REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2018
FOR
ROUTES TO WORK SOUTH

McDaid & Partners
Chartered Accountants
Statutory Auditors
Stanley House
69/71 Hamilton Road
Motherwell
Lanarkshire
ML1 3DG
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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2018. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES
Objectives and aims
The principal objectives of the company in the year under review were that of:-

- relief of poverty among the unemployed and low paid
- advance education among young people and the unemployed
- promoting and/or provide training in skills of all kinds, particularly such skills as will assist in obtaining paid employment with specific emphasis on the provision of an information, advice, guidance, counselling and training service to the client group (principally unemployed and low paid) to assist them in accessing training, employment and educational activities.

Significant activities
The company's main activity is supporting unemployed and workless residents of South Lanarkshire into employment, training or further education. It does this through the provision of information, advice, guidance and counselling on a range of employability matters on a one-to-one basis with clients. The company also commissions and/or delivers a range of confidence building, motivational, pre-vocational and vocational courses designed to enhance client employability.

Services are delivered from four fully resourced and staffed employability centres in Cambuslang, East Kilbride, Hamilton and Lanark and the organisation also uses a range of community venues to deliver outreach services in communities experiencing high levels of unemployment. The company works in partnership with a wide range of agencies and organisations that provide complementary services within the overall Lanarkshire Routes to Inclusion framework supporting South Lanarkshire Council's Employability Strategy and the South Lanarkshire Works 4U Strategic Skills Pipeline.

Volunteers
The company is supported by its directors who all provide their services on a voluntary basis and for this, the company is indebted to them.
STRATEGIC REPORT

Achievement and performance

Charitable activities

The company has been resolute in its commitment to alleviate poverty by engaging, supporting and encouraging people in the most disadvantaged communities in South Lanarkshire to develop their skills, gain recognised qualifications and progress into sustainable employment. Employability support is a significant additional tool in tackling poverty and inequality. This clear and defined purpose aligned with the steadfast assistance received from South Lanarkshire Council, partners and stakeholders has ensured that the impact of its operations have been both wide reaching and empowering to the people whom it has lifted out of unemployment into meaningful and life changing circumstances.

The company successfully tendered for key services during 2017/18 through South Lanarkshire Council’s Employability Framework, competing with both private and voluntary sector organisations, and was assessed as providing high quality and performance at competitive prices to offer the Council the most economically advantageous bid. It also recognised the company provides added value to the local authority through integration and alignment with Council policy and strategy contributing to the achievement of wider community impacts and benefits. This includes ongoing maintenance and development of the delivery infrastructure, working partnerships and referral networks throughout South Lanarkshire.

For a seventh year in succession Routes to Work South helped over 1,000 South Lanarkshire residents gain employment. This is higher than the combined total of all other organisations delivering employability services in South Lanarkshire and represents one South Lanarkshire resident moving into work every 90 minutes. Though significant, this achievement represented only part of a wide range of services provided by the company with over 2,100 residents registered and receiving support from the company’s central employability hubs, one in each of the 4 South Lanarkshire localities, and network of community outreach venues. This is an increase in registrations of around 20% compared to 2016/17.

In addition to providing Key Worker support to unemployed and workless clients, the company provided free public internet access, onward referral to suitable alternative or complementary provision, job vacancy boards, employability skills training, a variety of employment related workshops, vocational certificated skills training, work experience opportunities and in work support.

Support for Young People

The company has for many years made a significant contribution to increasing youth employment rates and improving school leaver destinations in South Lanarkshire. It has achieved this through its network of partners and central hubs as well as the provision of job brokerage services and tailored programmes such as ‘Ready 2 Work’ targeting excluded school pupils delivered in partnership with South Lanarkshire Council Education Resources and schools throughout South Lanarkshire.

The company successfully tendered for the ‘Youth Employment Initiative’ contract with South Lanarkshire Council for delivery during 2017/18. YEI was a Job Brokerage Service for young people aged 16-29 that included 3 additional elements to support the most disadvantaged:
- Employability Skills Training (Second Chance' targeting complex needs)
- Vocational Training (Certificated, demand led within Key Industry Sectors)
- Wage Subsidy (New and additional job opportunities targeting underrepresented groups including residents of worst 15% SIMD data zones)

The 'Youth Employment Initiative' proved highly successful with key worker support being provided to over 1,100 young people with 600 young people being supported into employment.

In addition, the company was successful with a funding application to the SSE Community Fund securing additional finance for South Lanarkshire and extra support for marginalised and vulnerable young people. The SSE funded 'RISE' programme is a customised skills and employability programme designed to improve school leaver destinations, increase youth employment and support young people to make more informed lifestyle choices. "RISE" supports Developing Scotland’s Young Workforce whilst contributing to the alleviation of poverty in South Lanarkshire.

During 2017/18, RISE targeted disadvantaged S4 school pupils, including looked after and accommodated children, at risk of becoming NEET and was delivered full-time 3 days per week over a 12-week period in an 'out of school' environment. RISE was further enhanced by a 12-week 'post school' aftercare service and over 80% of completers progressed to a positive destination.
STRATEGIC REPORT

Achievement and performance

Charitable activities

By working in partnership with South Lanarkshire Council and the company's established network of partners the Trustees ensured Ready 2 Work, YEI and RISE made a significant contribution to reducing youth unemployment and improving school leaver destinations in South Lanarkshire in 2017/18.

Support for Local Communities

The Trustees maintained the company's focus during 2017/18 on assisting individuals and key target groups with multiple barriers to employment and continued its focus on providing services that support those furthest removed from the labour market to enter and re-engage with the wider jobs market.

By focusing activity on key target groups, including young people, individuals with multiple and complex needs, health related conditions and lone parents, the company also continued to address its long-standing commitment to support and engage with the most disadvantaged communities in South Lanarkshire by providing guidance, encouragement and a route to economic and social inclusion. This in many circumstances is extremely challenging and is only possible due to the range of support measures coordinated by RTWS with partners within the South Lanarkshire Works 4 U (SLW4U) Strategic Skills Pipeline.

Ensuring that those that need it most are given access to and support from SLW4U services is a key aim of the Council's employability strategy. Attracting those furthest removed from the labour market and, in particular, people living in the worst 15% SIMD data zones continued to be a major focus of SLW4U and Routes to Work South company activity in 2017/18.

The SLW4U model relies on strong partnerships between organisations to ensure services are accessible to all and clients are referred to the provider that most meets their needs. More than any other organisation in South Lanarkshire the company continued to make a significant number of referrals on behalf of clients to partners and the SLW4U pipeline during 2017/18 ranging from debt/money advice to support accessing volunteering, further education or training, childcare and other support services.

Support for Local Businesses

The company makes a significant contribution to the South Lanarkshire economy, in particular its support for local employers and micro businesses with plans for growth. During 2017/18 the company's Employer Services Team maintained and developed strong and effective relationships with employers to extend the company's knowledge and expertise relating to the recruitment and training needs of employers across a wide range of industry sectors in South Lanarkshire.

The growth of the company's support in recent years for local employers has helped to implement a wide range of service provisions and training activities to ensure the company remain specialist providers in linking opportunity and need and at the forefront of matching local residents to the skills and jobs most in demand by local employers. During 2017/18 RTWS engaged with in excess of 1,000 employers achieving 1,162 jobs for local people, an increase of around 12% from 2016/17. The most buoyant sectors will continue to be targeted in the coming year and Routes to Work South services are designed to ensure that those in danger of being left behind are given the skills and opportunity to compete for available jobs.

During the financial year, the company has also further developed relationships with employer representatives, having co-located with Business Gateway and Lanarkshire Business Services in the East Kilbride Work & Training Hub, although the launch of the Business Innovation Centre within the Cambuslang Training & Enterprise Centre (CTEC) was delayed due to several unforeseen factors. The Trustees however plan to address this delay and invest further in CTEC in 2018/19 to support business start-ups and business growth of micro-enterprises and link the job opportunities created by these businesses to local people accessing the company's wide range of employment and skills services.
ROUTES TO WORK SOUTH

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2018

STRATEGIC REPORT
Achievement and performance
Charitable activities
Trustees are committed to building strong and sustainable partnerships with South Lanarkshire businesses and the company has defined a specific approach to supporting achievement of social, economic and environmental benefits. RTWS has adopted an inclusive, growth approach to provide added value and community benefits through its delivery of services including:
- Working with local employers to create work experience opportunities;
- Support community events to raise awareness of services available to the community;
- Engaging local schools to promote services and widen participation by providing accessible opportunities;
- Host consultation events with local people to actively encourage co-production and help shape future service provision for the community;
- Promote gender equality, the Living Wage and Fair Work Practices within the workplace;
- Actively encourage employers to pay the living wage and support them in their quest for accreditation
- Provide local people with the skills to actively compete in the local labour market within South Lanarkshire and travel to work areas.

Working in Partnership
The Company has maintained a strong working relationship with South Lanarkshire Council throughout the year and has continued to further develop its established partnerships with Skills Development Scotland, who are co-located in 3 of the company’s central employment and skills hubs, as well as Jobcentre Plus. The company has also maintained close working relationships with a host of local providers and support organisations including CAB, Family Nurse Partnership and VASLan as well as voluntary sector organisations serving Rural Clydesdale including Healthy Valleys and Clydesdale Community Initiatives.

The company maintained its position as one of the largest and most successful Employability Fund (EF) providers in Lanarkshire achieving a job outcome rate of 80%+ year on year. Contracted by Skills Development Scotland (SDS) the EF represents a key element of Scotland’s National Training Programmes and the company continued its focus on aligning its EF vocational training provision closely to available job opportunities.

The company was also chosen by SDS as their delivery partner of choice to support a number of large scale redundancies affecting local South Lanarkshire residents as part of the Scottish Government’s Partnership Action for Continuing Employment (PACE) interventions and played a key role this year in the support provided to Tata Steel.

The Trustees are pleased to note that the company in partnership with Remploy and Enable was successful in 2017/18 with a bid to Scottish Government to deliver ‘Fair Start Scotland’ in South Lanarkshire. As part of the devolved powers under the 2016 Scotland Act and the transfer of powers from Westminster to Holyrood, ‘Fair Start Scotland’ will deliver an employment support service for 3-years from April 2018 and the Trustees are confident that local people will benefit from a new service that RTWS and its partners have tailored to local needs and designed to be fairer and simpler to access.

Commitment to Fair Work Practices
RTWS was announced as joint winner of Working Families Scotland Best Third Sector Employer in March 2017, with the Company recognised as a ‘smart employer’ developing mutually effective and beneficial alternatives to standard working regimes, as well as innovation and ‘illuminating ideas’.

This Award was not achieved overnight and the Trustees, over the last 5 years, have committed RTWS to develop Fair Work Practices, through measures such as promotion of the minimum wage, early adoption of the Living Wage and introduction of people friendly (flexible) working policies which have all been successfully implemented.

Through the Personnel Sub Committee Trustees focus RTWS on improving the company’s HR function and developing a strong framework to support the Company’s ethos and commitment to offering staff, most of whom are South Lanarkshire residents, a supportive environment where work life balance, health and wellbeing is given prominence.

The Personnel Sub Committee is complemented by the Finance Sub Committee and the Quality Assurance Sub Committee to ensure that the Board and Trustees have a strong governance structure in place to support the company’s planning and future development.
STRATEGIC REPORT

Achievement and performance

Internal and external factors

The main challenges facing the company are the ongoing impact of cuts in government funding and the continuing uncertainty surrounding its operating environment. This includes South Lanarkshire Council’s recent review of employability services during 2017/18 which led to responsibility for employability transferring from Community & Enterprise Resources to Finance and Corporate Resources and Education Resources within the Council. It remains uncertain what this will mean for the company though Trustees recognise this has the potential to support the company’s efforts to reduce poverty and will provide a significant opportunity to better target the most vulnerable in our communities.

The success of the company during 2017/18 in securing additional income, in particular ‘Fair Start Scotland’, continues to support a key objective of the Trustees to attract fresh investment to South Lanarkshire that adds value and complements established local services.

The company remains committed to providing community outreach and securing the resources to extend the success achieved in recent years within targeted communities including the Clyde Gateway area. It also remains committed to supporting residents of other disadvantaged areas to access a full range of employability and related services. The Trustees maintained their focus on the alleviation of poverty by targeting hard to reach clients and aim to ensure that additional investment attracted to South Lanarkshire by RTWS in 2017/18 is targeted on those residents most in need.

Financial review

Principal funding sources

The company’s main funders are South Lanarkshire Council and Skills Development Scotland through a combination of grants, service level agreements, challenge funding and contracts.

Investment policy and objectives

The directors have considered the most appropriate policy for investing funds is through bank deposit accounts to ensure the interest received on available funds is maximised.

Reserves policy

The reserves of the company are as described in the accounting policies. It is the policy of the company to build up unrestricted funds to equate to approximately 3 months unrestricted expenditure to provide sufficient resources to meet ongoing projects and closure costs if required.
STRATEGIC REPORT

Future plans
RTWS will continue to work with partners to achieve positive outcomes for all unemployed and workless South Lanarkshire residents and advance the education and training of local people through its delivery of a range of employment and skills services.

The alleviation of poverty remains a key goal with those in our communities at danger of being left behind, often by organisations that 'park and cream', and provide local people with choice and opportunity that helps them thrive and not just survive.

The company has secured on average in excess of £1m additional investment for South Lanarkshire during each of the last 7 years and this will continue into the future with the company's ongoing commitment to reinvesting any financial surplus in the people and communities of South Lanarkshire also being maintained.

To mitigate the risks associated with further austerity and public sector cuts the company is pursuing a diversification strategy that aims to:
- Promote the company's successes to stakeholders and elected members;
- Promote social enterprise as an alternative in the delivery of public services;
- Build on the company's strengths, in particular its core competences, established over 20 years successfully delivering employment and skills services;
- Provide or facilitate a wider range of services designed to reduce not just the effects of poverty but also the causes.

The Trustees continue to recognise that programmes focusing on those with the most significant barriers to employment will require additional targeted responses and resources to be committed to building on the success of this year in increasing the number of people in the worst 15% data zones accessing RTWS and SLW4U services.

All company offices provide job search, 1-2-1 meeting and training spaces providing clients with access to the latest job vacancies and a range of employment related support. The company continues to invest in the company's infrastructure across South Lanarkshire and the Trustees are supporting ongoing developments in Cambuslang, East Kilbride, Hamilton and Lanark offices to improve services and better meet the needs of unemployed residents and local businesses.

This will include the continued development of services in the East Kilbride Work and Training Hub in association with South Lanarkshire Council and the East Kilbride Task Force and fresh investment and the establishment of additional training facilities and business incubator space in the company's CTEC facility.

The company's commitment to engaging local employers and supporting business growth will continue to be a key feature with RTWS aiming to retain its leading role in providing services to employers that meet their recruitment and training needs and provide a wealth of opportunities for local residents.

The commitment of Skills Development Scotland to co-location and working in partnership with RTWS recognises the importance of the company's role as an honest broker and the significant achievements of the East Kilbride Work and Training Hub and the work of RTWS, stakeholders and partners during 2017/18.

With the leadership and support of South Lanarkshire Council the Hub has been established as a key resource to support East Kilbride as a competitive business location and education & skills centre. RTWS will continue to engage employers and residents in East Kilbride aiming to develop new and innovative partnerships and attracting additional future investment that will bring benefits to local people and the local economy.

Responding to changing labour market conditions and working closely with South Lanarkshire Council, the company will continue to seek to introduce additional services to meet the needs of a range of target groups, in particular those furthest removed from the labour market with multiple barriers including health related conditions and those in the worst 15% data zones, providing work experience, training and job opportunities to the most disadvantaged and those being left behind by challenging economic conditions.

Trustees are also fully committed to ensuring the success of new services such as Fair Start Scotland in the coming year and beyond and look forward to developing and strengthening new relationships and partnerships with South Lanarkshire Council and to delivering services that provide local people, communities and businesses the opportunity to grow and develop.
STRATEGIC REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

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

Recruitment and appointment of new trustees
In July 2011 Routes to Work South moved to single member status with South Lanarkshire Council being the only
member and they provide four directors with a further six directors representing the local community, voluntary and
business sectors who are co-opted on to the board.

Organisational structure
The board of directors comprises of a single member with the member currently appointing two directors to the board
with a further four directors appointed to represent the local community, voluntary and business sectors.

The Board of Directors meet quarterly and receive reports from the Senior Management Team, which comprises the Chief
Executive Officer, Finance and Resources Manager and two Operations Managers. The Board is also supported by a
system of Sub-Committees. Finance, Personnel and Quality Assurance committees form the Sub-Committee structure
with one meeting every 4-6 weeks. Only directors serve as members of the Sub-Committees though the Chief Executive
Officer, Company Managers and specialist external expertise are also invited to attend to support their work. Although
Terms of Reference outline the delegation of some matters to the Sub-Committees, the decision-making authority remains
with the main Board and the Sub-Committees main role is to bring forward recommendations for Board approval.

The directors are not involved in the day to day running of the company which is delegated to the Chief Executive Officer.

Induction and training of new trustees
There is a structured induction programme for incoming directors to ensure they fully understand the company’s
operations.

Wider network
The company’s activities are within the South Lanarkshire area.

Related parties
The following directors are representative members of the company:-

S J Carey, South Lanarkshire Council (resigned 20.3.18)
J E Forbes, South Lanarkshire Council
Cllr R Clearie, South Lanarkshire Council (resigned 18.7.17)
Cllr J Anderson, South Lanarkshire Council (appointed 18.7.17)

The following director is also a director of Clyde Gateway URC:-

Cllr J Anderson

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
SC217367 (Scotland)

Registered Charity number
SC0031487

Registered office
1-15 Main Street
Cambuslang
Glasgow
G72 7EX
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2018

REFERENCE AND ADMINISTRATIVE DETAILS
Trustees
E Harkins
S J Carey
W A M McBride
J Edgar
A W R Scott
J E Forbes
R Cleary
J Anderson
- resigned 20.3.18
- appointed 18.7.17
Chairperson

Company Secretary
S Barr

Auditors
McDaid & Partners
Chartered Accountants
Statutory Auditors
Stanley House
69/71 Hamilton Road
Motherwell
Lanarkshire
ML1 3DG

CHIEF EXECUTIVE OFFICER
Stephen Barr took up the position of CEO on 9th February 2009.

STATEMENT OF TRUSTEES RESPONSIBILITIES
The trustees (who are also the directors of Routes To Work South for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charitable company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company’s auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company’s auditors are aware of that information.

AUDITORS
The auditors, McDaid & Partners, will be proposed for re-appointment at the forthcoming Annual General Meeting.
ROUTE TO WORK SOUTH

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2018

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ........................................ and signed on the board's behalf by:

........................................

W A M McBride - Trustee
REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF
ROUTES TO WORK SOUTH

Opinion
We have audited the financial statements of Routes To Work South (the 'charitable company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.
REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF ROUTES TO WORK SOUTH

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:
- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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

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

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


James Dott (Senior Statutory Auditor)
for and on behalf of McDaid & Partners
Chartered Accountants
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Stanley House
69/71 Hamilton Road
Motherwell
Lanarkshire
ML1 3DG

Date: 3 July 2018
## INCOME AND ENDOWMENTS FROM Charitable activities

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## EXPENDITURE ON Charitable activities

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## NET INCOME

- 43,308
  - 43,308
  - 1,240

## RECONCILIATION OF FUNDS

- **Total funds brought forward**: 431,865
  - 431,865
  - 430,625

**TOTAL FUNDS CARRIED FORWARD**

- 475,173
  - 475,173
  - 431,865

## CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.
# ROUTES TO WORK SOUTH

## BALANCE SHEET

### AT 31 MARCH 2018

<table>
<thead>
<tr>
<th></th>
<th>31.3.18 Total funds</th>
<th>31.3.17 Total funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed Assets</strong></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>Tangible assets</strong></td>
<td>16,736</td>
<td>28,480</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>820,213</td>
<td>122,013</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>472,661</td>
<td>606,839</td>
</tr>
<tr>
<td></td>
<td>1,292,874</td>
<td>728,852</td>
</tr>
<tr>
<td><strong>Creditors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts falling due within one year</td>
<td>(751,472)</td>
<td>(289,467)</td>
</tr>
<tr>
<td><strong>Net Current Assets</strong></td>
<td>541,402</td>
<td>439,385</td>
</tr>
<tr>
<td><strong>Total Assets Less Current Liabilities</strong></td>
<td>558,138</td>
<td>467,865</td>
</tr>
<tr>
<td><strong>Creditors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts falling due after more than one year</td>
<td>(30,184)</td>
<td>(36,000)</td>
</tr>
<tr>
<td><strong>Provisions for Liabilities</strong></td>
<td>(52,781)</td>
<td>(52,781)</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td>475,173</td>
<td>431,865</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted funds</td>
<td>475,173</td>
<td>431,865</td>
</tr>
<tr>
<td>Restricted funds</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Funds</strong></td>
<td>475,173</td>
<td>431,865</td>
</tr>
</tbody>
</table>

The financial statements were approved by the Board of Trustees on **3/1/18**, and were signed on its behalf by:

W A M McBride - Trustee

A W R Scott - Trustee

The notes form part of these financial statements

Page 13
# CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2018

<table>
<thead>
<tr>
<th>Notes</th>
<th>31.3.18</th>
<th>31.3.17</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>Cash flows from operating activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash generated from operations</td>
<td>1</td>
<td>(132,245)</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) operating activities</strong></td>
<td>(132,245)</td>
<td>43,940</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of tangible fixed assets</td>
<td>(2,049)</td>
<td>-</td>
</tr>
<tr>
<td>Sale of tangible fixed assets</td>
<td>-</td>
<td>325</td>
</tr>
<tr>
<td>Interest received</td>
<td>116</td>
<td>340</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) investing activities</strong></td>
<td>(1,933)</td>
<td>665</td>
</tr>
<tr>
<td><strong>Change in cash and cash equivalents in the reporting period</strong></td>
<td>(134,178)</td>
<td>44,605</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the reporting period</td>
<td>606,839</td>
<td>562,234</td>
</tr>
<tr>
<td>Cash and cash equivalents at the end of the reporting period</td>
<td>472,661</td>
<td>606,839</td>
</tr>
</tbody>
</table>

The notes form part of these financial statements
<table>
<thead>
<tr>
<th>Description</th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>31.3.18 Net income for the reporting period (as per the statement of financial activities)</td>
<td>43,308</td>
<td>1,240</td>
</tr>
<tr>
<td>Adjustments for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation charges</td>
<td>13,793</td>
<td>13,452</td>
</tr>
<tr>
<td>Profit on disposal of fixed assets</td>
<td>-</td>
<td>(325)</td>
</tr>
<tr>
<td>Interest received</td>
<td>(116)</td>
<td>(340)</td>
</tr>
<tr>
<td>Increase in provisions</td>
<td>52,781</td>
<td>-</td>
</tr>
<tr>
<td>(Increase)/decrease in debtors</td>
<td>(698,200)</td>
<td>463,487</td>
</tr>
<tr>
<td>Increase/(decrease) in creditors</td>
<td>456,189</td>
<td>(433,574)</td>
</tr>
<tr>
<td>Net cash provided by (used in) operating activities</td>
<td>(132,245)</td>
<td>43,940</td>
</tr>
</tbody>
</table>
I. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

Any grants received in the period but which relate to a later period are recorded as deferred income and released to incoming resources in the period to which it relates.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis, includes any attributable VAT which cannot be fully recovered and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. This includes the administration and other running costs.

Governance costs comprise those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

All costs are allocated between restricted and unrestricted funds on a basis designed to reflect the use of the resource.

Allocation and apportionment of costs
All costs relate to the company's charitable activities.

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

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Depreciation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property improvements</td>
<td>10% on cost</td>
</tr>
<tr>
<td>Equipment</td>
<td>25% on cost</td>
</tr>
<tr>
<td>Fixtures and fittings</td>
<td>25% on cost</td>
</tr>
<tr>
<td>Computer equipment</td>
<td>33.33% on cost</td>
</tr>
</tbody>
</table>

The charitable company policy is to expense software and computer purchases which do not have an enduring benefit and review all other asset purchases over £2000.

Taxation
The charity is exempt from corporation tax on its charitable activities.
1. ACCOUNTING POLICIES - continued

Fun accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the directors.

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

Pension costs and other post-retirement benefits
The charity was an admitted body for a defined benefits pension scheme in respect of one of its employees who was entitled to this scheme due to continuing employment from the local authority. The member retired during the previous financial year.

The contributions to the scheme are charged to the SOFA on a payable basis.

The charity operates a defined contributions pension scheme for the remainder of its employees. The assets of the scheme are held separately from those of the charity in independently administered funds.

The contributions to this scheme are also charged to the SOFA on a payable basis.

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

2. INVESTMENT INCOME

\[
\begin{array}{ccc}
\text{31.3.18} & \text{31.3.17} \\
\text{£} & \text{£} \\
\text{Deposit account interest} & 116 & 340 \\
\end{array}
\]

3. INCOME FROM CHARITABLE ACTIVITIES

\[
\begin{array}{ccc}
\text{31.3.18} & \text{31.3.17} \\
\text{£} & \text{£} \\
\text{Miscellaneous} & \text{Charitable activities} & 487 & 596 \\
\text{Service Level Agreement (SLC)} & \text{Charitable activities} & 353,156 & 451,696 \\
\text{Rebuilding Opportunities} & \text{Charitable activities} & 144,219 & 212,345 \\
\text{Room hire & tenancy} & \text{Charitable activities} & 199,184 & 237,033 \\
\text{Cafe & Catering} & \text{Charitable activities} & 2,295 & 9,872 \\
\text{Clyde Gateway} & \text{Charitable activities} & - & 64,683 \\
\text{Making it Work} & \text{Charitable activities} & 64,169 & 251,803 \\
\text{Employability Fund} & \text{Charitable activities} & 322,945 & 369,051 \\
\text{Ready 2 Work} & \text{Charitable activities} & - & 35,745 \\
\text{East Kilbride Work and Training Services} & \text{Charitable activities} & 70,000 & 70,000 \\
\text{Employability Hub} & \text{Charitable activities} & - & 30,003 \\
\text{City Deal} & \text{Charitable activities} & 309,506 & 230,144 \\
\text{Work Able} & \text{Charitable activities} & 3,800 & - \\
\text{Aspire} & \text{Charitable activities} & 41,585 & - \\
\text{Positive Futures} & \text{Charitable activities} & 6,480 & - \\
\text{Youth Employment Initiative} & \text{Charitable activities} & 761,974 & - \\
\end{array}
\]

\[
\begin{array}{c}
2,279,800 \\
1,962,971
\end{array}
\]
4. CHARITABLE ACTIVITIES COSTS

<table>
<thead>
<tr>
<th></th>
<th>Direct costs</th>
<th>Support costs (See note 5)</th>
<th>Totals £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charitable activities</td>
<td>2,170,377</td>
<td>13,450</td>
<td>2,183,827</td>
</tr>
</tbody>
</table>

5. SUPPORT COSTS

<table>
<thead>
<tr>
<th></th>
<th>Governance costs £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charitable activities</td>
<td>13,450</td>
</tr>
</tbody>
</table>

6. NET INCOME/(EXPENDITURE)

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

<table>
<thead>
<tr>
<th></th>
<th>31.3.18</th>
<th>31.3.17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditors' remuneration</td>
<td>5,000</td>
<td>3,500</td>
</tr>
<tr>
<td>Auditors' remuneration for non audit work</td>
<td>8,450</td>
<td>4,765</td>
</tr>
<tr>
<td>Depreciation - owned assets</td>
<td>13,793</td>
<td>13,452</td>
</tr>
<tr>
<td>Surplus on disposal of fixed asset</td>
<td>-</td>
<td>(325)</td>
</tr>
</tbody>
</table>

7. TRUSTEES’ REMUNERATION AND BENEFITS

There were no trustees’ remuneration or other benefits for the year ended 31 March 2018 nor for the year ended 31 March 2017.

Trustees’ expenses
There were no trustees’ expenses paid for the year ended 31 March 2018 nor for the year ended 31 March 2017.

8. STAFF COSTS

<table>
<thead>
<tr>
<th></th>
<th>31.3.18</th>
<th>31.3.17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>1,153,218</td>
<td>1,090,094</td>
</tr>
<tr>
<td>Social security costs</td>
<td>102,152</td>
<td>91,333</td>
</tr>
<tr>
<td>Other pension costs</td>
<td>89,835</td>
<td>84,125</td>
</tr>
</tbody>
</table>

|                      | 1,345,205| 1,265,552|

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

<table>
<thead>
<tr>
<th></th>
<th>31.3.18</th>
<th>31.3.17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management Staff</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Project Staff</td>
<td>44</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>48</td>
<td>44</td>
</tr>
</tbody>
</table>

No employees received emoluments in excess of £60,000.
9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

<table>
<thead>
<tr>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>Total funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
</tbody>
</table>

**INCOME AND ENDOWMENTS FROM**
Charitable activities
Charitable activities 1,711,169 251,802 1,962,971

Investment income 340 - 340
Other income 325 - 325

Total 1,711,834 251,802 1,963,636

**EXPENDITURE ON**
Charitable activities
Charitable activities 1,710,594 251,802 1,962,396

Total 1,710,594 251,802 1,962,396

**NET INCOME**
1,240 - 1,240

**RECONCILIATION OF FUNDS**

Total funds brought forward 430,625 - 430,625

**TOTAL FUNDS CARRIED FORWARD**
431,865 - 431,865

10. TANGIBLE FIXED ASSETS

<table>
<thead>
<tr>
<th>Property improvements</th>
<th>Equipment</th>
<th>Fixtures and fittings</th>
<th>Computer equipment</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
</tbody>
</table>

**COST**

At 1 April 2017
Additions

At 31 March 2018

**DEPRECIATION**

At 1 April 2017
Charge for year

At 31 March 2018

**NET BOOK VALUE**

At 31 March 2018

At 31 March 2017
11. DEBTORS

<table>
<thead>
<tr>
<th></th>
<th>31.3.18</th>
<th>31.3.17</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Amounts falling due within one year:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade debtors</td>
<td>785,878</td>
<td>86,456</td>
</tr>
<tr>
<td>Other debtors</td>
<td>1,916</td>
<td>2,110</td>
</tr>
<tr>
<td>Prepayments and accrued income</td>
<td>32,419</td>
<td>33,091</td>
</tr>
<tr>
<td></td>
<td>820,213</td>
<td>121,657</td>
</tr>
<tr>
<td>Amounts falling due after more than one year:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other debtors</td>
<td>-</td>
<td>356</td>
</tr>
<tr>
<td>Aggregate amounts</td>
<td>820,213</td>
<td>122,013</td>
</tr>
</tbody>
</table>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

<table>
<thead>
<tr>
<th></th>
<th>31.3.18</th>
<th>31.3.17</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>136,679</td>
<td>34,782</td>
</tr>
<tr>
<td>Social security and other taxes</td>
<td>26,935</td>
<td>20,794</td>
</tr>
<tr>
<td>VAT</td>
<td>169,281</td>
<td>38,575</td>
</tr>
<tr>
<td>Other creditors</td>
<td>22,653</td>
<td>31,380</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>31,326</td>
<td>14,407</td>
</tr>
<tr>
<td>Deferred grants &amp; funding</td>
<td>364,598</td>
<td>149,529</td>
</tr>
<tr>
<td></td>
<td>751,472</td>
<td>289,467</td>
</tr>
</tbody>
</table>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

<table>
<thead>
<tr>
<th></th>
<th>31.3.18</th>
<th>31.3.17</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Other creditors</td>
<td>30,184</td>
<td>36,000</td>
</tr>
</tbody>
</table>

14. PROVISIONS FOR LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>31.3.18</th>
<th>31.3.17</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Provisions</td>
<td>52,781</td>
<td>-</td>
</tr>
</tbody>
</table>

The movement in provisions is in relation to a constructive obligation by the Board of Trustees to carry out property dilapidations to the CTEC building at Cambuslang over the period to 31 March 2020.
15. MOVEMENT IN FUNDS

<table>
<thead>
<tr>
<th></th>
<th>Net movement</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>At 1.4.17</td>
<td>At 31.3.18</td>
<td></td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td></td>
</tr>
<tr>
<td>Unrestricted funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General fund</td>
<td>431,865</td>
<td>475,173</td>
<td></td>
</tr>
<tr>
<td></td>
<td>43,308</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL FUNDS</td>
<td>431,865</td>
<td>475,173</td>
<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>Incoming resources</th>
<th>Resources expended</th>
<th>Movement in funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Unrestricted funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General fund</td>
<td>2,215,747</td>
<td>(2,172,439)</td>
<td>43,308</td>
</tr>
<tr>
<td>Restricted funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Making it Work</td>
<td>64,169</td>
<td>(64,169)</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL FUNDS</td>
<td>2,279,916</td>
<td>(2,236,608)</td>
<td>43,308</td>
</tr>
</tbody>
</table>

Comparatives for movement in funds

<table>
<thead>
<tr>
<th></th>
<th>Net movement</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>At 1.4.16</td>
<td>At 31.3.17</td>
<td></td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td></td>
</tr>
<tr>
<td>Unrestricted Funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General fund</td>
<td>430,625</td>
<td>431,865</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,240</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL FUNDS</td>
<td>430,625</td>
<td>431,865</td>
<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>Incoming resources</th>
<th>Resources expended</th>
<th>Movement in funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Unrestricted funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General fund</td>
<td>1,711,834</td>
<td>(1,710,594)</td>
<td>1,240</td>
</tr>
<tr>
<td>Restricted funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Making it Work</td>
<td>251,802</td>
<td>(251,802)</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL FUNDS</td>
<td>1,963,636</td>
<td>(1,962,396)</td>
<td>1,240</td>
</tr>
</tbody>
</table>

Making it Work project under the Big Lottery Fund is restricted due to the conditions of the funding imposed by the provider. Included within Creditors is £nil (2017 £64,169) of deferred income restricted for the purposes of the Making it Work project.
16. PENSION COMMITMENTS

The charity was an admitted body in the Strathclyde Pension Fund. The fund is a multi employer defined benefit fund which is contracted out of the state fund. The funds are held and administered by Glasgow City Council.

During 31 March 2017 the last remaining member of the scheme retired and the charity entered into an Exit Payment Agreement with Strathclyde Pension Fund amounting to £65,000 which represents the final deficit value for the charity. At the year end £36,000 remained to be paid at £9000 per annum until 31 March 2022.

The charity paid contributions and accrued strain on fund contributions of £6,368 (2017 £4,202) during the year to the Strathclyde Pension Fund.

The charge to the SOFA for the period represents the employer contribution payable.

The charity also operates a defined contributions pension scheme. Pension contributions charged during the year were £83,467 (2017 £79,923). Included in other creditors is £7,011 (2017 £5,979) contributions outstanding at the year end.

17. OTHER FINANCIAL COMMITMENTS

The total amount of lease commitments is £625,368 (2017 £691,215).

18. RELATED PARTY DISCLOSURES

Trustee J Anderson is also a director of Clyde Gateway URC and in the normal course of business the charity receive funding from this organisation. In the year to 31 March 2018 funding of £28,000 was received (31 March 2017 £64,683). The funding for the year to 31 March 2018 was allocated to deferred income to be utilised against the costs of 2018 / 2019.

19. GOING CONCERN

The nature of the charity’s funding is currently under review and this may change the business moving forward.

20. EXCEPTIONAL ITEM

The exceptional item of £Nil (2017 £40,938) included within the Statement of Financial Activities relates to the balance of the deficit due to the Strathclyde Pension Fund following the retirement of the final scheme.