

**INTO WORK
(Limited by Guarantee)**

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

**Charity Number: SC028327
Company Registration Number: SC181737**

INTO WORK
REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2022

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INTO WORK

REPORT OF THE DIRECTORS

For the year ended 31 March 2022

The Directors are pleased to present their report and financial statements for the year ended 31 March 2022. The Directors of the Charitable Company are its Trustees for the purpose of Charity law and throughout this report are collectively referred to as the Directors.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and 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 2019).

Chair person's report

The year of 1st April 2021 to 31st March 2022 continued to be marked by the coronavirus pandemic and towards the end of this period we noted the additional concern of the cost-of-living increases. We continue to review and monitor the economic impact and the disproportionate detrimental effect on disabled people's health, employment and access to services from these two factors. The Into Work team has ensured continuous service delivery for our existing and new clients throughout the changes in COVID-19 regulations.

This year a total of 283 disabled people and people with long term health conditions have been served across our supported employment services through our following projects: All in Edinburgh, Midlothian, East Lothian, Welfare Rights, Wellbeing+ and Edinburgh Young People's Guarantee services.

We have also continued to grow and develop the impact from our co-produced training offer through the Autism Works team. This training is improving employers understanding of autism, particularly around their recruitment and employment.

Whilst the wellbeing role is focusing on our service delivery, managers and the Board have been very aware of the need for an increased input for the wellbeing of our staff team, all of whom have continued to operate a hybrid model to offer remote support or in person support. In this past year we offered a Building Resilience training session for all employees to add to our suite of employee supports.

The Board would like to acknowledge their appreciation of the efforts of the staff team to deliver and sustain all Into Work's services during another challenging period, and to our existing and new funders for investing in our activities.

In the last period the Board were pleased to finalise a full strategic review that involved engagement with key internal and external stakeholders. The Board commissioned Rocket Science to conduct this work. Rocket Science is Scotland's leading employability and skills consultancy, working extensively for the Scottish Government, Skills Development Scotland, Local Authorities, Local Employability Partnerships and a wide range of third sector employability organisations.

The Board launched the outcome of the strategy at the AGM with the five key objectives coming from the review:

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REPORT OF THE DIRECTORS

For the year ended 31 March 2022

Chair person's report (continued)

1. Build our business development capacity for growth focusing on the Southeast of Scotland.
2. Increase our presence and influence.
3. Work with funders and commissioners to achieve a sustainable full cost recovery model.
4. Continue a focus on the management of Into Work's quality and performance.
5. Build our staff development.

To help us deliver this strategy the Board reviewed our staff structure, revising some key roles and created lead roles for welfare rights and All in Edinburgh projects. This will increase our management and leadership capacity and help the staff team deliver on the five objectives. We have increased our Development Coordinator time and retained our Marketing and Admin Assistant roles for this next period to support Service Managers with business development, growth, presence and influence.

Client findings from the review reinforced our approach for people with lived experience to directly influence the governance, design and delivery of our services. As a result of this we created a Training & Lived Experience Lead role that was filled by our experienced Autism Works Co-ordinator at the start of 2022, and we are looking to recruit a person with lived experience of mental health and a young disabled person to join our Board this next period.

Income for the 2021-22 period was £779 K, an increase on the previous year's income of £ 595 K which is attributed to an increase in successful fundraising to meet more of our core costs, funding for new smaller projects (including Wellbeing+ and our new Young Person's Guarantee project called Inclusion Works!) as well as some training income.

The Board have continued to invest the reserves created from the one-off pension surplus event in 2019-20 when £548 k was released in to Into Work's account. CCLA Charities Ethical Investment Fund account has been designated by the Board for this long-term investment to grow capital, generate annual income as needed, protect against fluctuations in income, and pursue other projects in line with the objects of the Charity in the future.

Objects and activities

Established in 1993, Into Work's charitable objectives set out in our original governing documents are 'the relief of poverty and distress of people in Scotland with a disability, by aiding them to advance into employment, and to pursue any other objects for the benefit of people with disabilities, which are now or hereafter deemed to be charitable in law'.

Into Work Board approved work to revise our governing documents during this period to bring the language and practice up to date. This work is to be completed during the next period, 2022-23.

Into Work use the nationally promoted Five Stage Supported Employment model as the basis of service provision and supported by our welfare rights and wellbeing service. By assisting disabled people and people with long term health conditions into employment that is paid, sustained and meets their employment aspirations within a supportive employment environment, we ensure that there are financial, social, wellbeing and developmental benefits for the individual.

Into Work's supported employment services are currently delivered across the City of Edinburgh, East Lothian and Midlothian and our training offer has been delivered remotely across Scotland (and beyond).

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For the year ended 31 March 2022

Achievements and performance

Despite the 2021-22 changes in service resulting from COVID-19, this has been a successful and rewarding year for Into Work beneficiaries. We continued to deliver much needed services and support while working remotely and then a hybrid model being introduced throughout this past year. The staff team have been incredibly dedicated and committed to ensuring that a high quality of service is maintained to our service users.

All in Edinburgh (AiE)

Year 7 to March 2022 was the last year of the first All in Edinburgh (AiE) contract.

Run by Edinburgh Supported Employment Consortium (ESEC), Into Work and partners collectively once again achieved strong results and were delighted to be successful in the Council's re-tendering of the future contract starting April 2022 to March 2025 (with the option of a further three-year extension to 2028).

The overall consortium performance was acknowledged by Capital City Partnership (CCP) who manage the AiE contract along with other city employability services.

Once again flexibility was negotiated with CCP for this period to accommodate changes to demand and therefore outcome types during the COVID-19 situation and accepting low numbers of new engagements being the result of returners to all four partners for support

Into Work's All in Edinburgh Service	Target Year 7 2021-22	Achievement Year 7 2021-22	Achievement Year 6 2020-21
Engagements	125	42	71
Full time employment	36	28	24
Part time employment	8	9	4
Retained employment	3	8	12
In work progression	4	3	3

European Social Fund (ESF) funding for AiE came to an end on 31st March 2022 so there is a slight reduction in the new contract value with City of Edinburgh Council from 1st April 2022.

Welfare Rights Service

Our Welfare Rights Lead continues to work across all our projects providing vital support to clients and our frontline staff. A major focus this year was in East Lothian where funded demand increased. This saw the addition of income maximisation advice to the remit. Helping families out of poverty and in-work poverty. Good information and guidance around benefits and finances makes a huge difference to disabled people as evidenced from our client feedback and evaluations.

Welfare rights engagements increased by 16% and client meetings by 17%. Most noteworthy is the increase for in-work benefits, benefit checks and better off in work calculations, reflecting the return to work for people after covid-19.

Welfare Rights Service	2021-2022	2020-2021
Total engagements	147	127
Total client meetings	334	286

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For the year ended 31 March 2022

Achievements and performance (continued)

Total financial gains	£243,337	£287,289
Financial gains breakdown:		
AiE	£88,519	£78,969
Midlothian	£39,141	£21,019
East Lothian	£75,578	£183,187
Parental Employability Support Fund PESF	£ 34,907	
Project SEARCH	£5,190	£4,112
Gains for non-means-tested Disability Benefits e.g. PIP	0	£6,864
Gains for in-work benefits	£99,185	£74,921
Gains for out of work benefits	£144,152	£205,503
Activity:		
Better-off in work calculations	132	87
Benefit checks	108	81
Benefit applications supported	76	68
Successful tribunal hearings*	0	100%
Mandatory reconsideration submissions	13	2

*During Covid-19 DWP relaxed the rules and fewer applications were turned down meaning tribunal support was not required by our clients this last year.

East Lothian

Into Work was once again awarded East Lothian's 'One Council Partnership Fund' grant at the end of March 2021 for an Employability Intervention Officer to work on a planned new school's project. With Project SEARCH ending, we were able to redirect an experienced staff member to this role to work with young people, which meant it started in May 2021. This project supported 20 school pupils with additional support needs and the feedback was very enthusiastic from all the schools and pupils involved. The grant has been awarded again for the period 2022-23 and our Employability Intervention Officer will continue to work with young people and in schools.

Midlothian

The Midlothian Council Large Grant Scheme continued to fund one member of staff for 16 hrs per week during the year 2021-22. Our Employment Adviser worked creatively and efficiently, successfully reaching targets set by the Council and exceeding her yearly target by 30%.

A further large grant has been awarded to continue providing employability support to local people from April 2022-25 allowing our member of staff to increase her contract to 20 hrs per week.

Additionality this year included supporting clients with a payment from our Winter Flexible Fund, this supported clients with additional rising costs for fuel, food and clothing. A total of £ 5,076 was distributed directly to clients who reported what an impact this money had made to them and their families. Wellbeing & Welfare rights support was also offered.

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For the year ended 31 March 2022

Achievements and performance (continued)

Our Service Delivery Manager continues to link in with Midlothian Local Employment Partnership (LEP) and hopes this will put us in a good position to influence the local plans and expand our delivery in the future.

Midlothian	Target 2021-2022	Achievement 2021-2022	Achievement 2020-2021
Number of referrals	N/A	35	17
Number receiving initial meeting	N/A	26	13
Clients who received a 1:1 service	15	45	29
Number who will achieve an outcome	12	18	14
Service sessions (some from previous year*)	N/A	239	252*
Breakdown of outcomes:			
Jobs	N/A	8	3
Retained employment	N/A	1	2
Work placement or volunteering position	N/A	3	1
Re-engaged with education	N/A	1	4
Qualification	N/A	0	2
Progression to vocational training/ other	N/A	5	3

Improving Understanding of Autism

Scottish Government Fund managed on their behalf by Inspiring Scotland

The Autism Works project is funded by Scottish Government, via Inspiring Scotland, as part of the national campaign to improve the general public's understanding of autism. Autism Works has been awarded additional funding from September 2021 and continues to offer high quality lived experience training to employers across Scotland. The team continues to proofread all Into Work's marketing material making sure the language is current and is giving a positive message about our autism offer. The team have started to generate income from their training, their employer base is growing exponentially, and they are currently developing further services to offer employers.

The team are working closely with major employers in Edinburgh such as Leonardo, sourcing paid work placements for autistic people and developing this service offer linking in with our wider supported employment services.

The team have also made great in-roads with the Scottish Union for Supported Employment (SUSE) and are providing professional training through their networks.

Equality Works training

We have developed and delivered disability equality training to employers funded by SCVO through our membership of the Public Social Partnership to work with employers in Scotland to halve the disability employment gap. We are now on the framework to continue to deliver this training and want to co-produce the materials and delivery with people with lived experience in the next period.

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Achievements and performance (continued)

Wellbeing+

Our Wellbeing+ service delivering 1:1 and group support to clients alongside their employment journey, enables us to deliver a more holistic services to clients across all our projects.

Our Wellbeing Coach has established a Wellbeing+ Advisory Group of seven people with lived experience who have helped co-produce the wellbeing service offer. The Wellbeing+ project established a series of wellbeing podcasts which attracted a diverse range of people talking about their lived experience, wellbeing and employment journey.

Wellbeing+ input was also delivered in groups and 1:1 to our Edinburgh Young People's Guarantee project (Inclusion Works!).

Alliance Funding for Mentoring Research

We received £5 k from the Alliance's small grant programme to research the feasibility of Into Work developing mentoring support to clients in work. The Wellbeing Coach led this work with the Wellbeing+ Advisory Group who provided a steer to explore how mentoring could support clients to thrive, develop in work and feel in control of managing their own health condition. A full project application has now been submitted to Alliance Scotland - Self Management Fund to set up a mentoring project in the next period.

City of Edinburgh Council's Young Person's Guarantee Funding (Inclusion Works!)

Continuing with our service offer to young people we have had the opportunity over this last year to pilot a small project offering groupwork sessions to young disabled people in Edinburgh who had disengaged from school or education. These sessions allowed the young people to explore whether employability could be something that they could work towards. Following the pilot Into Work have now been awarded 1 year's funding to have a blended approach of 1-1 and groupwork sessions with an emphasis on Wellbeing, Place and Community.

We have just appointed a Young Person's Lead and are very excited about developing 'Inclusion Works', our Young Person's offer, including setting up a Young Person's advisory group, with the emphasis on lived experience being at the heart of our service design.

Public Social Partnership - Retention Workstream

During the previous year Into Work set up a secondment agreement with a host employer through our membership of the Scottish Union for Supported Employment (SUSE) led Public Social Partnership (PSP). The PSP is funded from the Scottish Government's plan to halve the disability employment gap by 2040. We seconded one of our experienced Employment Adviser's to work on the Retention Workstream to help develop and deliver a programme with employers to improve employment practices to retain disabled people. Unfortunately, the secondment agreement ended earlier, towards the end of 2021 because of COVID-19 related issues affecting the host employer's ability to lead the project at that time. Our seconded employee returned to Into Work to work on the Inclusion Works young person's pilot before returning to their substantive post.

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Achievements and performance (continued)

Project SEARCH

Into Work had been delivering Job Coaches for the Edinburgh Project SEARCH programme since 2014/15. As reported in last year's accounts many changes had taken place and City of Edinburgh Council (CEC) decided that more stability could be offered to job coach staff if their employment was transferred to the Council. Of the two job coaches employed last year, one proceeded with the transfer of employment under the TUPE regulations on 31st July 2021. We are pleased to report that the other job coach decided to remain employed with Into Work on the East Lothian project which had a staff vacancy. We wish to acknowledge all the hard work, commitment and dedication demonstrated by Into Work's Project SEARCH staff over the years.

Fundraising activities

During this period, we secured continuation of funding for supported employment services in East Lothian (1 year), Midlothian (3 years, 2022-25) and we were successful in the CEC tender for All in Edinburgh service to continue (April 2022 to March 2025, with the option of a three-year extension to 2028). We were successful in our application for the Inspiring Scotland Autism fund to help us build on the success of Autism Works (2021-23).

From April 2021 to March 2022, we were successfully awarded 23 grants totalling £157,000. The awards received were from Alliance, Anton Jurgens Charitable Trust, Arnold Clark Community Funds, Ballie Gifford, Digital Boost Grant, Edinburgh Council, Janes T Howat Charitable Trust, John Kirkhope Young Endowment, Leith Benevolent Association, Mazars Charitable Trust, Miss ME Swinton Paterson's, Morton Fraser Charitable Trust, Nation Lottery Funds, Pump House Trust, The Robertson Trust, Scotmid Community Grant, Thistledown Trust, Warburtons Community Funds, William Grant Foundation. Most grants awarded are for a period of one year or less, except for 2 multiyear grants that were awarded for a period of 3 years. We are very grateful for the support of our funders.

Some of the funding applied for was not successful such as Garfield Weston, Midlothian Poverty Grant, the Hugh Fraser Foundation, Prudential, and the Russell Trust. We noted an unusually high 'no response' rate of almost 70% based on the total number of funding declines in the period which we assume is the high demand for funding and COVID-19 impact on funding bodies.

Summary

Into Work has experienced a full and challenging year in 2021-22 with many successes with decisions on funding so that our clients, and the employers and partners we work with, can continue to receive our growing offer. We are delighted we have reaffirmed our mission and purpose from our strategic review to remain a disability focused charity. And we are pleased we have improved our offer to deliver a more holistic service with wellbeing, welfare rights and co-produced training alongside our supported employment service. However, we do have the challenge to keep a focus to fundraise and income generate for these projects. The full impact of the pandemic and cost of living crises is still unknown, yet despite this we have continued to deliver a frontline service that is valued, respected, and achieves results. The organisation is continually adapting to a rapidly changing employability/disability landscape while striving to provide an impactful and wide-ranging complement of services, initiatives and projects.

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For the year ended 31 March 2022

Achievements and performance (continued)

As the organisation progresses towards its 29th year of operations, we anticipate a positive future for the organisation, its clients, staff and partners.

Financial review

The accounts show net income of £66,421 in the year (2021: net income of £79,940), as detailed in the Statement of Financial Activities (SOFA). The surplus in the year includes an investment gain of £66,807 (2021: £111,016) on investments, excluding this investment gain, the results of the year would have been a net expenditure of £386 (2021: net expenditure of £31,076). The net income comprises a net increase of £81,200 in unrestricted funds (2021: net increase of £64,235) and a net decrease of £14,779 in restricted funds (2021: net increase of £15,705). At the balance sheet date the unrestricted reserves were £786,900 (2021: £705,700) including £620,496 (2021: £588,090) in designated funds, with £34,532 (2021: £49,311) in restricted funds.

The Charity had a net surplus of funds of £821,432 (2021: £755,011) as at the year end.

We are investing in the strategic objectives resulting from our 2021-22 review . As a result, our projected monthly cash outflows are in excess of our monthly cash inflows which is expected because of our plans to grow our presence and influence. We will continue our fundraising activities to improve our funding position and meet this overall shortfall. And we will draw on our long-term investment if required. The Directors continue to consider other methods to make strategic use of our reserves in keeping with our objectives as an organisation.

The Directors continue to consider other methods to make strategic use of our reserves in keeping with our objectives as an organisation.

Principal funding sources

Our principal funding source in the year was the service level agreement for The City of Edinburgh “All in Edinburgh” contract. Further detail is available in the Notes to the Annual Accounts. The Directors are grateful to all the Charity’s funders, whether big or small, named or anonymous, for their generosity and support.

Investment policy and performance

The investment policy and objective is to cautiously manage the assets of the Charity to provide long term capital growth and an appropriate level of income if needed to fulfil the Charity’s objectives. Our investments are governed by a policy that is reviewed by the Directors annually.

Our investments experienced some fluctuations during the year. We sold £30,000 of units this last period to meet our deficit and cashflow and as at 31st March 2022 the value is £612,065 (which represents a 18.4 % overall increase to the amount originally invested (£517,000) as at December 2019.

Ethical investment policy

The Charity invests its funds ethically, in a way that reflects Into Work’s values and ethos and does not run counter to its aims.

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REPORT OF THE DIRECTORS

For the year ended 31 March 2022

Financial performance (continued)

Reserves policy

The Directors have a policy of maintaining reserves to protect against unforeseen fluctuations in income and to allow for capital growth. Towards the end of 2020 our reserves balance greatly increased due to our exit from the Local Government Pension Scheme, which resulted in a one-off income event. The Directors took the decision to invest the funds received as a long-term investment for the Charity to be used to grow capital, generate annual income as needed, and pursue other projects in line with the objects of the Charity in the future.

The Directors consider that it is prudent to hold between three- and six-month's expenditure's worth of reserve for these purposes. Three months expenditure's worth of our reserves have been kept liquid, with the remainder invested in an ethical and prudent manner and designated for long-term investment.

At 31 March 2022 the free reserves of the Charity, comprising of the general fund, amounted to £166,404 (2021: £117,610). This is equivalent to about 3.0 months' (2021: 2.5 months') expenditure at current levels. This is at the lower end of the target range outlined above, however this is due to the timing of income received.

Risk assessment

The principal risks and uncertainties faced by the Charity are:

- Further decline in public sector funding. Our Development Coordinator continues to assist in sourcing funding to continue our work. Additionally, we have conducted a strategic review and are developing a growth plan to support the sustainability of the Charity.
- The strategic review work recommended several actions to mitigate against risks of funding and sustainability. This includes development of a full cost recovery funding model and the investment in a business development framework to generate a pipeline of service development bids across the Southeast of Scotland. We have restructured staff roles to meet the objectives from the strategic review this next period.
- The recovery from the COVID-19 pandemic, cost of living crises changes in working arrangement and retaining an engaged and motivated workforce. We have made changes to our staff structure to build capacity in our management and leadership. We are engaging with staff in full staff meetings and have had a full team development day to explore our working arrangements. We are committed to offering a supportive and flexible working environment as well as wellbeing support to our employees. We are exploring options for future working arrangements to ensure a flexible service delivery continues to be offered to meet our clients' requirements.
- We launched the new Wellbeing+ Project during the year with the aim of co-producing one to one and group support for clients, and our advisers continue to actively support our clients facing COVID-19 related health and financial issues. Within the All in Edinburgh consortium we have successfully negotiated flexibility in our contract with the City of Edinburgh Council to respond to the changes in the employment context. This has enabled us to be paid for outcomes to support more people to retain their employment. We continue to monitor and adhere to the changing regulations as an organisation and will continue to help our clients through this challenging time, whatever may come.

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REPORT OF THE DIRECTORS

For the year ended 31 March 2022

Financial performance (continued)

- Into Work is exposed to financial risk and market movements through its investment portfolio. Our investment and reserves policy ensures that we have sufficient liquid funds to continue operations in spite of any market movements, and also ensures that the fund which we invest in is sufficiently diversified. The Finance Manager, Senior Manager, Directors, and Investment Manager of the fund we invest in provide oversight of investment performance and we are constantly reviewing the performance of our investment. This year we started some work to explore in more detail the Board's position on sustainability and ethical sources of investment management to ensure this is aligned with our aims and values.

These are all significant elements of risk but are by no means insurmountable. We are proactive in our management of risk. The organisation can operate and trade on a significant reputation and track record of quality service delivery that has delivered significant employment and progression outcomes for unemployed disabled people over many years.

Plans for future periods

The Directors appointed Rocket Science (UK) Limited in the last period to conduct a strategic review and growth plan to support the sustainability of the Charity in the furtherance of our aims. This work involved engagement with Into Work's clients, staff, Directors, and our key external stakeholders, all contributing to the review which was finalised and launched in 2021-22. This led to recommendations on Into Work's market position in the current and future employability context and our potential for growth and investment which form the basis of our plans for the future periods.

Into Work will continue to maintain service delivery focus on working with and supporting disabled people and people with long-term health conditions. Local authorities, particularly CEC, continue to invest in additional disability and employment services as the Fair Start Scotland programme is not suitable for many jobseekers with higher support needs. We want to work with Local Employability Partnerships on what we can offer to halve the Disability Employment Gap and to support No One Left Behind national strategies in our local areas.

Consequently, the Directors envisage opportunities for incremental growth in the organisation's services and capacity, both in its current core operational area and neighbouring areas. Underpinning that desire for incremental growth in the short to medium term, i.e. 2022 through 2024, key elements must come together – we will continue working with existing and new partners to try and ensure there is the best possible chance of that happening.

For 2022-23 significant plans underway include:

- Recruit two new Directors who have lived experience to the Board.
- Legal advice to update our governing documents.
- Development in place for the revised Service Manager roles to establish a business development framework and growth plan with support from the Development Coordinator around procurement and tendering.
- Marketing strategy to be implemented, to ensure more consistency in internal and external communications, increase presence and influence and support employers sign up to our training offer.

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Plans for future periods (continued)

- Continue to work on a full cost recovery model for all projects and identify suitable funding and income generation for Autism Works and Equality Works training, supported employment services including welfare rights and wellbeing.
- Business development sessions to look at future funding, planning for continuation and expansion of service offer to build out from Autism Works excellent model of co-production.
- Apply to East Lothian to sustain delivery and development of our employment worker and welfare rights service (new contract would take effect from 2023).
- Partner in the Public Social Partnership to work with employers to halve the disability employment gap.
- Work on our data recording and reporting to be more efficient and effective to help assess quality and performance, informing our continuous improvement. HR software and policies and procedure review (including journey to net zero).
- Office assistant job through Job Creation Scheme work placement.

Structure, governance and management

Constitution

Into Work was incorporated on 23 December 1997 and is a Charitable Company limited by guarantee with no share capital. The Charity's purposes and powers are prescribed by, and it is governed in accordance with, its Memorandum and Articles of Association. The Charity is recognised as a Scottish Charity.

Membership

Membership of the Charity is open to any individual or organisation with an interest in disability and employment and whose application to membership in accordance with the Charity's Memorandum and Articles of Association is successful. The liability of each Member in the event of winding-up is limited to £5.

Directors, recruitment and appointment of new directors

The Board of Directors is responsible for the management of the Charity and the safeguarding of its assets. Directors are recruited to the Board with a view to cultivating a mix of skills and experiences across a broad range of relevant disciplines.

At each AGM, one third of the appointed Directors retire and are eligible for re-appointment. The Board may also co-opt additional Directors to serve until the next AGM, following which they may be re-appointed.

Induction and training of new directors

New Directors are often already familiar with the practical work of Into Work. New Directors are provided with an induction pack and are offered training on the roles and responsibilities of Board Members. Refresher and other training opportunities are also offered.

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REPORT OF THE DIRECTORS

For the year ended 31 March 2022

Structure, governance and management (continued)

Organisational structure

The Board meets regularly to direct the business of the Charity and has set up an HR committee and a Finance & Audit committee. A Strategic Development committee was established in the previous period to oversee the strategic review. Each committee comprised of a minimum of three Directors and a manager from the management team. Induction and training are given as required. Responsibility for routine operational matters is delegated to the management team.

Policies and procedures

Into Work appoints professional contractors to provide employment law advice and insurance cover. Policies and procedures are reviewed on a rolling basis.

Health and safety

Health and Safety functions are reported to the HR Committee of the Board by the management team.

Standards

Into Work has made significant progress with external accreditation, including:

- Investors in People (IIP) standard achieved since January 2000 successfully reviewed and awarded Silver in January 2021.
- Disability Confident Employer held since July 2017 successfully reviewed and awarded as a Disability Confident Leader from June 2021. The standard continues to promote equal opportunities for disabled jobseekers and employees in all aspects of recruitment, employment, development, and retention practices.
- Edinburgh Joined Up for Integration Charter Award held since December 2019.
- Living Wage accreditation successfully applied for and awarded in May 2021.
- And working towards reaccreditation for Cyber Security.

Remuneration policy & payments to senior management

The Directors consider the management team to be the key management personnel of the Charity. The Into Work Board review the remuneration of management and all other staff annually and increases are considered in light of the Consumer Price Index (CPI) & Retail Price Index (RPI) and the prevailing economic circumstances in which the Company is operating.

Voluntary reporting framework

We are pleased to include reporting in line with the Voluntary Reporting Framework.

We are proud to have achieved Level 3 Disability Confident Leader status in June 2021. As a Charity working to support disabled people, we are fully committed to diversity and inclusion in our employment practice. We take steps to be welcoming and supportive to all disabled staff and staff with any other protected characteristic. Autism Works staff with lived experience have advised on accessibility of Into Works documentation in this past year, including our recruitment documentation such as job descriptions.

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REPORT OF THE DIRECTORS

For the year ended 31 March 2022

Structure, governance and management (continued)

Into Work gives full and fair consideration to applications for employment made by disabled people, and disabled applicants are offered reasonable & relevant adjustments during the recruitment process as well as in the workplace. Disabled applicants who meet the essential criteria in the job specification are offered a guaranteed interview. In this past year we provided a work placement for a new role in marketing and social media through Inclusion Scotland's We Can Work internship programme for disabled people. This was incredibly successful, and we have managed to offer paid employment to our intern at the end of the funded programme. We also created a Kickstart placement for a young person to a new admin assistant role. Again, this was incredibly successful and we offered paid employment to the admin assistant at the end of the Kickstart funded programme.

We work to ensure that all staff have appropriate training and career development opportunities throughout their time at Into Work. This process starts at induction and is managed through supervisions and ongoing performance reviews. We offer a flexible working environment as well as wellbeing support, and we continue to demonstrate our commitment to supporting improved mental health and wellbeing across the organisation. This has been demonstrated by wellbeing short term strategy of activities created and co-delivered by our staff team on an optional basis. This has included online social events and a card for discounted access to local sport and leisure facilities. Staff have access to a confidential helpline through our employee life insurance policy. This area is developing, and in this past period we have had two Service Delivery Managers who have completed the Wellbeing in the Workplace Leadership programme to further develop our wellbeing strategy this next period.

This year we extended our equality and diversity survey to board members as well as staff. We also expanded the questions asked to collate additional equality and diversity monitoring data. 100% of staff employed at the time completed the survey. In line with the government's voluntary reporting framework, we note that 45% of staff respondents identified as a disabled person or as having a long-term health condition. 22% staff responded they identify as neurodivergent and 13% staff identify as autistic person. 30% of staff noted they have a reasonable adjustment in place, with 100% of those staff advising that their adjustment meets their needs.

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For the year ended 31 March 2022

Reference and administrative information

Charity name Into Work

Charity registration number SC028327

Company registration number SC181737

Directors

Valerie Bell	Chair (retired as Chair AGM 25 th November 2021)
Jean Maclellan	Appointed as Chair AGM 25 th November 2021
Alan David Wilson	Treasurer
Andrew Smith	
Jamie Szymkowiak	
Kenneth Dinwoodie	
Scott Mackintosh	

Company secretary Kathryn Bailer (until 25 November 2021)
Lorena Mombelli (From 25 November 2021)

Key management personnel

Senior Manager	Rebecca Allen
Service Delivery Manager	Tanya Knight
Service Delivery Manager	Lynda McLeod
Finance Manager	Kathryn Bailer (until November 2021) Lorena Mombelli (From November 2021)

Principal office and registered office Norton Park
57 Albion Road
Edinburgh, EH7 5QY

**Senior Statutory Auditor
Independent Auditors** Kevin Cattanach
Whitelaw Wells
Statutory Auditor
9 Ainslie Place
Edinburgh, EH3 6AT

Bankers Bank of Scotland
Edinburgh Greenside, PO Box 17235
Edinburgh EH11 1YH

Investment manager CCLA Investment Management Limited
Senator House, 85 Queen Victoria Street
London, EC4V 4ET

INTO WORK

REPORT OF THE DIRECTORS

For the year ended 31 March 2022

Statement of directors' responsibilities

The Directors are responsible for preparing the Directors' Annual Report and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the Charitable Company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP;
- Make judgements and 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charitable Company will continue on that basis.

The Directors are responsible for maintaining 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, the Charities & Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Directors 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.

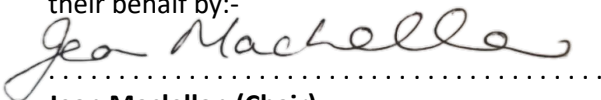
The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Charity's auditors are unaware, and each Director has taken all the steps they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by and authorised for issue by the Board of Directors on 1 September 2022 and signed on their behalf by:-



Jean Maclellan (Chair)
Director

INTO WORK

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS

For the year ended 31 March 2022

Opinion

We have audited the financial statements of Into Work (the 'charitable company') for the year ended 31 March 2022, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows 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, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Accounting Generally Accepted Accounting Practice).

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 2022 and of 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 (as amended).

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 Charity 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 ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' (who are also the trustees of the charity for charity law purposes) use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

INTO WORK

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS

For the year ended 31 March 2022

Other information

The other information comprises the information in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report, prepared for the purposes of company law and included within the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report, included within the trustees' annual report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 directors' report, included in the report of the trustees'.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the director's report, included within the trustees' annual report, and from the requirements to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 16, the Directors are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Directors are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

INTO WORK

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS

For the year ended 31 March 2022

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error.

From enquiries of those charged with governance, it was determined that the risk of material misstatement from fraud was low with little scope for fraud to occur. Our audit testing is designed to detect material misstatements from fraud where there is not high level collusion.

Our audit testing was designed to detect material misstatements from other irregularities that result from error where there is not high level concealment of the error. In this regard the following audit work was undertaken: applicable laws and regulations were reviewed and discussed with management; senior management meeting minutes were reviewed; internal controls were reviewed; and journals were reviewed. From this audit testing it was determined that the risk of material misstatement in this regard was low.

We carried out income testing and grants payable testing which was designed to identify any irregularities as a result of simple mistakes or human error. From this audit testing it was determined that the risk of material misstatement in this regard was low.

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

INTO WORK

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS

For the year ended 31 March 2022

Use of our report

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



Kevin Cattanach (Senior Statutory Auditor)
for and on behalf of Whitelaw Wells
Statutory Auditor
9 Ainslie Place
Edinburgh
Midlothian
EH3 6AT

1 September 2022

Whitelaw Wells is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

INTO WORK
STATEMENT OF FINANCIAL ACTIVITIES
(Including Income & Expenditure Account)
For the year ended 31 March 2022

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income and endowments from:					
Donations	2	2,674	-	2,674	112
Charitable activities					
<i>Grants and service level agreements</i>	3	421,704	242,837	664,541	594,214
<i>Consultancy income</i>	3	2,148	4,740	6,888	555
Investment income					
<i>Bank interest</i>		10	-	10	29
		-----	-----	-----	-----
Total		426,536	247,577	674,113	594,910
		-----	-----	-----	-----
Expenditure on:					
Raising funds		5,588	-	5,588	5,477
Charitable activities		423,504	245,407	668,911	620,509
		-----	-----	-----	-----
Total	4	429,092	245,407	674,499	625,986
		-----	-----	-----	-----
Net gain on investments	8	66,807	-	66,807	111,016
		-----	-----	-----	-----
Net income before transfers		64,251	2,170	66,421	79,940
Transfers between funds	12	16,949	(16,949)	-	-
		-----	-----	-----	-----
Net movement in funds		81,200	(14,779)	66,421	79,940
Funds brought forward		705,700	49,311	755,011	675,071
		-----	-----	-----	-----
Funds carried forward	12	786,900	34,532	821,432	755,011
		=====	=====	=====	=====

The results for the year derive from continuing activities. The Charity has no recognised gains or losses other than those included in the Statement of Financial Activities above. The notes on pages 24 to 39 form part of these financial statements.

INTO WORK

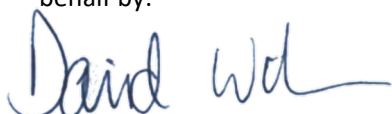
BALANCE SHEET

At 31 March 2022

	Notes	£	2022 £	£	2021 £
Fixed assets					
Tangible fixed assets	7		8,431		12,832
Investments	8		612,065		575,258
			<hr/>	<hr/>	
			620,496		588,090
Current assets					
Debtors	9	61,765		60,587	
Cash at bank and on hand		187,745		187,676	
		<hr/>	<hr/>	<hr/>	<hr/>
			249,510		248,263
Creditors: amounts falling due within one year	10	(48,574)		(81,342)	
		<hr/>	<hr/>	<hr/>	<hr/>
Net current assets			200,936		166,921
			<hr/>	<hr/>	<hr/>
Net assets	13		821,432		755,011
			<hr/>	<hr/>	<hr/>
Funds					
Unrestricted funds					
Unrestricted general fund	12		166,404		117,610
Designated funds	12		620,496		588,090
Restricted funds	12		34,532		49,311
			<hr/>	<hr/>	<hr/>
			821,432		755,011
			<hr/>	<hr/>	<hr/>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

These financial statements were approved by the Directors on 1 September 2022 and signed on their behalf by:



Alan David Wilson (Treasurer)

Director

Company Registration No: SC181737

The notes on pages 24 to 39 form part of these financial statements.

INTO WORK

CASH FLOW STATEMENT

For the year ended 31 March 2022

	2022	2021
	£	£
Cash flows from operating activities:		
Net cash (used in)/provided by operating activities	(28,309)	2,505
	<hr/>	<hr/>
Cash flows from investing activities:		
Interest	10	29
Purchase of property, plant and equipment	(1,630)	(8,356)
Sale of investments	30,000	-
	<hr/>	<hr/>
Net cash provided by/ (used in) investing activities	28,380	(8,327)
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	71	(5,822)
Cash and cash equivalents at the beginning of the year	187,676	193,498
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	187,747	187,676
	<hr/>	<hr/>
Reconciliation of net income to net cash flow from operating activities		
Net income for the year (as per the Statement of Financial Activities)	66,421	79,940
Adjustments for:		
Depreciation charge	6,031	3,917
(Gain) on investments	(66,807)	(111,016)
Interest from investments	(10)	(29)
(increase)/decrease in debtors	(1,178)	11,309
(Decrease)/Increase in creditors	(32,766)	18,384
	<hr/>	<hr/>
Net cash (used in)/provided by operating activities	(28,309)	2,505
	<hr/>	<hr/>
Analysis of cash and cash equivalents		
Instant access bank deposits	187,745	187,676
	<hr/>	<hr/>
Total cash and cash equivalents	187,745	187,676
	<hr/>	<hr/>

INTO WORK

NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Into Work Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recorded at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Directors consider there are no material uncertainties about the charitable company's ability to continue as a going concern. The Directors' going concern assessment includes the expected impact of COVID-19 to the Charity for a period of at least 12 months from the date of signing of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

Income recognition

Donations including grants that provide core funding or are of general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies that the grant must only be used in future accounting periods, or when the donor has imposed conditions which must be met before the Charity has unconditional entitlement.

Income from investments, namely bank interest, is included in the year in which it is receivable.

Income from charitable activities includes income received under contract, or where entitlement to grant funding is subject to specific performance conditions, is recognised as earned (as the related services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability.

INTO WORK

NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

1. Accounting policies (continued)

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The Charity is registered for VAT and, accordingly, expenditure is shown gross of irrecoverable VAT.

- Costs of raising funds comprise the costs associated with attracting donations and investment management cost.
- Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include governance costs which support the Charity's programmes and activities. These costs include the expenses of Directors meetings, the statutory audit and legal and professional fees. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 4.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource.
- Grants payable are recognised when the beneficiary earns the right to consideration by its performance.

Operating leasing

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

Taxation

As a recognised charitable body, the Charity is exempt from corporation tax on its charitable activity.

Tangible fixed assets and depreciation

All fixed assets are initially recorded at cost with assets costing in excess of £500 capitalised. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Office equipment	20%-33% on cost
Computer equipment	33% on cost

INTO WORK

NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

1. Accounting policies (continued)

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or subsectors.

The Charity anticipates a long-term future and accepts the reality that financial markets are such that capital values of investments will fluctuate during a long time-scale.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Pension costs

The Charity operates a Defined Contributions Pension Scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the Scheme.

Until October 2019 qualifying staff were members of the Lothian Pension Fund, a multi-employer Defined Benefit Scheme. This Scheme is now closed to new members and the Scheme was exited in the previous year which resulted in the liability being crystallised and a refund of the surplus being received. Deficits under the scheme are recognised in the accounts in accordance with the requirements of Financial Reporting Standard 102, based on the company's share of the scheme assets and liabilities, as reported by the scheme actuary. The scheme assets are valued at market value. In accordance with FRS 102 "retirement benefits" the company's share of a scheme deficit is recognised in full on the balance sheet and its share of a surplus is recognised to the extent that the surplus can be recovered.

INTO WORK

NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

1. Accounting policies (continued)

Fund accounting

- Unrestricted funds are available for use at the discretion of the Directors to further the general objectives of the Charity.
- Designated funds are unrestricted funds earmarked by the Directors for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the funder or donor or through the terms of an agreement.

2. Income from donations

	2022	2022	2022	2021
	Unrestricted	Restricted	£	£
	£	£	£	£
Other donations	2,674	-	2,674	112
	-----	-----	-----	-----
	2,674	-	2,674	112
	=====	=====	=====	=====

Income from donations was £2,674 (2021: £112) all of which was unrestricted.

3. Income from charitable activities

	2022	2022	2022	2021
	Unrestricted	Restricted	£	£
	£	£	£	£
Supported employment services:				
All in Edinburgh (SLA)	358,884	-	358,884	347,984
Inspiring Scotland – Understanding Autism	-	39,380	39,380	33,258
City of Edinburgh Council – Project SEARCH	-	26,683	26,683	92,231
East Lothian Council – Core & Fairer				
Scotland Fund (FSF)	-	34,000	34,000	34,000
East Lothian – Welfare Rights	-	8,957	8,957	7,000
Midlothian Council	-	36,893	36,893	16,667
Edinburgh Napier University	-	-	-	6,250
Agnes Hunter Trust	-	-	-	6,950
Impact Funding – Workplace Equality Fund	-	-	-	13,094
Wellbeing+ Project	-	8,100	8,100	24,800
Corra Foundation	-	-	-	2,000
Souter Charitable Trust	-	-	-	5,000
National Lottery	-	60,271	60,271	-
Baillie Gifford – Welfare Rights	-	5,000	5,000	-
Alliance Funding	-	5,000	5,000	-
Young Persons Guarantee	-	18,553	18,553	-
Robertson Trust	29,000	-	29,000	-
Kick Start	10,852	-	10,852	-
	-----	-----	-----	-----
Total supported employment services c/fwd	398,736	242,837	641,573	589,234
	-----	-----	-----	-----

INTO WORK

NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

3. Income from charitable activities

	2022	2022	2022	2021
	Unrestricted	Restricted	2022	2021
	£	£	£	£
Total supported employment services c/fwd	398,736	242,837	641,573	589,234
Inclusion Scotland	4,348	-	4,348	-
The Libertie Project	8,266	-	8,266	-
Thistledown Trust	2,000	-	2,000	-
William Grant Foundation	2,500	-	2,500	-
Core Funding Grants £1,000 and under	5,854	-	5,854	4,980
	<hr/>	<hr/>	<hr/>	<hr/>
Total supported employment services	421,704	242,837	664,541	594,214
Other projects & services				
Consultancy	2,148	4,740	6,888	555
	<hr/>	<hr/>	<hr/>	<hr/>
	2,148	4,740	6,888	555
	<hr/>	<hr/>	<hr/>	<hr/>
Total income from charitable activities	423,852	247,577	671,429	594,769
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Income from charitable activities was £671,429 (2021: £594,769) of which £423,852 (2021: £364,769) was unrestricted and £247,577 (2021: £230,000) was restricted.

INTO WORK

NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

4. Expenditure

	Fundraising Costs £	All in Edinburgh £	Employment Support £	Total 2022 £	Total 2021 £
Direct operating costs:					
Staff travel, training & events	-	891	3,759	4,650	10,222
Beneficiary expenses & events	-	-	25	25	-
Subscriptions and publications	-	411	711	1,122	305
Support costs:					
Staff costs (see below)	5,588	307,951	245,249	558,788	547,687
Premises costs	-	16,344	8,606	24,950	23,507
IT & website costs	-	7,863	14,190	22,053	4,583
Office administration costs	-	-	21,028	21,028	14,296
Other costs & professional fees	-	-	20,814	20,814	14,761
Depreciation	-	-	6,031	6,031	3,917
Irrecoverable VAT	-	-	6,847	6,847	1,398
Funds Distribution	-	-	4,191	4,191	-
Governance costs:					
Audit & accountancy fees	-	2,757	1,243	4,000	5,310
Total	5,588	336,217	332,694	674,499	625,986

Overheads and support costs are allocated on the basis of staff time.

Expenditure was £674,499 (2021: £625,986) of which £429,092 (2021: £420,047) was unrestricted and £245,407 (2021: £205,939) was restricted.

	2022 £	2021 £
Staff salaries	468,873	455,965
Social security costs	39,136	35,746
Pension costs	40,195	39,612
External consultants	10,584	6,870
Redundancy payments	-	9,494
Total	558,788	547,687

The policy for redundancy follows the statutory redundancy provisions unless covered by a legal binding settlement agreement.

INTO WORK

NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

4. Expenditure (continued)

The average monthly number of employees during the year was:

	2022	2021
	No.	No.
Management staff	4	4
Project staff	17	15
Administrative staff	2	1
	<hr style="width: 50%; margin: 0 auto;"/>	<hr style="width: 50%; margin: 0 auto;"/>
Total	23	20
	<hr style="width: 50%; margin: 0 auto;"/>	<hr style="width: 50%; margin: 0 auto;"/>

No emoluments were paid to Directors and £Nil (2021: £Nil) expenses were reimbursed in the current year to Directors.

At the year end the Charity considers its key management personnel comprise the Senior Manager, Service Delivery Managers and the Finance Manager. The total employment benefits including employer pension contributions of the key management personnel was £167,986 (2021: £164,225). No employee had emoluments of more than £60,000 during either the current or previous year.

5. Summary analysis of expenditure and related income for activities

This table shows the cost of the main activities and the sources of income that support those activities.

	Fundraising costs	All in Edinburgh	Employment support	Total 2022	Total 2021
	£	£	£	£	£
Costs	(5,588)	(336,217)	(332,694)	(674,499)	(625,986)
Donations	2,674	-	-	2,674	112
Grants and service level agreements	-	358,884	305,657	664,541	594,214
Consultancy	-	-	6,888	6,888	555
Investment income	10	-	-	10	29
	<hr style="width: 50%; margin: 0 auto;"/>	<hr style="width: 50%; margin: 0 auto;"/>	<hr style="width: 50%; margin: 0 auto;"/>	<hr style="width: 50%; margin: 0 auto;"/>	<hr style="width: 50%; margin: 0 auto;"/>
Total	(2,904)	22,667	(20,149)	(386)	(31,076)
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INTO WORK

NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

6. Net income for the year

	2022	2021
	£	£
This is stated after charging:		
Depreciation	6,031	3,917
Auditors' remuneration – audit fee	4,000	5,310
Operating lease	24,773	22,997

7. Tangible fixed assets

	Office equipment	Computer equipment	Total
	£	£	£
Cost			
At 1 April 2021	5,852	36,482	42,334
Additions	254	1,376	1,630
Disposals	-	-	-
At 31 March 2022	6,106	37,858	43,964
Depreciation			
At 1 April 2021	4,614	24,888	29,502
Charge for year	404	5,627	6,031
Eliminated on disposals	-	-	-
At 31 March 2022	5,018	30,515	35,533
Net book value			
At 31 March 2022	1,088	7,343	8,431
At 31 March 2021	1,238	11,594	12,832

INTO WORK

NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

8. Investments	2022	2021
	£	£
Market value at 1 April 2021	575,258	464,242
Disposals	(30,000)	-
Unrealised gain on investments	63,519	111,016
Realised gain on investments	3,288	-
	<hr/>	<hr/>
Market value at 31 March 2022	612,065	575,258
	<hr/> <hr/>	<hr/> <hr/>
Historic cost		
At 31 March 2022 (excluding cash)	492,993	517,000
	<hr/> <hr/>	<hr/> <hr/>
The portfolio consists of:		
	2022	2021
	£	£
UK securities and unit trusts	612,065	575,258
	<hr/> <hr/>	<hr/> <hr/>

The UK securities invested in are themselves invested in a diverse portfolio including overseas equities, UK equities, property, other assets and cash. All investments are carried at their fair value. Investments are all traded in quoted public markets, primarily the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

9. Debtors	2022	2021
	£	£
Grants receivable	29,907	47,347
Other debtors	31,858	13,240
	<hr/>	<hr/>
Total	61,765	60,587
	<hr/> <hr/>	<hr/> <hr/>

10. Creditors: amounts falling due within one year:	2022	2021
	£	£
Other taxation and social security	15,793	12,606
Pension contributions	4,200	4,695
Accruals	6,251	23,191
VAT	22,330	40,850
	<hr/>	<hr/>
Total	48,574	81,342
	<hr/> <hr/>	<hr/> <hr/>

INTO WORK

NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

11. Commitments under operating leases

At 31 March 2022 the Charity had annual commitments under non-cancellable operating leases as set out below:

	2022	2022	2021	2021
	Land &	Other	Land &	Other
	buildings		buildings	
	£	£	£	£
Operating leases which expire:				
Within one year	800	61	10,451	404
One to two years	-	-	800	61
Two to five years	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

INTO WORK

NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

12. Movement on funds

		At 1 April 2021	Income Expenditure		Gains & (losses)Transfers		At 31 March 2022
	Note	£	£	£	£	£	£
Restricted funds:							
Understanding Autism Fund	a	5,559	54,120	(51,754)	-	-	7,925
CEC – Project SEARCH	b	2,156	26,683	(27,668)	-	-	1,171
East Lothian	c	20,530	42,957	(42,715)	-	(16,949)	3,823
Midlothian	d	1,386	36,893	(26,554)	-	-	11,725
Improving Lives	e	-	55,271	(51,482)	-	-	3,789
Wellbeing+ and Welfare Rights Project	f	19,680	8,100	(26,183)	-	-	1,597
Alliance’s Self-Management	g	-	5,000	(2,240)	-	-	2,760
Inclusion Works!	h	-	18,553	(16,811)	-	-	1,742
		-----	-----	-----	-----	-----	-----
Total restricted funds		49,311	247,577	(245,407)	-	(16,949)	34,532
		-----	-----	-----	-----	-----	-----
Unrestricted funds:							
Designated funds:							
CEC – All in Edinburgh	k	-	358,884	(343,188)	-	(15,696)	-
Investment fund	l	575,258	-	-	66,807	(30,000)	612,065
Fixed asset fund	m	12,832	-	(6,031)	-	1,630	8,431
		-----	-----	-----	-----	-----	-----
Total designated		588,090	358,884	(349,219)	66,807	(44,066)	620,496
General fund		117,610	67,652	(79,873)	-	61,015	166,404
		-----	-----	-----	-----	-----	-----
Total unrestricted		705,700	426,536	(429,092)	66,807	16,949	786,900
		-----	-----	-----	-----	-----	-----
Total funds		755,011	674,113	(674,499)	66,807	-	821,432
		=====	=====	=====	=====	=====	=====

Notes on funds:

- a. The Understanding Autism Fund, managed by Inspiring Scotland on behalf of the Scottish Government, is the Autism Works! project in co-production and co-presentation with autistic people to develop and deliver a comprehensive training programme to a range of businesses to improve their understanding of autism within employment policy and practice. The transfer from the fund represents assets purchased in the year using the funding. This period has also seen additional funding contributing to the total cost of this project, including the National Lottery Awards for All Scotland. The Autism Works team are now at a stage in which they seeking to income generate for the cost of training delivered from employers and are testing the market with this.

INTO WORK

NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

12. Movement on funds (continued)

Notes on funds (continued):

- b. Project SEARCH was funded by the City of Edinburgh Council. It provided a supported internship programme for disabled people. The programme was a partnership between two host employers (City of Edinburgh Council and NHS Lothian), a training provider (Edinburgh College) and a supported employment agency (Into Work). The funding pays for Into Work's job coaching element of the programme.
- c. The "Into Work East Lothian" project is funded by East Lothian Council's Partnership Fund to provide peer support to young people at risk of leaving education without a positive destination. This service is based at East Lothian Works in Haddington. Into Work also supplies part-time welfare rights expertise which is funded by and delivered at East Lothian Works. The transfer from this fund represents a contribution to overheads, as agreed with the funder, that were miss allocated in the previous years accounts.
- d. The "Into Work Midlothian" project is funded by Midlothian Council through their Employability Learning and Training Standard grant fund to support disabled job seekers into employment, Further Education (FE) training, placement, volunteering or employment focused training. The transfer from the fund represents assets purchased in the year using the funding.
- e. Improving Lives is funding received from the National lottery and the Agnes Hunter Trust to help widen our service offer by providing access to welfare rights support and wellbeing support to all of Into Work's clients across all of our services.
- f. The new Wellbeing+ and Welfare RightsProject has been initially funded by a mix of funders including the Communities Recovery Fund, managed by National Lotteries Community Fund on behalf of the Scottish Government, National Lottery Awards for All, Anton Jurgens Charitable Trust and the Community Response, Recovery and Resilience Fund, managed by Foundation Scotland. This funding supports our Wellbeing Coach to co-produce and provide 1 to 1 as well as group wellbeing support to disabled people and people with long term health conditions.
- g. Alliance's Self-Management small grant to provide research and a report into the feasibility of Into Work developing mentoring support to clients in work.
- h. City of Edinburgh Council's Young Person's Guarantee funding to pilot a small project called Inclusion Works! offering groupwork sessions to young disabled people in Edinburgh who had disengaged from school or education.
- i. The Workplace Equality Fund, managed by Impact: Funding Partners on behalf of the Scottish Government, enabled Into Work to develop relationships and deliver awareness training to private sector employers around improving equality in employment for disabled people. The transfer from the fund represents assets purchased in the year using the funding.

INTO WORK

REPORT OF THE DIRECTORS

for the year ended 31 March 2022

12. Movement on funds (continued)

Notes on funds (continued):

- j. The Corra Foundation funding was COVID response funding which enabled Into Work to provide enhanced coaching services in Midlothian.
- k. The All in Edinburgh project is funded by City of Edinburgh Council via Capital City Partnership's Improving Employability Challenge Fund to provide a specialist employment service to Edinburgh residents who are disabled, neurodiverse, or who have a health condition. Into Work delivers the project in partnership with three other agencies.
- l. The investment fund corresponds to the value of investments. This has been designated during the year as these assets are intended to be used as a long term investment for the Charity and will be used to grow capital, generate annual income as needed, and pursue other projects in line with the objects of the Charity in the future. These funds could also be used to secure the Charity's ongoing existence in the short-term.
- m. The fixed asset fund corresponds to the net book value of fixed assets. Annual depreciation is charged to the fund and the cost of fixed assets purchased is transferred into it.

INTO WORK

REPORT OF THE DIRECTORS

for the year ended 31 March 2022

12. Movement on funds (continued)

	Note	At 1 April 2020 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	At 31 March 2021 £
Restricted funds:							
Understanding Autism Fund	a	11,248	33,258	(34,995)	-	(3,952)	5,559
CEC – Project SEARCH	b	7,662	92,231	(97,737)	-	-	2,156
East Lothian	c	1,587	41,000	(22,057)	-	-	20,530
Midlothian	d	3,250	16,667	(17,491)	-	(1,040)	1,386
Improving Lives	e	235	6,950	(7,185)	-	-	-
Workplace Equality Fund	i	9,624	13,094	(19,354)	-	(3,364)	-
Wellbeing+ Project	g	-	24,800	(5,120)	-	-	19,680
Corra Foundation	j	-	2,000	(2,000)	-	-	-
Total restricted funds		33,606	230,000	(205,939)	-	(8,356)	49,311
Unrestricted funds:							
Designated funds:							
CEC – All in Edinburgh	k	-	347,984	(329,250)	-	(18,734)	-
Investment fund	l	464,242	-	-	111,016	-	575,258
Fixed asset fund	m	8,393	-	(3,917)	-	8,356	12,832
Total designated		472,635	347,984	(333,167)	111,016	(10,378)	588,090
General fund		168,830	16,926	(86,880)	-	18,734	117,610
Total unrestricted		641,465	364,910	(420,047)	111,016	8,356	705,700
Total funds		675,071	594,910	(625,986)	111,016	-	755,011

INTO WORK

NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

13. Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	-	8,431	-	8,431
Fixed assets investments	-	612,065	-	612,065
Net current assets	166,404	-	34,532	200,936
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets at 31 March 2022	166,404	620,496	34,532	821,432
	<hr/>	<hr/>	<hr/>	<hr/>
	General fund £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	-	12,832	-	12,832
Fixed assets investments	-	575,258	-	575,258
Net current assets	117,610	-	49,311	166,921
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets at 31 March 2021	117,610	588,090	49,311	755,011
	<hr/>	<hr/>	<hr/>	<hr/>

14. Pension and other post-retirement benefit commitments

Defined contribution pension scheme

The Charity participates in a defined contribution pension scheme run by NEST. The Charity's contribution to this scheme is 7.5% of participants' salaries which is charged to the Statement of Financial Activities in the year to which the payments relate. This scheme is open to all qualifying employees.

Defined contribution	2022	2021
	£	£
Contributions payable by the Charity for the year	40,195	39,612
Amounts outstanding at the year end	4,200	4,695
	<hr/>	<hr/>

INTO WORK

NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

15. Related party transactions

No one individual had control of the Charity during the year.

There were no related party transactions during the year as required to be disclosed by Financial Reporting Statement 102.

16. Company limited by guarantee

The Charitable Company has no share capital as it is a Company limited by guarantee.