	27,239	531,112	558,351
Charge for the Year	-	40,492	40,492
At 31 March 2024	27,239	572,253	599,492
<b>Net Book Value</b>			
At 31 March 2024	-	42,245	42,245
At 31 March 2023	-	58,976	58,976

**Company**

	<b>Leasehold Land and Buildings</b>	<b>Furniture, Fixtures and Fittings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or Valuation</b>			
At 1 April 2023	27,239	559,803	587,042
Additions	-	23,085	23,085
At 31 March 2024	27,239	582,888	610,127
<b>Depreciation</b>			
At 1 April 2023	27,239	500,827	528,066
Charge for the Year	-	40,465	40,465
At 31 March 2024	27,239	541,292	568,531
<b>Net Book Value</b>			
At 31 March 2024	-	41,596	41,596
At 31 March 2023	-	58,976	58,976

**STEPS TO WORK**  
**(A Company Limited by Guarantee)**

**13. Fixed asset investments**

**Company**

	Investments in subsidiary companies £
<b>Cost</b>	
At 1 April 2023	1
At 31 March 2024	1
<b>Net Book Value</b>	
At 31 March 2024	1
At 31 March 2023	1

The Group's principal subsidiary undertaking during the year was Starting Point Recruitment Limited, a company incorporated in England and Wales. The subsidiary is wholly owned by Steps to Work and is limited by shares.

The details of the subsidiary as at 31 March 2024 are as follows:

Name	Company Number	Registered Office	Principal Activity	Class of Shares	Holding
Starting Point Recruitment Ltd	04560776	Floor 9, Townend House, Park Street, Walsall, WS1 1NS	Provision of a professional and supportive employment business to workers and clients	Ordinary	100%

On 4 July 2024, the Group completed the sale of its entire shareholding in Starting Point Recruitment Limited as part of a broader restructuring exercise. Following the sale, SPR continues to operate independently under new ownership and was no longer consolidated into the Group from the date of disposal.

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the Year £	Net assets £
Starting Point Recruitment Limited	8,772,526	(9,238,464)	(465,938)	(332,540)

**14. Stocks**

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Goods for Resale	<u>1,876</u>	<u>11,555</u>	<u>1,876</u>	<u>11,555</u>

**STEPS TO WORK**  
**(A Company Limited by Guarantee)**

**15. Debtors**

	<b>Group 2024</b>	Group 2023	<b>Company 2024</b>	Company 2023
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade Debtors	<b>261,726</b>	1,338,475	<b>81,413</b>	229,492
Amounts Owed to Group Undertakings	-	-	<b>278,124</b>	833,520
Other Debtors	<b>96,445</b>	525,524	<b>93,131</b>	163,910
Prepayments and Accrued Income	<b>389,619</b>	101,365	<b>140,105</b>	87,722
	<b><u>747,790</u></b>	<u>1,965,364</u>	<b><u>592,773</u></b>	<u>1,314,644</u>

**16. Creditors: Amount falling due with one year**

	<b>Group 2024</b>	Group 2023	<b>Company 2024</b>	Company 2023
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade Creditors	<b>606,234</b>	904,777	<b>444,144</b>	99,854
Amounts Owed to Group Undertakings	-	-	-	20,738
Other Taxation and Social Security	<b>277,560</b>	607,296	<b>141,625</b>	134,838
Other Creditors	<b>14,258</b>	452	<b>14,258</b>	-
Accruals and Deferred Income	<b>316,307</b>	301,605	<b>92,281</b>	17,356
	<b><u>1,214,359</u></b>	<u>1,814,130</u>	<b><u>692,308</u></b>	<u>272,786</u>

**STEPS TO WORK**  
(A Company Limited by Guarantee)

**17. Statement of funds**

**Current Year**

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers In/(Out) £	Gains/(Losses) £	Balance at 31 March 2024 £
<b>Unrestricted Funds</b>						
<b>Designated Funds</b>						
Fixed Asset Fund	58,976	-	(40,492)	23,761	-	42,245
Redundancy	156,091	-	(156,091)	-	-	-
	215,067	-	(196,583)	23,761	-	42,245
<b>General Funds</b>	1,860,870	10,379,115	(12,553,545)	(23,761)	-	(337,322)
<b>Total Unrestricted Funds</b>	2,075,937	10,379,115	(12,750,128)	-	-	(295,077)
<b>Restricted Funds</b>						
Support for the Employed	147,817	983,748	(1,131,565)	-	-	-
<b>Total of Funds</b>	<b>2,223,754</b>	<b>11,362,862</b>	<b>(13,881,693)</b>	<b>-</b>	<b>-</b>	<b>(295,077)</b>

The movements in the Group's funds during the year ended 31 March 2024 were as follows:

At 1 April 2023, total funds stood at £2,223,754, comprising £2,075,937 of unrestricted funds and £147,817 of restricted funds. During the year, the Group received total income of £11,362,862 and incurred total expenditure of £13,881,693. This resulted in a net decrease in funds of £2,219,831, with a closing fund balance of a deficit of £295,077 as at 31 March 2024.

**Unrestricted Funds:**

Unrestricted funds include both general funds and designated funds. General funds represent income that may be applied at the discretion of the Trustees in furtherance of the Charity's general objectives. Designated funds are unrestricted funds earmarked by the Trustees for specific purposes.

The Fixed Asset Fund represents the net book value of unrestricted tangible fixed assets. The fund decreased from £58,976 at 1 April 2023 to £42,245 at 31 March 2024, reflecting depreciation of £40,492 and a transfer in of £23,761 from general funds relating to capital additions.

The Redundancy Fund, which had been designated to cover potential workforce restructuring and closure



**STEPS TO WORK**  
**(A Company Limited by Guarantee)**

costs, was fully utilised during the year. The fund balance of £156,091 was expended, resulting in a closing balance of £nil.

Total general unrestricted income for the year was £10,378,844, with expenditure of £12,553,275. After the transfer of £23,761 to the Fixed Asset Fund, the general fund decreased to a year-end deficit of £337,322.

The combined unrestricted fund balance decreased from £2,075,937 to a deficit of £295,077 at the year end.

**Restricted Funds:**

Restricted funds relate to income received with specific conditions attached regarding its use. At the start of the year, restricted funds totalled £147,817, all of which related to the specific programmes. During the year, restricted income amounted to £983,748, while expenditure totalled £1,131,565. This resulted in full utilisation of the restricted fund by the year end.

**Pension Reserve:**

The Group's defined benefit pension scheme was in surplus as at the year end based on the latest actuarial valuation. However, this surplus has not been recognised in the financial statements, as it is not considered recoverable under the terms of the scheme and therefore does not meet the recognition criteria of FRS 102. No pension reserve has been presented.

**Prior Year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers In/(Out) £	Gains/(Losses) £	Balance at 31 March 2023 £
<b>Unrestricted Funds</b>						
<b>Designated Funds</b>						
Fixed Asset Fund	100,895	-	(56,201)	14,282	-	58,976
Redundancy	226,854	-	(70,763)	-	-	-
	327,749	-	(126,964)	14,282	-	215,067
General Funds	2,600,327	18,824,213	(19,549,388)	(14,282)	-	1,860,870
Pension Reserve	(2,458,000)	-	(46,000)	-	2,504,000	-
	142,327	18,824,213	(19,595,388)	(14,282)	2,504,000	-
<b>Total Unrestricted Funds</b>	470,076	18,824,213	(19,772,352)	-	2,504,000	(2,075,937)
<b>Restricted Funds</b>						
Support for the Employed	274,125	4,274,524	(4,400,832)	-	-	-
<b>Total of Funds</b>	<b>744,201</b>	<b>23,098,737</b>	<b>(24,123,184)</b>	<b>-</b>	<b>2,504,000</b>	<b>2,223,754</b>

**STEPS TO WORK**  
**(A Company Limited by Guarantee)**

**18. Summary of Funds**

**Summary of Funds – Current Year**

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers In/(Out) £	Gains/(Losses) £	Balance at 31 March 2024 £
Designated Funds	215,067	-	(196,583)	23,761	-	42,245
General Funds	1,860,870	10,379,114	(12,553,545)	(23,761)	-	(337,322)
Restricted Funds	147,817	983,748	(1,131,565)	-	-	-
<b>Total of Funds</b>	<b>2,223,754</b>	<b>11,362,862</b>	<b>(13,881,693)</b>	<b>-</b>	<b>-</b>	<b>(295,077)</b>

**Summary of Funds – Prior Year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers In/(Out) £	Gains/(Losses) £	Balance at 31 March 2023 £
Designated Funds	327,749	-	(126,964)	14,282	-	215,067
General Funds	142,327	18,824,213	(19,595,388)	(14,282)	2,504,000	1,860,870
Restricted Funds	274,125	4,274,524	(4,400,832)	-	-	147,817
<b>Total of Funds</b>	<b>744,201</b>	<b>23,098,737</b>	<b>(24,123,184)</b>	<b>-</b>	<b>2,504,000</b>	<b>2,223,754</b>

**19. Analysis of net assets between funds**

**Analysis of net assets between funds – current year**

	Restricted Funds 2024 £	Unrestricted Funds 2024 £	Total Funds 2024 £
Tangible Fixed Assets	-	42,245	<b>42,245</b>
Current Assets	-	877,037	<b>877,037</b>
Creditors due within one year	-	(1,214,359)	<b>(1,214,359)</b>
	-	(295,077)	<b>(295,077)</b>

**STEPS TO WORK**  
**(A Company Limited by Guarantee)**

**Analysis of net assets between funds – prior year**

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total Funds</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible Fixed Assets	-	58,976	<b>58,976</b>
Current Assets	147,817	3,831,091	<b>3,978,908</b>
Creditors due within one year	-	<u>(1,814,130)</u>	<u><b>(1,814,130)</b></u>
	<u>148,817</u>	<u>2,075,937</u>	<u><b>2,223,754</b></u>

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

	<b>Group 2024 £</b>	<b>Group 2023 £</b>
Net (expenditure)/income for the year (as per Statement of Financial Activities)	<b>(2,518,831)</b>	(1,024,447)
<b>Adjustments For:</b>		
Depreciation Charges (Note 17)	<b>40,492</b>	56,201
Dividends, Interests and Rents from Investments (Note 5)	<b>(8,880)</b>	(8,384)
Defined Benefit Pension Contributions (Note 24)	-	(131,000)
Pension Cost Bourne by Pension Fund (Note 24)	-	177,000
Decrease/(Increase) in Stocks (Note 14)	<b>9,679</b>	-
Decrease/(Increase) in Debtors (Note 15)	<b>1,217,574</b>	236,075
(Decrease)/Increase in Creditors (Note 16)	<b>(599,771)</b>	(590,164)
<b>Net cash (used in)/provided by operating activities</b>	<b>(1,859,737)</b>	(1,284,719)

**21. Analysis of cash and cash equivalents**

	<b>Group 2024 £</b>	<b>Group 2023 £</b>
Cash in Hand	<b>127,371</b>	2,001,989
<b>Total Cash and Cash Equivalents</b>	<b>127,371</b>	2,001,989

## 22. Analysis of changes in net debt

	At 1 April 2023 £	Cash Flows £	At 31 March 2024 £
Cash at Bank and in Hand	2,001,989	(1,874,618)	<b>127,371</b>
	2,001,989	(1,874,618)	<b>127,371</b>

## 23. Contingent liabilities

The income claims of the Charity are subject to periodic audits and compliance reviews by funding bodies and awarding organisations. These reviews may result in a requirement to repay amounts previously claimed where the related expenditure is deemed ineligible or supporting evidence is insufficient.

At the reporting date, there were no known or anticipated clawback demands. While historic programme claims remain open to audit, the Trustees have undertaken a risk assessment and do not believe that any material liability will arise. Accordingly, no provision has been made in the financial statements.

The Trustees will continue to monitor any audit developments post year-end and respond to funders in line with contractual obligations and charity governance standards.

## 24. Pension commitments

The Group operates a defined benefit pension scheme for eligible employees. The scheme is administered by the West Midlands Metropolitan Authorities Pension Fund, which is part of the Local Government Pension Scheme (LGPS). The assets of the Fund are held separately from those of the Group in independently managed trustee-administered funds.

The Fund provides retirement benefits based on final salary and length of service. The Group's participation in the scheme provides benefits to certain employees of the charity and its subsidiaries.

A full actuarial valuation of the scheme was carried out as at 31 March 2024, in accordance with the Local Government Pension Scheme Regulations 2013 (Regulation 62). This valuation was used to determine contribution rates and to assess the funding position of the Group's section of the Fund.

The Group's share of the scheme's assets and liabilities has been calculated at 31 March 2024 by a qualified independent actuary using assumptions consistent with the requirements of Financial Reporting Standard 102 (FRS 102). The valuation is based on membership data as at the previous actuarial valuation date and market conditions at the balance sheet date.

Employer contributions payable to the Fund during the year ended 31 March 2024 amounted to £51,487 (2023: £164,458). These amounts are included within staff costs and outstanding contributions at the year-end are included within creditors.

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

**STEPS TO WORK**  
**(A Company Limited by Guarantee)**

	<b>At 31 March 2024 %</b>	<b>At 31 March 2023 %</b>
Discount Rate	<b>4.85</b>	4.75
Salary Increase Rate	<b>3.75</b>	3.95
Pension Increase Rate	<b>2.75</b>	2.95

	<b>At 31 March 2024 Years</b>	<b>At 31 March 2023 Years</b>
Mortality Rates (in Years)		
- for a male aged 65 now	<b>21.7</b>	21.8
- at 65 for a male aged 45 now	<b>19.7</b>	19.99
- for a female aged 65 now	<b>23.2</b>	23.4
- at 65 for a female aged 45 now	<b>24.9</b>	25.2

	<b>At 31 March 2024 Years</b>	<b>At 31 March 2023 Years</b>
Mortality Rates (in Years)		
- for a male aged 65 now	<b>21.7</b>	21.8
- at 65 for a male aged 45 now	<b>19.7</b>	19.99
- for a female aged 65 now	<b>23.2</b>	23.4
- at 65 for a female aged 45 now	<b>24.9</b>	25.2

The Group's share of the assets in the scheme was:

	<b>At 31 March 2024 £</b>	<b>At 31 March 2023 £</b>
Equities	<b>4,077,000</b>	4,164,000
Other Bonds	<b>1,871,000</b>	1,347,000
Property	<b>401,000</b>	429,000
Cash	<b>333,000</b>	184,000
<b>Total Fair Value of Assets</b>	<b>6,682,000</b>	6,124,000

The actual return on scheme assets during the year was £304,000 (2023: £168,000)

**STEPS TO WORK**  
**(A Company Limited by Guarantee)**

	2024 £	2023 £
Current Service Cost	(24,000)	(110,000)
Interest Income	290,000	168,000
Interest Cost	(262,000)	(67,000)
<b>Total amount recognised in the Consolidated Statement of Financial Activities</b>	<b>4,000</b>	<b>(9,000)</b>

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

	2024 £	2023 £
Opening Defined Benefit Obligation	5,549,000	8,552,000
Current Service Cost	24,000	110,000
Interest Cost	262,000	235,000
Employee Contributions	9,000	20,000
Actuarial Gains	(226,000)	(3,264,000)
Benefits Paid	(102,000)	(104,000)
<b>Closing Defined Benefit Obligation</b>	<b>5,516,000</b>	<b>5,549,000</b>

Movements in the fair value of the Group's share of scheme assets were as follows:

	2024 £	2023 £
Opening Fair Value of Scheme Assets	6,124,000	6,094,000
Interest Income	290,000	168,000
Actuarial Gains	304,000	(185,000)
Employer Contributions	57,000	131,000
Employee Contributions	9,000	20,000
Benefits Paid	(102,000)	(104,000)
<b>Closing Fair Value of Scheme Assets</b>	<b>6,682,000</b>	<b>6,124,000</b>

The Group has an unrecognised surplus of £1,166,000 (2023: £575,000) in respect of its defined benefit pension scheme as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds from the plan.

**STEPS TO WORK**  
**(A Company Limited by Guarantee)**

**25. Operating Lease Commitments**

	<b>Group 2024 £</b>	<b>Group 2023 £</b>	<b>Company 2024 £</b>	<b>Company 2023 £</b>
Not Later Than 1 Year	<b>6,647</b>	48,322	<b>6,647</b>	48,322
Later Than 1 Year and Not Later Than 5 Years	<b>17,500</b>	28,000	<b>17,500</b>	28,000
	<b>24,147</b>	76,322	<b>24,147</b>	76,322

**26. Related Party Transactions**

At the balance sheet date, the Company had a debtor balance of £278,124 (2023: £650,591) with its wholly owned subsidiary, Starting Point Recruitment Limited, in respect of management and commercial recharges.

The Group is related to PCS Mobile Solutions, PCS IT Services, and Pure Cloud Solutions Ltd by virtue of common directorships held by former Trustee Darren Lake.

During the year ended 31 March 2024, the Group incurred expenditure with the following related entities:

- PCS Mobile Solutions Ltd: £11,545 (2023: £20,565)
- PCS IT Services Ltd: £Nil (2023: £Nil)
- Pure Cloud Solutions Ltd: £304,939 (2023: £342,901)

At the reporting date, trade creditors of £80,435 (2023: £33,157) were outstanding in respect of these companies.

Following the end of the reporting period, a legal claim in the region of £1 million was issued against the charity by Pure Cloud Solutions Ltd relating to the early termination of an IT contract. The Trustees are taking professional legal advice and are addressing the matter as part of the liquidation process. Full details are disclosed in Note 27: Post Balance Sheet Events.

**27. Post Balance Sheet Events**

Following the balance sheet date of 31 March 2024, a number of significant events occurred which impact the understanding of the Group's financial position and are disclosed below:

Sale of Subsidiary Undertaking

On 26 July 2024, Steps to Work completed the sale of its wholly owned subsidiary, Starting Point Recruitment Limited, to 145 Holdings Limited as part of a Group restructuring programme. The transaction was undertaken to protect jobs and preserve the commercial continuity of the subsidiary following the loss of key contracts within the Group. As a result, the subsidiary ceased to be consolidated into the Group from that date.

**The Trustees have been informed that 145 Holdings Limited has obtained a forensic accountant's report, evidencing the value of the shares in Starting Point Recruitment, which it acquired from Steps to Work. This report is subject to confidentiality provisions in favour of 145 Holdings Limited and third parties and, as a result, it cannot be disclosed as part of the Trustees' report.**

**STEPS TO WORK**  
**(A Company Limited by Guarantee)**

Appointment of Liquidators

On 27 September 2024, the Trustees of Steps to Work (Walsall) Ltd formally resolved to cease trading following ongoing financial difficulties and the exhaustion of strategic alternatives. The charity entered a creditors' voluntary liquidation in October 2024, with professional liquidators appointed to oversee the wind-down of operations, realisation of assets, and settlement of liabilities in accordance with statutory requirements. The financial statements have therefore been prepared on a non-going concern basis.

Legal Claim Issued by Related Party

Subsequent to the year end, a legal claim in the region of £1 million was received from Pure Cloud Solutions Ltd, a related party connected to a former Trustee. The claim relates to the early termination of an IT services contract previously entered into by the charity. The Board has taken legal advice and has referred the matter to the appointed liquidators. Any liability arising from the claim will be addressed through the liquidation process. Further details are provided in Note 26: Related Party Transactions.

Unrecognised Pension Surplus

As at 31 March 2024, the Group's defined benefit pension scheme showed a surplus of £1,166,000. However, this surplus remains unrecognised in the balance sheet as the charity does not have an unconditional right to recover it, either through reduced future contributions or cash refunds. The liability management of the pension scheme now falls under the remit of the liquidators.



**Appendix 1 – Removal of Petros Andres Nicolaides**

**Appendix 2 – Opus LLP Limited Scope Review**

**Appendix 3 – Statement of Affairs**



Floor 6  
Townend House  
Park Street  
Walsall  
WS1 1NS

01922 627555  
[www.stepstowork.co.uk](http://www.stepstowork.co.uk)

20<sup>th</sup> October 2023

Dear Petro

**Steps to Work (Registered Charity number 1100403, registered Company number 3738249)**

The Trustees have decided by resolution meeting on the 13<sup>th</sup> September and subsequent conversation on 13<sup>th</sup> October that they are bringing your trusteeship to an end immediately and without notice.

The terms of the decision are that they believe that your conduct, which is detailed below, is prejudicial to the charity and, a vote of at least 75% of the other Trustees/Directors was passed.

In addition, in accordance with the constitution document, the Trustees believe that they are entitled to require you to retire as a resolution has been approved by all of them with the requisite two thirds majority.

The Trustees have been made aware of the WhatsApp messages that you have been sending to various individuals, example copy is attached.

The Trustees believe that it was entirely inappropriate for you to send such statements about the CEO (then Chair) when they were without foundation, had not been fact checked and were untrue.

The Trustees believe that the content of those messages would have portrayed both the Charity and the CEO in a poor light (at its mildest,) and, at worst, may colour the perception of the recipient in terms of working relationships or potential working relationships with the Charity.

Furthermore, that as a result of these actions the relationship and trust has irrevocably broken down as between you and the CEO.

We confirm that we have arranged for your name to be removed from both Companies House and the Charity Commission as Director/Trustee.

We would ask you to not promote such messages further and to recognise that this has been a difficult and unpleasant decision for the Trustees to take in light of the fact that some of them have worked with you for a period of time.

We confirm that there is no right of appeal allowed under the terms of the constitution and therefore we are treating your removal as Trustee as immediate.

We confirm that we are taking legal advice as to whether or not further steps should be taken in respect of the WhatsApp messages that were sent and you may very well hear from our legal representatives with regards to that.

We are sorry that your tenure has ended in this way and would like to thank you for your support during the time that you were with us.

Yours sincerely

A handwritten signature in black ink, appearing to read "Sally Beavan".

Sally Beavan

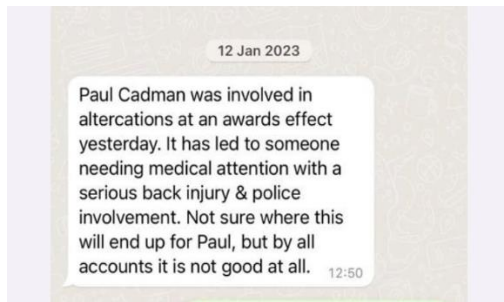
Vice Chair





### Copy of WhatsApp message

Message forwarded from recipient to Paul Cadman



Charity Commission  
PO Box 211  
Bootle  
L20 7YX

27<sup>th</sup> October 2023

Dear Sirs,

**Serious Incident Report**

We, the Trustees of the Charity known as Steps to Work (Charity number 1100403) wish to make a report to you to detail what we believe has been a serious incident and to confirm to you how we have dealt with it.

We have taken steps as the Trustees of the Charity to remove one of our fellow Trustees being Petros Andreas Nicolaides.

This decision was not taken lightly but was taken in line with the Constitution, a copy of which is attached, and by correct voting procedures.

We wish to make this report to inform you of the fact that he has been removed. We will be filing the appropriate paperwork to remove him from your register and also remove him from Companies House.

Our decision was taken on the basis that we believed that he was not acting in the required manner for a Trustee, that he was potentially bringing both the Charity and the CEO (then Chair) into disrepute and that he had failed to take steps to stop doing so when requested.

The conduct in question was a series of WhatsApp messages sent by him to third parties making allegations against the CEO (then Chair), which are unfounded, unjustified, were not fact checked and are false.

The WhatsApp messages were sent to a number of people to include MPs and the Mayor of Birmingham and / or their Chief of Staff. The Trustees believe this is detrimental to the working relationships that the Charity has with local government organisations and within the West Midlands generally.

Petros has stated within his messages that the CEO was responsible for injuring two people at an awards event, resulting in one being hospitalised.

We have established that the CEO and two of our trustees were present at the evening and the CEO did in fact step in between two gentlemen to prevent a fight from occurring. His intervention calmed the situation. Two trustees were witnesses and have confirmed that the messages were inaccurate. Enquiries made to the gentleman alleged to have been hospitalised also confirm that this is incorrect.

Upon being asked to cease sending such messages, we believe he did not do so. He also failed to give an explanation as to why he had sent the messages and when asked to submit a report did not do so

As a result of this and the subsequent breakdown in the working relationship between Petros and the CEO, the Trustees have taken the decision to terminate his Trusteeship in accordance with the constitution document and have notified him of this decision, a copy of that letter is attached.

As he has lost the confidence of all of the other Trustees it was agreed that removal was necessary and the trustees believe that this is the correct step which is wholly in proportion to his actions.

Yours faithfully



Inez Brown  
Chair  
For and on behalf of the Board of Directors

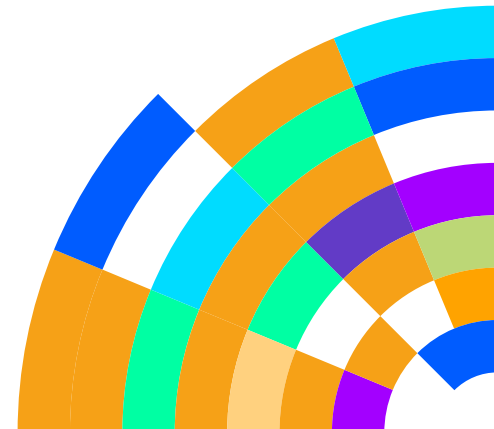
# Steps to Work Limited Scope Review (Draft)



**OPUS**  
BUSINESS ADVISORY GROUP

## Index

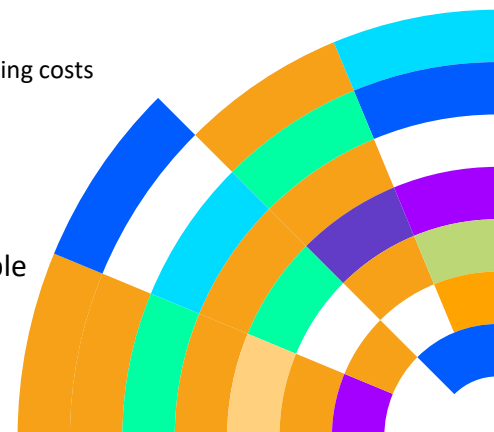
1. Background and key issues
2. Current Financial Position & Recent Movements
3. Contingent Asset arising from Litigation
4. The Proposed Restructure
5. Valuation of SPR
6. Trustees' responsibilities
7. Business risks – creditor action and wrongful trading
8. Insolvency Options (General)
9. Specific Options



# 1. Background and key issues

## Steps to Work ('STW')

- STW is a company limited by guarantee (CRN: 03738249) and charity registered with the Charity Commission (Charity No: 1100403).
- On 11 May 2024, a restructuring proposal (the 'Proposed Restructure'), was prepared by Paul Cadman (the 'CEO') in his capacity as both CEO of STW and director of its subsidiary, Starting Point Recruitment Ltd ('SPR'). This Proposed Restructure was prepared following the CEO's strategic plan (which we understand to have been agreed by the Trustees in November 2023) for the three years to December 2025.
- The Proposed Restructure's overarching message, as regards the future of STW, was that its current financial position needs to be considered in the context of STW's viability over the three years ending December 2025.
- Supplementary information was received by Opus, from the CEO on 26 June 2024, which further contextualised the Proposed Restructure. In particular, the proposed changes to group structure were illustrated. This structure would be intended to safeguard STW's group assets, while better facilitating the group's recovery; the new group's operating segments would be better reflected by this new structure.
- The Proposed Restructure notwithstanding, the principal matters with which the board of trustees of STW (the 'Trustees') are concerned, are as follows:
  - Adverse litigation as regards a contractual dispute with PCS, STW's former IT services provider;
  - An onerous contract with Z-Recruiter; the difficulties with this contract comprise the relatively high ongoing costs and minimal flexibility as regards any renegotiation;
  - The impairment of the STW brand;
  - Potentially favourable litigation as regards Walsall Council; and
  - Working capital management in general, regardless of the favourable litigation.
- The Trustees wish to understand the main challenges to STW's viability, and the options available to mitigate, transfer or avoid the corresponding business risks, in the context of the Proposed Restructure.



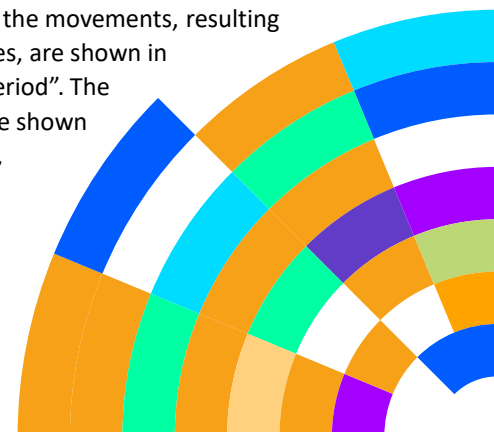
## 2. Current Financial Position & Recent Movements

	<u>Period</u>	<u>Year to Date</u>	
<b>Fixed Assets</b>			
Office Equipment	(7,723.33)	23,541.03	
Furniture & Fittings	(7,181.70)	21,774.65	
Leasehold Improvements	(2,474.83)	(3,720.14)	
Fixed Asset Investment	0.00	1.00	
	(17,379.86)		41,596.54
<b>Current Assets</b>			
Stock	(9,679.15)	1,876.00	
Debtors	(268,232.39)	299,908.14	
Deposits & Cash	(7,597.64)	1,409.10	
Bank Account	(883,586.57)	92,114.64	
	(1,169,095.75)		395,307.88
<b>Current Liabilities</b>			
Creditors : Short Term	687,313.00	190,608.00	
Taxation	91,403.72	91,403.72	
Wages/Pensions	19,149.43	14,154.97	
VAT Liability	(1,582.31)	50,324.93	
	796,283.84		346,491.62
<b>Current Assets less Current Liabilities:</b>	(1,965,379.59)		48,816.26
<b>Total Assets less Current Liabilities:</b>	(1,982,759.45)		90,412.80
<b>Long Term Liabilities</b>			
Creditors : Long Term	2,441.60	(14,741.37)	
	2,441.60		(14,741.37)
<b>Total Assets less Total Liabilities:</b>	(1,985,201.05)		105,154.17
<b>Capital &amp; Reserves</b>			
Reserves	0.00	327,749.00	
Other Reserves	(147,817.00)	1,614,788.22	
P & L Account	(1,837,384.05)	(1,837,384.05)	
Previous Year Adj		1.00	
	(1,985,201.05)		105,154.17

Working capital has been reviewed to better understand STW's short to mid-term ability to service its debt obligations. Salient points as regards STW's working capital are as follows:

- 1) Debtors have fallen by 47.2%, over the year ended 31 March 2024, due to a combination of write-offs and recoveries made in the normal course of business.
- 2) Despite recoveries made, cash has fallen by 90.6% to £92,114.64, over the same period.
- 3) Cash cover of STW's current liabilities, at 31 March 2024, at 26.6%. This illustrates an immediate inability to cover its short and mid-term liabilities.

It should be noted that the movements, resulting in the period-end figures, are shown in the column entitled "Period". The period-end balances are shown in the adjacent column, entitled "Year to Date".





## 2. Current and forecast cash flows - consolidated

£	May Actual	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Annual Forecast
Opening Cash Book Balance	78,032	54,467	9,417	27,414	20,975	18,935	4,054	26,762	169,835	206,754	199,167	78,032
<b><u>INCOME</u></b>												
Income	334,936	278,925	322,022	467,092	527,339	655,469	676,511	791,478	772,108	956,892	968,796	6,751,568
Interest	34	-	-	-	-	-	-	-	-	-	-	34
<b>Total Income</b>	<b>334,970</b>	<b>278,925</b>	<b>322,022</b>	<b>467,092</b>	<b>527,339</b>	<b>655,469</b>	<b>676,511</b>	<b>791,478</b>	<b>772,108</b>	<b>956,892</b>	<b>968,796</b>	<b>6,751,602</b>
<b><u>EXPENDITURE</u></b>												
Direct costs	112,399	72,754	97,978	135,958	136,947	263,145	207,812	189,225	237,130	230,921	251,768	1,936,039
Staff Salaries	132,387	120,526	123,957	146,012	155,054	147,236	151,682	154,806	161,637	164,363	166,084	1,623,744
Accommodation	10,020	7,181	21,693	28,795	37,341	55,191	22,791	7,064	43,191	22,791	7,064	263,122
Running costs	38,213	61,783	40,463	38,492	40,051	40,295	31,017	32,380	32,780	33,240	34,734	423,448
HMRC & Pensions	24,672	58,911	17,115	121,456	157,166	161,664	237,682	262,108	257,631	510,346	220,636	2,029,387
Inter Account	2,819	2,819	2,819	2,819	2,819	2,819	2,819	2,819	2,819	2,819	2,819	31,012
Zodeq	32,068	-	-	-	-	-	-	-	-	-	-	32,068
Petty Cash & Soldo	5,956	-	-	-	-	-	-	-	-	-	-	5,956
<b>Total Expenditure</b>	<b>358,535</b>	<b>323,974</b>	<b>304,025</b>	<b>473,532</b>	<b>529,378</b>	<b>670,350</b>	<b>653,804</b>	<b>648,404</b>	<b>735,189</b>	<b>964,479</b>	<b>683,105</b>	<b>6,344,776</b>
<b>Cash Movement</b>	<b>-23,565</b>	<b>-45,049</b>	<b>17,997</b>	<b>-6,440</b>	<b>-2,039</b>	<b>-14,881</b>	<b>22,707</b>	<b>143,074</b>	<b>36,919</b>	<b>-7,587</b>	<b>285,690</b>	<b>406,826</b>
<b>Closing Cash Book Balance</b>	<b>54,467</b>	<b>9,417</b>	<b>27,414</b>	<b>20,975</b>	<b>18,935</b>	<b>4,054</b>	<b>26,762</b>	<b>169,835</b>	<b>206,754</b>	<b>199,167</b>	<b>484,857</b>	<b>484,857</b>

The above table comprises STW's cash flows forecast on a consolidated basis. Separately, on the next page, the equivalent forecast on a standalone basis is shown. Both forecasts are taken using actual figures as at 31 May 2024. Despite the date of this report, the actual figures for June 2024 are not yet confirmed. Therefore, forecast figures have been used. No information has been audited; it has been considered on a prima facie basis.

## 2. Current and forecast cash flows - standalone

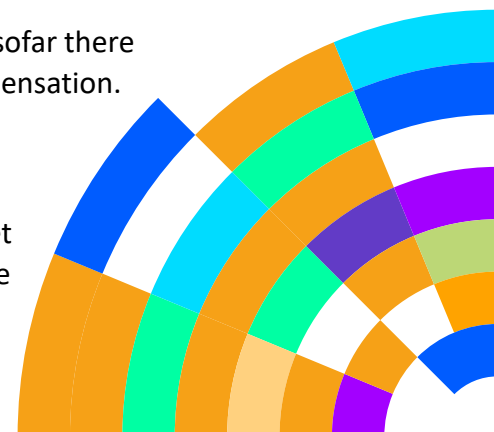
		May-24 Actual	May Actuals + Forecast																				
			45,444	45,474	45,505	45,536	45,566	45,597	45,627	45,658	45,689	45,717											
Opening Current A/c Balance		10,000	-	77,391	-	287,154	-	377,492	-	535,085	-	812,817	-	1,224,039	-	1,429,144	-	1,633,416	-	1,968,319	-	2,221,157	N/A
Opening Reserve A/c Balance		12,385	-	32,922	-	32,922	-	32,922	-	32,922	-	32,922	-	32,922	-	32,922	-	32,922	-	32,922	-	32,922	N/A
<b>INCOME</b>																							
Trading income		241,921	-	116,938	-	169,865	-	256,242	-	209,502	-	327,232	-	289,582	-	267,792	-	267,792	-	393,884	-	347,094	2,887,845
Mthly	Other Income	5,928	-	250	-	250	-	250	-	250	-	250	-	250	-	250	-	250	-	250	-	250	3,428
	Transfer from Wages A/c	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transfer from Reserve A/c	160,521	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	160,521
			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Income		396,514	-	117,188	-	170,115	-	256,492	-	209,752	-	327,482	-	289,832	-	268,042	-	268,042	-	394,134	-	347,344	3,044,938
<b>EXPENDITURE</b>																							
Direct costs		55,581	-	11,325	-	9,600	-	8,451	-	9,047	-	121,324	-	10,639	-	11,436	-	35,155	-	13,028	-	13,824	299,408
	Partner Payments	46,613	-	-	-	-	-	-	-	108,980	-	-	-	-	-	-	-	-	-	-	-	-	155,593
Staff Salaries		6,432	-	5,983	-	5,983	-	25,313	-	25,313	-	15,148	-	15,148	-	15,148	-	15,148	-	15,148	-	15,148	159,915
Accommodation		10,020	-	7,181	-	21,693	-	28,795	-	37,341	-	55,191	-	22,791	-	7,064	-	43,191	-	22,791	-	7,064	263,122
	Rent	-	-	4,110	-	11,322	-	16,800	-	18,914	-	30,000	-	15,000	-	2,625	-	30,000	-	15,000	-	2,625	146,396
Running costs		30,040	-	47,982	-	21,459	-	20,741	-	20,904	-	21,099	-	21,758	-	21,937	-	22,118	-	22,528	-	22,801	273,368
Interco		37,181	-	2,819	-	2,819	-	2,819	-	2,819	-	2,819	-	2,819	-	2,819	-	2,819	-	2,819	-	2,819	8,988
	SPR	40,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,000
HMRC & Pensions		22,499	-	31,435	-	10,171	-	60,923	-	83,817	-	88,271	-	106,313	-	108,503	-	110,041	-	172,921	-	97,862	892,757
19th	Pensions	22,499	-	10,989	-	10,171	-	10,479	-	10,723	-	11,532	-	11,743	-	12,141	-	12,420	-	13,032	-	13,276	139,005
19th	PAYE + NI	-	-	-	-	-	-	24,843	-	73,095	-	76,738	-	77,684	-	79,476	-	80,735	-	83,488	-	84,586	580,644
Qtly 7th Feb,May,Aug,Nov	VAT	-	-	20,446	-	-	-	25,602	-	-	-	-	-	16,886	-	16,886	-	16,886	-	76,402	-	-	173,108
	Petty Cash	2,106	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,106
	Soldo	3,850	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,850
	Transfer to Wages A/c	122,130	-	113,500	-	117,000	-	120,000	-	129,000	-	131,000	-	136,000	-	138,500	-	146,000	-	148,500	-	150,000	1,451,630
	Transfer to Reserve A/c	181,037	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	181,037
	Interest in Reserve a/c	21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21
Total Expenditure		483,905	-	326,951	-	260,453	-	414,086	-	487,485	-	738,704	-	494,936	-	472,314	-	602,945	-	646,971	-	469,038	5,397,789
Cash Movement		87,391	-	209,763	-	90,338	-	157,594	-	277,732	-	411,222	-	205,104	-	204,272	-	334,903	-	252,838	-	121,694	2,352,851
Closing Cash Book Balance		77,391	-	287,154	-	377,492	-	535,085	-	812,817	-	1,224,039	-	1,429,144	-	1,633,416	-	1,968,319	-	2,221,157	-	2,342,851	2,342,851
Business Reserve A/c Balance		32,922	-	32,922	-	32,922	-	32,922	-	32,922	-	32,922	-	32,922	-	32,922	-	32,922	-	32,922	-	32,922	32,922
Wages A/c Balance		919	-	725	-	597	-	741	-	834	-	578	-	870	-	536	-	865	-	964	-	842	842
Total Bank Availability		43,549	-	253,506	-	343,972	-	501,422	-	779,061	-	1,190,539	-	1,395,351	-	1,599,957	-	1,934,532	-	2,187,270	-	2,309,087	2,309,087

## 2. Current and forecast cash flows - commentary

### Comments on STW's solvency

The following observations have been collated pursuant to the remit stated in our engagement letter and, in particular, the CEO's Proposed Restructure as well as the Trustee's main areas of enquiry (as per page 3 of this report).

- 1) On a consolidated basis, given the cash flows (as forecast by management) of its principal subsidiary, SPR, STW is expected to be cash flow solvent until March 2025. Crucially, this does not include any contingent asset arising from SPR's litigation with Walsall Metropolitan Borough Council. Further context on this point is given on page 8 of this report.
- 2) On a standalone basis, STW is reliant on intercompany transfers from SPR, for the period as forecast. Should SPR's cash-generative ability deteriorate, then there is a risk to STW's balance sheet solvency on a consolidated basis as well as a standalone cash flows basis. STW is not forecast to remain a going concern in the immediate term, without immediate financing in-flows from SPR, regardless of the aforementioned litigation.
- 3) Though a contingent asset, any proceeds from the litigation, would strengthen STW's balance sheet solvency and liquidity insofar as its subsidiary would receive a cash benefit. Though it is, of course, not possible to know by how much with a high degree of certainty.
- 4) Adverse litigation, from parties including but not limited to PCS, would affect STW's solvency insofar there would be cash obligations arising by virtue of both legal costs any litigated obligation, e.g. compensation. It is not possible for us to comment on the likelihood of this happening. However, the CEO has provided assurances that this is considered, at this time, unlikely.
- 5) In terms of impairments made to STW's brand, no such goodwill is recorded on its balance sheet (correctly) as this is an internally generated intangible asset. Therefore, no impairment would be amortised to STW's profit or loss accounts, and in so doing, affecting STW's balance sheet solvency. However, the more practical implication is that a deteriorated brand would impact its ability to generate operating cash flows.



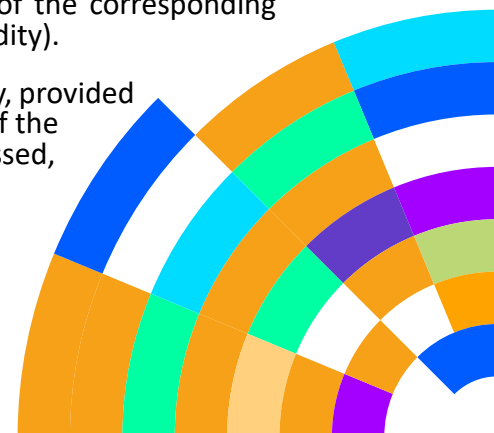
### 3. Contingent Asset arising from Litigation

#### Starting Point Recruitment Ltd vs Walsall Metropolitan Borough Council (the 'Litigation')

- The salient point of the Litigation, for STW, is that its subsidiary, SPR, is expected to receive an as-yet-unquantifiable cash benefit. For the avoidance of doubt, SPR is the claimant; STW is not party to the proceedings. However, on a consolidated basis, the wider group would stand to benefit.
- In terms of the reportable value of this benefit, this would be a contingent asset in accordance with FRS 102 Section 21. The aforementioned benefit is classed as a:

*“possible asset...whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.”*

- In accordance with generally-accepted accounting practice, i.e. FRS 102, it would be improper for SPR's directors to account for part or all of this benefit as an asset.
- While the schedule of loss is still work in progress, as at the date of this report, the gross benefit to SPR is expected to amount to approximately £4.5 million. This expectation alone, however, given the above, is not suitable grounds for accounting for a corresponding asset in SPR's financial statements.
- All other things being equal, crystallisation of the above as a bona fide asset, and receipt of the corresponding cash net of costs, would positively affect STW's balance sheet and cash flow solvency (i.e. liquidity).
- In particular, it would allow for matters such as PCS and Z-Recruiter to be resolved more readily, provided SPR's board is in agreement to the funds being used for this purpose, it remains the purview of the Trustees to take legal advice on how these matters, and any other disputes, ought to be addressed, regardless of cash available to STW.



## 4. The Proposed Restructure

### Comments on STW as regards the Proposed Restructure

The CEO's Proposed Restructure essentially consists of transforming STW's group structure from its current state, at Figure 1, to that as shown in Figure 2:

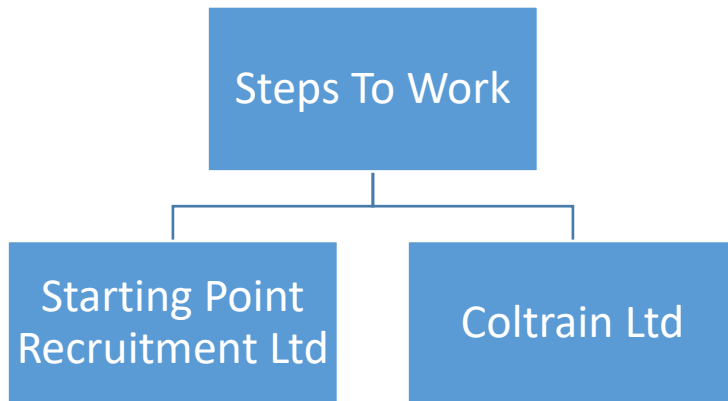


Figure 1

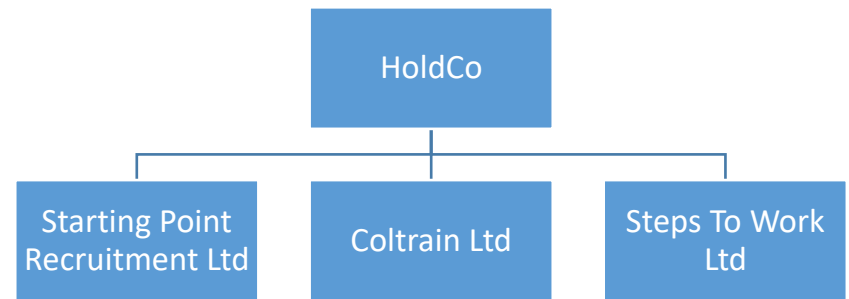
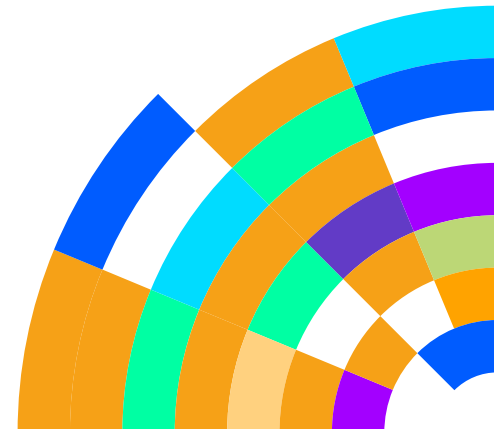


Figure 2

In summary, and as proposed, a new entity comprising 'HoldCo' would be incorporated, with SPR's shares being transferred to this HoldCo. Shares in Coltrain would also be transferred. As regards STW, it is understood that it would be converted from a registered charity to an entity limited by either shares or guarantee. HoldCo would then comprise its sole parent. For the purposes of this review, it has been assumed that the new Steps to Work entity will be a limited company.



## 4. The Proposed Restructure

### Comments on STW as regards the Proposed Restructure (continued)

It has been noted that any such conversion, from registered charity to CIC, would require the consent of The Charity Commission. On this matter in particular, the trustees of STW should seek separate legal advice:

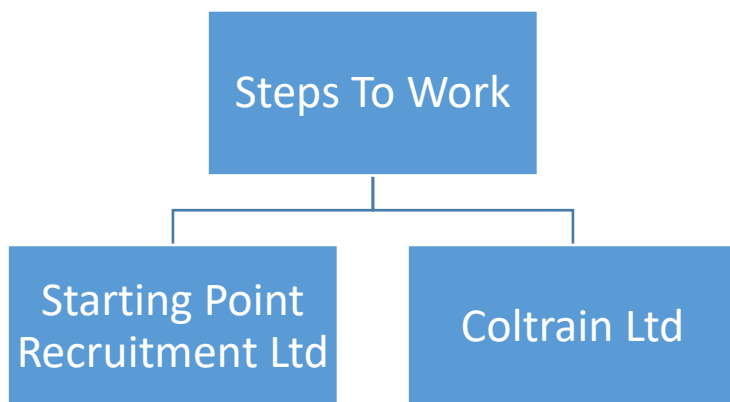


Figure 1

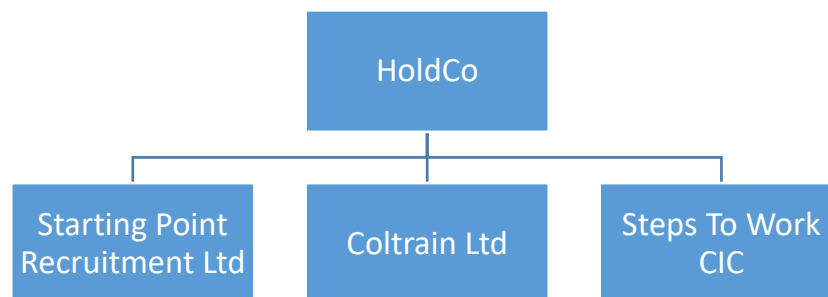
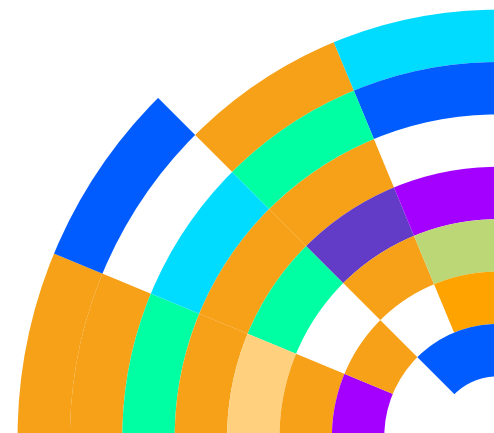


Figure 2

In principle, restructuring the group would likely weaken STW's immediate financial stability, as its current position relies on its subsidiary, SPR. As shown in Figure 2, SPR would cease to be a subsidiary. While intercompany cash movements between SPR and STW could still occur, STW would be considered insolvent on its own under Section 123 of the Insolvency Act 1986. Without SPR as an asset, any direct benefit from a successful litigation outcome would be lost to STW, unless the SPR board agrees to continue providing support to STW.



## 5. Valuation of SPR

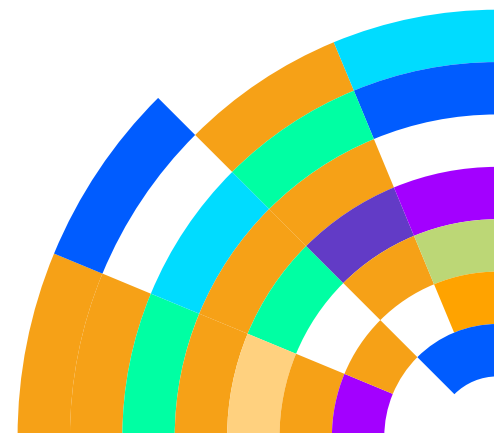
### Comments on STW as regards the valuation of SPR

Dains Accountants have been engaged by STW to provide a valuation of the shares it owns in SPR. This valuation has been completed based on information valid as at 31 March 2024.

It is understood, by Opus, that the shares of SPR are considered of immaterial value as per the review of Dains. It should be noted that the aggregate of SPR's assets, excluding both the Litigation-derived contingent asset and SPR's liabilities, has not been considered on a break-up basis.

Despite the aforementioned valuation of SPR's shares, and the forecast cash-flow insolvency of STW (on a standalone basis), a transfer of assets from STW to SPR may carry a risk to the STW's trustees as regards the perceived erosion of STW's assets.

The above notwithstanding, STW is forecast to be cash-flow insolvent on a standalone basis but cash-flow solvent on a consolidated group basis. Any intra-group transference of assets would, in principle, not affect the latter basis. It is noted that any transfer of assets from STW to another group entity may prompt enquiry by any liquidator of STW, should it enter liquidation. Further to commentary on SPR's contingent asset position, however, appears to be no reasonable basis to account for any asset arising from the Litigation when considering the value of SPR's shares presently.



## 6. Trustees' Responsibilities

Below is a summary of the Trustee's responsibilities on technical insolvency, defined as being either balance sheet insolvent (i.e. liabilities are more than the value of assets) or cashflow insolvent (i.e. cannot pay its liabilities as and when they fall due).

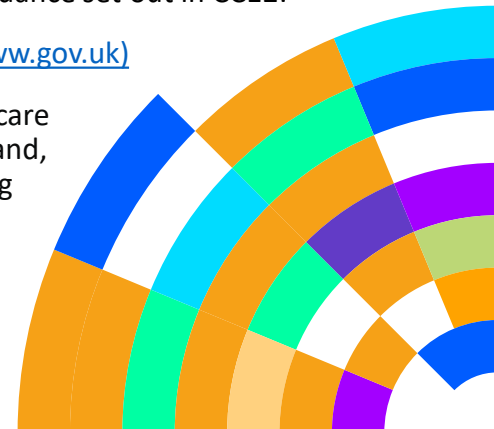
Trustees' priorities and responsibilities shift from the beneficiaries to the creditors and Trustees must:

- Protect and preserve all assets belonging to the Company
- Treat all creditors the same (you cannot prioritise one over another) to avoid preferences
- Ensure that the Company does not worsen the financial position of creditors
- Duty to consult with employees & submission of Form HR1 – [Redundancy: your rights: Consultation - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/redundancy-your-rights-consultation)
- Be mindful of wrongful trading (also known as trading whilst insolvent)

In addition to the foregoing responsibilities in relation to insolvency matters the Trustees do of course have specific statutory responsibilities under the Charities Act 2011 (as amended) and should be aware of the specific guidance set out in CC12:

[Managing a charity's finances: planning, managing difficulties and insolvency \(CC12\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/managing-a-charity-s-finances-planning-managing-difficulties-and-insolvency-cc12)

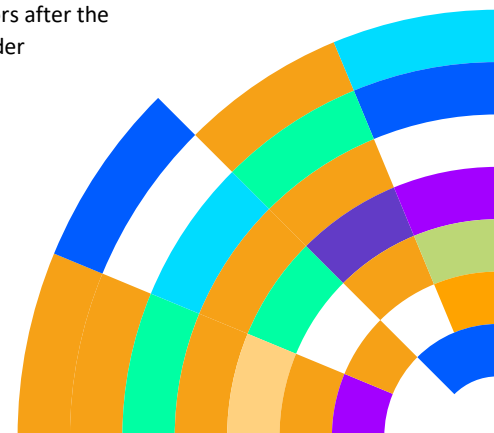
The guidance makes clear that a charity can continue to operate whilst insolvent, but only if great care is exercised. If an organisation fails the tests referred to in [section 4.1](#) at a particular point in time and, therefore, appearing insolvent, it may, depending on the precise circumstances, continue as a going concern and not be forced to wind up.





## 7. Business risks – creditor action and wrongful trading

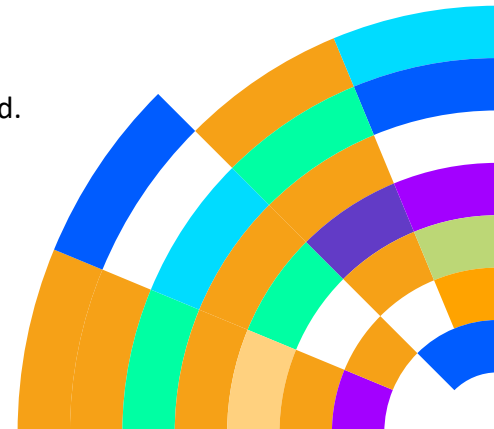
- **Creditor action** remains the principal risk given the contractual dispute with PCS. In principle, PCS may pursue the route of petitioning for STW's liquidation. This would likely lead to the Official Receiver being appointed as Liquidator, at least in the interim.
- Regardless, any liquidator appointed over STW, either on a compulsory (as above) or a voluntary basis, would be duty-bound to carry out investigations into its affairs and the conduct of its Trustees.
- **Wrongful trading** also remains a risk. This occurs when a company's directors continue to trade when they knew or should have concluded that there is no reasonable prospect that the company would avoid insolvent liquidation or insolvent administration and where creditors have suffered increased losses as a result. These are civil rather than criminal proceedings.
- Once a Director concludes that a company may be or will become insolvent, either on a balance sheet or a cash flow basis, they are obliged to take all necessary steps to minimise losses to creditors. This overriding duty to creditors arises both under a common law duty and also from the Insolvency legislation.
- In the context of wrongful trading allegations, a Director should expect to be judged not only according to their own background, but also by an objective test: what would be expected from a reasonable person carrying on the same functions as a Director?
- If a company becomes technically insolvent on a balance sheet and / or cashflow basis, this does not automatically mean that the company should cease trading. If there is a reasonable prospect for the financial position of the company improving or being turned round by continuing to trade and taking the necessary steps to implement the change(s) required to return the company to solvency, the directors (or trustees, as would be relevant in this instance) should enable the company to continue to trade because that would be in the best interests of the creditors.
- If an action taken against a Director for wrongful trading is successful, the amount that may be ordered to be paid by way of contribution to the insolvent estate is entirely at the Court's discretion, but it will be calculated by reference to the additional losses suffered by the creditors after the Company was allowed to continue trading when it was reasonable to conclude that trading should cease. This would be an order against the director (or trustee) personally, i.e. they would be personally liable to make the contribution ordered.
- The penalty will be to make good some or all of these additional losses. There is also the possibility that the conduct could be sufficiently bad that a directors disqualification order is made.
- **Mitigation of these risks** can be considered on review of pages 15 to 17.



## 8. Insolvency Options (General)

As with any other company, the following insolvency processes are available by virtue of STW being a company limited by guarantee:

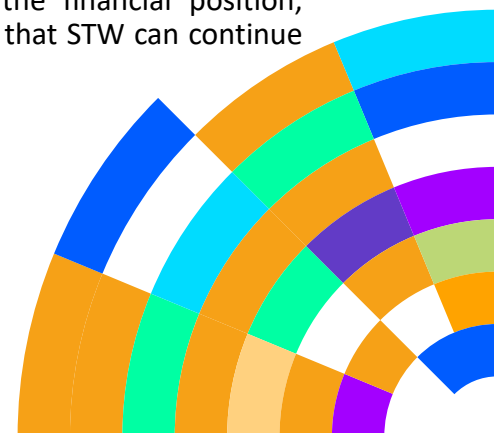
- Administration: [Administration \(opusllp.com\)](https://opusllp.com)
  - Prevents any legal actions by creditors
  - Significantly reduces any potential allegation of wrongful trading
  - Potential for underlying business to be rescued as a going concern, thereby saving jobs
- Company Voluntary Arrangement: [Company Voluntary Arrangement \(CVA\) \(opusllp.com\)](https://opusllp.com)
  - Company typically continues to trade and agrees an arrangement, supervised by an IP, whereby the creditors receive some or all of their money back over time.
- Creditors Voluntary Liquidation: [Creditors' Voluntary Liquidation \(CVL\) \(opusllp.com\)](https://opusllp.com)
  - Lacks the flexibility of administration
  - All staff would be made redundant
- Moratorium – [Moratorium \(r3.org.uk\)](https://r3.org.uk)
  - Can only be used where the rescue of the Company as a going concern can be achieved.
  - Creates a breathing space to allow for refinancing or capital injection.
  - Can be unilaterally extended once without creditor approval.
- Compulsory Liquidation: [Compulsory Liquidation \(opusllp.com\)](https://opusllp.com)
  - Too slow to implement, bureaucratic, costly process.



## 9. Specific Options

### 1. Cease trading and enter into a formal insolvency procedure

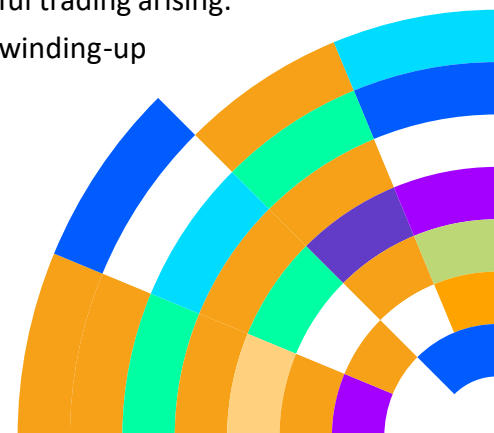
- If the trustees conclude that there are too many risks associated with continuing to trade, then it would be possible to arrange for STW to be wound-up in accordance with its constitution, realise its assets, pay its creditors and transfer any surplus assets to another charitable body with similar purposes. This could not be done currently on a solvent basis given the contingent liabilities outstanding against STW, since a solvent winding-up would require the board to swear a declaration of solvency that all liabilities (including contingent ones) can be paid in full.
- Winding-up STW would mitigate the risk, as regards its Trustees, of wrongful trading. Were STW to continue to trade, and its financial position did not improve, this risk would increase with the deteriorating position.
- Winding-up would, however, result in substantial contingent liabilities arising, for example from the redundancy of all staff, as well as adverse PR for the Trustees. It would also result in the withdrawal of service to all parties reliant on the services of STW. It could potentially impact the operation of SPR and cause the collapse of the group, resulting in no benefit being capable of being realised from the litigation.
- It should be noted that the cashflow forecasts provided by the CEO indicate that there is an expectation that the financial position of the group, on a consolidated basis, will improve in the coming months.
- Given the adverse impacts described above, and the expected improvement in the financial position, consideration of the Proposed Restructure ought to be taken, with a view to ensuring that STW can continue to operate as a going concern and avoid any formal insolvency procedure.



## 9. Specific Options (continued)

### 2. Proposed Restructure

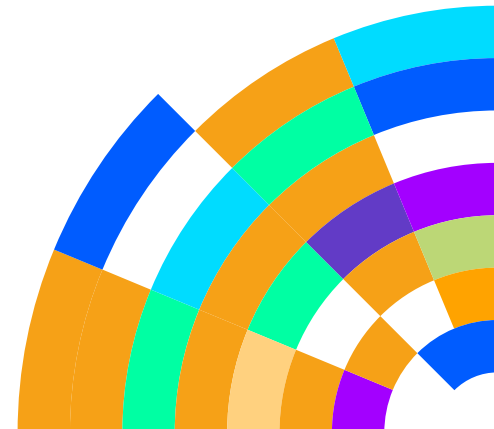
- It is noted that the Proposed Restructure will require that any related consents are granted by the Charity Commission, in converting STW from a registered charity to a CIC or limited company. It is understood STW will be guided through this procedure by qualified professionals at the appropriate time.
- Crucially, shares of SPR would need to be assigned to the new HoldCo entity. This will need to be done for value given the insolvent position, however, clearly the Trustees have information to show that the shares do not have a material value as at 31 March 2024.
- The restructure appears to present a more streamlined commercial operation, allowing for specific purpose vehicle companies to carry out specific projects, allowing a better segregation of costs than in the current structure. The CEO will be able to provide the Trustees with additional information regarding the likely commercial and operational benefits of the Proposed Restructure.
- Based on the cashflow forecasts, however, post-restructure there will continue to be a requirement for SPR to subsidise the trading of STW from its profits, (i.e. the transfer of cash from SPR to STW), to enable it to continue operating. The Trustees may wish to seek specific assurances from the board of SPR in this regard.
- Other mitigating action should be considered to mitigate the risk of creditor action, e.g. by negotiation with PCS as regards its position, to reduce the risk of liquidation and any allegation of wrongful trading arising.
- It is crucial that other creditors, PCS in particular, do not go ahead with any petition for winding-up STW, to ensure that this outcome can be avoided.



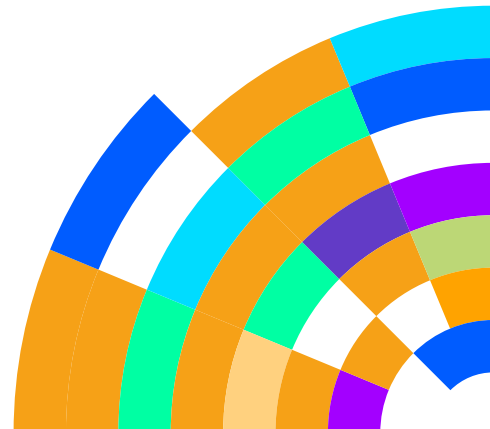
## 9. Specific Options (continued)

### Final Comments

- In the context of the options available to STW, it must be noted that the Trustees will need to maintain close observation and practical control of SPR, to ensure support is maintained.
- Should this control not be maintained, there lies the risk of STW's consolidated and standalone positions deteriorating.
- If trading, perceived as being loss-making, is to be continued by STW, great care of the management of STW's wider group is of paramount importance.
- SPR, as the group's principal operating entity, must continue to support STW in general and its liquidity in particular.
- Given the nature of the relationship between STW and SPR, and in the context of the proposed organisational changes, it can be said that the Proposed Restructure would provide comfort to the board of SPR (to the benefit of the wider group), insofar as its assets would be better protected from any creditor action taken against STW.
- The above is in addition to previous comments regarding the benefits of streamlining and cost segregation resulting from the Proposed Restructure.



# The Opus Group



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# LIQ02

## Notice of statement of affairs



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 3 7 3 8 2 4 9

Company name in full Steps To Work

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Richard Paul James

Surname Goodwin

### 3 Liquidator's address

Building name/number 79 Caroline Street

Street Birmingham

Post town B3 1UP

County/Region

Postcode

Country

### 4 Liquidator's name ①

Full forename(s)

Surname

#### ① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

#### ② Other liquidator

Use this section to tell us about  
another liquidator.



LIQ02

Notice of statement of affairs

**6** Date of statement of affairs

Date 

<sup>d</sup>	2	<sup>d</sup>	1	<sup>m</sup>	1	<sup>m</sup>	0	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2	<sup>y</sup>	4
--------------	---	--------------	---	--------------	---	--------------	---	--------------	---	--------------	---	--------------	---	--------------	---

**7** Statement of affairs

I attach:

- ☐ Statement of affairs by the liquidator under section 95(1A) of the Insolvency Act 1986
- ☒ Statement of affairs by a director under section 99(1) of the Insolvency Act 1986
- ☐ Statement of concurrence

**8** Sign and date

Liquidator's signature

Signature

X



X

Signature date

<sup>d</sup>	2	<sup>d</sup>	9	<sup>m</sup>	1	<sup>m</sup>	0	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2	<sup>y</sup>	4
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**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Richard Paul James Goodwin**

Company name **Butcher Woods**

Address **79 Caroline Street**

**Birmingham**

Post town **B3 1UP**

County/Region

Postcode

Country

DX

Telephone

**0121 236 6001**

**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

**All information on this form will appear on the public record.**

**Where to send**

**You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:**

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**

## Statement of Affairs

Statement as to affairs of

Steps To Work


Company Registered Number: 03738249

on the 21 October 2024, being a date not more than 14 days before the date of the resolution for winding up

---

### Statement of truth

I believe that the facts stated in this Statement of Affairs are true. I understand that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.

Full Name	Amy Elizabeth Deakin
Signed	
Dated	21 Oct 2024

---

Steps To Work  
Company Registered Number: 03738249  
Statement Of Affairs as at 21 October 2024

A - Summary of Assets

Assets	Book Value £	Estimated to Realise £
<b>Assets subject to fixed charge:</b>		
<b>Assets subject to floating charge:</b>		
<b>Uncharged assets:</b>		
Cash at Bank	24,000.00	24,000.00
Fixed Assets	58,976.00	NIL
<b>Estimated total assets available for preferential creditors</b>		24,000.00

Signature *Amy Deakin* Date 21 Oct 2024

Steps To Work  
Company Registered Number: 03738249  
Statement Of Affairs as at 21 October 2024

A1 - Summary of Liabilities

		Estimated to Realise £
<hr/>		
<b>Estimated total assets available for preferential creditors (Carried from Page A)</b>		24,000.00
<b>Liabilities</b>		
Preferential Creditors:-		
Employee Arrears/Hol Pay	33,929.90	
Pension Schemes	10,493.10	
		44,423.00
<b>Estimated deficiency/surplus as regards preferential creditors</b>		(20,423.00)
<hr/>		
2nd Preferential Creditors:-		
VAT	262,635.01	
PAYE	318,501.12	
		581,136.13
<b>Estimated deficiency/surplus as regards 2nd preferential creditors</b>		(601,559.13)
<hr/>		
Debts secured by floating charges pre 15 September 2003		
Other Pre 15 September 2003 Floating Charge Creditors		NIL
		(601,559.13)
<hr/>		
Estimated prescribed part of net property where applicable (to carry forward)		NIL
<b>Estimated total assets available for floating charge holders</b>		(601,559.13)
<hr/>		
Debts secured by floating charges post 14 September 2003		
		NIL
<b>Estimated deficiency/surplus of assets after floating charges</b>		(601,559.13)
<hr/>		
Estimated prescribed part of net property where applicable (brought down)		NIL
<b>Total assets available to unsecured creditors</b>		(601,559.13)
<hr/>		

Signature Amy Deakin Date 21 Oct 2024

Steps To Work  
Company Registered Number: 03738249  
Statement Of Affairs as at 21 October 2024

A1 - Summary of Liabilities

		Estimated to Realise £
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade & Expense Creditors	270,294.95	
Employees	137,291.11	
Contingent Liability	951,995.24	
		1,359,581.30
<b>Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)</b>		(1,961,140.43)
<b>Estimated deficiency/surplus as regards creditors</b>		(1,961,140.43)
Issued and called up capital		
Ordinary Shareholders	3.00	
		3.00
<b>Estimated total deficiency/surplus as regards members</b>		<u>(1,961,143.43)</u>

Signature *Amy Deakin* Date 21 Oct 2024

**Butcher Woods  
Steps To Work  
Company Registered Number: 03738249  
B - Company Creditors**

Key	Name	Address	£
CA00	Abstergo Health & Safety	Unit E4, The Wallows Ind Est, Fens Pool Avenue, Brierley Hill, West Midlands, DY5 1QA	1,440.00
CA01	Amazon	Business Account, A2YV90G4YMFUK	1,811.91
CA02	AIG Life Ltd - D/D	The AIG Building, 58 Fenchurch Street, London, EC3M 4AB	1,123.62
CB00	BHSF Limited	13th Floor, 54 Hagley Road, Birmingham, B16 8PE	231.00
CB01	Black Country Chamber of Commerce & Industr	Creative Industry Centre, University of Wolverhampton Science Park, Wolverhampton, West Midlands, WV10 9TG	1,980.00
CB02	Blue Mountain Water Ltd	PO Box 4104, Edgbaston, Birmingham, B16 8DQ	352.18
CB03	Bilston Resource Centre	St Michaels Mission, Wolverhampton Street, Bilston, West Midlands, WV14 0LT	17,369.56
CB04	Black Country HFT (Formerly Dudley & Walsall	Trafalgar House, 2nd Floor, 47-49 Kind Street, Dudley, DY2 8PS	20,717.81
CC00	CIPHR - Direct debit	Abbey House, 28-30 Chapel Street, Marlow, Buckinghamshire, SL7 1DD	4,486.95
CC01	Clarnor Midlands Ltd	Felin Senni, Heol Senni, Brecon, Powys, LD3 8SU	18,807.72
CC02	CRH Training	CRH Training Ltd, The Army Centre, Carters Green, West Bromwich, B70 9LW	343.75
CE00	EDF Energy	90 Whitfield Street, London, W1T 4EZ	199.02
CG00	Gallagher Insurance	13th Floor, 103 Colmore Row, Birmingham, West Midlands, B3 3AG	7,002.32
CH05	HMRC VAT	Debt Management — EIS NCL, HM Revenue and Customs, BX9 1SR	262,635.01
CH06	HMRC PAYE	Debt Management — EIS NCL, HM Revenue and Customs, BX9 1SR	318,501.12
CI02	Inturi Technology Solutions Ltd	The Quays, 18 Severn Side S, Bewdley, DY12 2DX	21.48
CJ00	Just Straight Talk	The Hub EBC, 30 Ebenezer Street, Coseley, WV14 9LJ	8,487.24
CM00	MacIntyre Hudson Limited	Moorgate House, 201 Silbury Boulevard, Milton Keynes, MK9 1LZ	20,712.84
CM01	Manor Farm Community Association-BACS	KING GEORGE CRESENT, RUSHALL, WALSALL, WESTMIDLANDS, WS4 1EG	9,409.78
CM02	Menfor Construction Ltd	10 Monmer Close, Willenhall, West Midlands, WV13 1JR	378.00
CM03	Michael Tromans & Co LLP	6 Waterloo Road, Wolverhampton, WV1 4BL	5,760.15
CM04	MSG Security Ltd	Lincoln House, Lincoln Road, Walsall, WS1 2EB	47.23
CO00	Opus energy - DD	opus energy house, 8-10 the lakes, Northampton, NN47YD	29.71
CP00	Pure Cloud Solutions Ltd - BACS	6 The Pavilions, Amber Close, Amington, Tamworth, Staffordshire, B77 4RP	1,032,430.65
CR00	Refugee & Migrant Centre	1st Floor Roma Parva, 9 Waterloo Road, Wolverhampton, WV1 4NB	27,348.09
CS00	Success CXP LTD	Success CXP LTD, Unit 3, Old Brick works Lane, Sheffield Road, Chesterfield, Derbyshire, S41 7JD	1,656.00
CT00	Tesco	Blackhawk Network, Westside, London Road, Hemel Hempstead, Herefordshire, HP3 9TD	3,000.00

*Amy Deakin*

Signature

**Butcher Woods**  
**Steps To Work**  
**Company Registered Number: 03738249**  
**B - Company Creditors**

Key	Name	Address	£
CW00	WALSALL COUNCIL (GENERAL ACCOUNT)	G 3RD FLOOR, CIVIC CENTRE, DARWALL STREET, WALSALL, WS1 1DB	10,542.94
CW01	Walsall MBC	Civic Centre, Darwall Street, Walsall, WS1 1TW	186.03
CW02	Walsall Training Centre Ltd	Unit C, Fenchurch Close, Birchills House Ind Est, Walsall, WS2 8LJ	1,400.00
CW03	Walsall Leather Museum	Littleton St W, Walsall, WS2 8EW	40.00
CW04	Water Plus Payment	PO Box 12459, Harlow, Essex, CM20 9PH	36.06
CW05	West Midlands Local Government Pension Sche	P O Box 3948, Wolverhampton, WV1 1XP	870.00
CW06	West Midlands Travel Ltd.	51 Bordesley Green, Birmingham, B9 4BZ	2,137.75
CW07	West Midlands Pension Fund	6th Floor Mander House, Mander Centre, Wolverhampton, West Midlands, WV1 3NB	10,493.10
CW08	Wrightway Office Cleaning	17, Legge Lane, Birmingham, B1 3LD	1,130.40
CY00	Yemeni Community Association in Sandwell Ltd	Greets Green Access Centre, Tildasley Street, West Bromwich, West Midlands, B70 9SJ	20,450.00
CY01	Your Local Pantry (Church Action on Poverty)	28 Sandpiper Court,, Waters Edge Business Park, Modwen Road, Salford, Manchester, M5 3EZ	350.00
<b>38 Entries Totalling</b>			<b>1,813,919.42</b>

*Amy Deakin*

Signature



Butcher Woods  
Steps To Work  
Company Registered Number: 03738249  
C - Shareholders

Key	Name	Address	Type	Nominal Value	No. Of Shares	Called Up per share	Total Amt. Called Up
HD00	Amy Deakin	C/O Butcher Woods, 79 Caroline Street, Birmingham, B3 1UP	Ordinary	1.00	1	1.00	1.00
HF00	Richard Fallon	C/O Butcher Woods, 79 Caroline Street, Birmingham, B3 1UP	Ordinary	1.00	1	1.00	1.00
HS00	Lakhbir Singh	C/O Butcher Woods, 79 Caroline Street, Birmingham, B3 1UP	Ordinary	1.00	1	1.00	1.00
3 Ordinary Entries Totalling					3		

Signature









# STW Trustee Annual Report 2023-2024

Final Audit Report

2025-05-30

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