

Company No: SC309982
Scottish Charity No: SC037917

UPWARD MOBILITY LTD.
(A Company Limited by Guarantee)

REPORT OF THE TRUSTEES and FINANCIAL STATEMENTS

Year ended 31 October 2015



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UPWARD MOBILITY LTD.

REPORT and FINANCIAL STATEMENTS

For the year ended 31 October 2015

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UPWARD MOBILITY LTD.

REPORT OF THE TRUSTEES

REFERENCE and ADMINISTRATIVE INFORMATION

The Trustees present their report and financial statements for the year ended 31 October 2015.

Trustees

The members of the Board of Trustees who have served since the date of the last report are as follows:

C Farquhar (Chair of Board)
J Ireson
S Barclay
L Bird
A Bunn (resigned: 6 January 2016)
C Turnbull (appointed: 13 November 2014)
S Dow (appointed 16 October 2015)
Managing Director
J Barton

Registered Office
St Margaret's House
151 London Road
EDINBURGH
EH7 6AE

Auditor
Chiene +Tait LLP
Chartered Accountants
& Statutory Auditor
61 Dublin Street
EDINBURGH
EH3 6NL

Bankers
Royal Bank of Scotland plc
142 – 144 Princes Street
EDINBURGH
EH2 4EQ

UPWARD MOBILITY LTD.

REPORT OF THE TRUSTEES (Continued)

The Trustees are pleased to present their report together with the financial statements of the Charity for the year ended 31 October 2015. The legal and administrative information on page 1 forms part of this report.

Directors and Trustees

The Directors of Upward Mobility Ltd are its Trustees for the purpose of Charity Law and throughout this report are collectively referred to as the Trustees.

The Trustees, who served during the year and since the year-end with areas of particular focus and expertise relevant to their appointment indicated, are as follows:

C Farquhar (Chair of Board): Project Development, Legislation & Policy
J Ireson: Fundraising & Healthy Living Programme
S Barclay: Corporate Sponsorship / Fundraising Events (resigned 6th April 2016)
A Bunn: Finance (resigned 6th January 2016 to join UPMO as member of staff)
C Turnbull: Health and Social Care (Co-opted 13th November 2014)
S Dow (appointed 16th October 2015)

The Management and Operations team consists of:

J Barton: Managing Director
L McGinnes: Human Resources Manager
K Russell: Support Service Manager (from 8th September 2015)
V Barton: Support Compliance Manager
A Bunn: Strategy and Planning Manager (from 6th January 2016)
G McLay: Curriculum Manager (from 1st March 2016)
J Price: Staff Team Manager
D Craigie: Staff Team Manager / Student Inductions
L Raluy Staff Team Manager (from 1st March 2016)
R Flett – Staff Team manager/Outward Mobility (from 1st June 2015)
S Walker – Senior Team Leader (from 1st January 2016)
W MacAdie: Finance & Accounts Administrator (from 4th April 2016)
C Anderson: Finance Accounts Administrator (from July 2015)
K Tregaskis: Fundraiser (from July 2015)

OBJECTIVES AND ACTIVITIES

Upward Mobility Ltd is a charitable organisation based in Edinburgh. Working with service users from the local area and throughout the Lothians, our objective is to promote self-confidence and personal development for adults with intellectual and physical difficulties. Upward Mobility specialises in providing educational and creative workshops within a structured and progressive day service environment. Workshops are based upon detailed objectives and individual outcomes, designed to build self-confidence while providing unique opportunities for creative expression and personal development. Upward Mobility provides an extensive range of workshops throughout the week and in the following subject areas - *Fine Art, Performing Arts, Community Gardening, Life Skills, Social Awareness, and Work Experience*.

Upward Mobility is a registered support services provider with the expertise to provide one to one support to students 24 hours per day, 7 days per week, 52 weeks per year whenever it is required. The support services provided by Upward Mobility currently constitute the majority of the Charity's income generated.

UPWARD MOBILITY LTD.

REPORT OF THE TRUSTEES (Continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Upward Mobility Ltd. is a Charitable Company registered as a Charity on 14 March 2007.

The organisation is limited by guarantee and governed by its Memorandum and Articles of Association. The liability of members is limited to £1 each. The organisation was accepted as a charitable body by HM Revenue & Customs and is registered with the Office of the Scottish Charity Regulator (OSCR). The organisation was also registered with the Care Inspectorate on 23 March 2009.

Registered Bodies:

Companies House
Office of the Scottish Charity Regulator (OSCR)
Care Inspectorate
Disclosure Scotland
Criminal Records Bureau Scotland (CRBS)
Information Commission office (ICO)

Membership Organisations

Scottish Council for Voluntary Organisations (SCVO)
Institution of Fundraising (IoF)

Partners

Upward Mobility is grateful for the collaborative relationships that have been established with other organisations and service providers. We have continued to work closely with *Edinburgh Palette* (www.edinburghpalette.co.uk), formerly *Arts Complex*, who manage the building where our main premises are located at 151 St Margaret's House. We are grateful for their collaboration in promoting artists, exhibitions and events. We are also grateful for all of their continued support.

We also continue to work closely with the *City of Edinburgh Council*, *East Lothian Council* and increasingly with *Midlothian Council* and *West Lothian Council*. Thanks to their interest in Upward Mobility we are able to continue the development of our programmed workshops and activities as well as support services for a growing number of people who benefit from them. For the fourth year running we have been fortunate enough to be able to collaborate with *Edinburgh College* (www.edinburghcollege.ac.uk) in facilitating the provision of SQA Access Level 2 courses through Upward Mobility's workshop structure and the Curriculum For Excellence.

Organisational Structure and Decision Making

The Charity is overseen by the Managing Director under the guidance and governance of the Board of Trustees. The Managing Director is continuing to develop the management and operations team as befits the organisation's growth and projected demand. This team is professionally equipped and trained to respond to the demands of the service led operation.

Recruitment and Appointment of New Trustees

The Trustees may, at any time, unanimously agree to appoint any person as a Trustee provided that the prescribed maximum number of 12 Trustees is not exceeded. Trustees are co-opted on the basis of the skills they bring and their interest in and commitment to furthering the aims and objectives of Upward Mobility Ltd. Trustees are elected annually by the membership at Upward Mobility's Annual General Meeting.

Trustee Induction Training

All members work towards the Charity's aims and objectives and serve within the constituted guidelines. Trustees, if not already aware, learn the principles and practice of the Charity and Company Regulations as part of their induction. Additional training is offered in relation to roles and responsibilities of individual trustees in the following areas: *Trustees' Roles & Responsibilities*, *Governance*, *Finance* and *Charity Law*. We currently source these trainings through two organisations: *Edinburgh Voluntary Organisational Committee (EVOC)* and *Scottish Council for Voluntary Organisations (SCVO)*.

UPWARD MOBILITY LTD.

REPORT OF THE TRUSTEES (Continued)

Recruitment and Appointment of New Employees and Volunteers

Employees and volunteers are recruited using safe recruitment practices that fully adhere to the National Care Standards regulated by the Care Inspectorate. The National Care Standards require that all new appointees are processed through The Protecting Vulnerable Groups Scheme (PVG) which consists of Enhanced Disclosures conducted by the CRBS (Criminal Records Bureau Scotland) in partnership with Disclosure Scotland.

Employee and Volunteer Induction Training

Upward Mobility has invested a significant amount of resources into creating its own internal, carefully designed, 4 day induction training programme which is completed by all new employees and volunteers before the start of employment / placement. The objective of the training is firstly to ensure familiarity as well as adherence to the National Care Standards but also to introduce new employees and volunteers to the unique systems, resources and structures that make Upward Mobility the dynamic and innovative organisation that it is. This induction includes but is not restricted to *National Care Standards and Legislation, Adults Support & Protection, Student Documentation, Data Protection, Workshops and Workshop Support / Facilitation, Curriculum of Excellence, Epilepsy Awareness, First Aid Awareness as well as Moving and Positioning*. Appointments are made with full reference to service capacity strategically linking identified skills (*art, drama, dance, music, horticulture, catering, cooking, cycling, etc*) to appropriate support service and project requirements.

In the instance where new appointees are required for the extra curricular and administrative activities, but not support services, then relevant training is provided by Upward Mobility.

Risk Management

The Trustees have considered the risks faced by the charity and have put appropriate procedures in place to mitigate against any possible impact that these risks may pose. This includes regular reviewing of existing relationships with partnership organisations and monitoring the fluctuating external economic environment, particularly in regard to new funding opportunities and trends in demand for Upward Mobility services. Upward Mobility is currently looking to increase the number of Trustees to strengthen and consolidate governance as well as to enhance the capacity, network and profile of the Charity.

Related Parties

The Charity is independent of any analogous organisation(s).

FINANCIAL REVIEW AND ACHIEVEMENTS

The growth in activities has been in line with the planned objectives for the financial year 2014-2015.

The key financial indicators in the year are:

- the overall funds are now in surplus to the value of £87,534
- there has been a 10.2% increase in annual incoming resources this year over last
- the working capital ratio is 1.44 which shows a healthy liquidity position
- the acquisition of economically priced accommodation has facilitated business growth

Income

Growth in income is mainly attributed to a growth in student numbers with an increase of 11% in income from charitable activities (£998,442 in 2014 to £1,105,069 in 2015). Contracted support services continue to constitute the principle income for the Charity. Residual income via fundraising activities raised a total of £24,782 with fundraising activities increasing 94% to £21,339. Voluntary income fell from £28,087 in 2014 to £17,443 in 2015 reflecting a one-off donation of £25,000 to fund the purchase of a mini-bus in 2014.

Whilst local authorities and parents commission the support service we provide for our students, we rely on grant funding to deliver our workshop programme and curriculum. Upward Mobility has received grants, through funding applications, which has enabled the development of workshop resources and activities.

UPWARD MOBILITY LTD.

REPORT OF THE TRUSTEES (Continued)

Grants

Total grant funding received in the financial year was £100,659 increasing from £79,946 in the previous financial year.

Restricted Funds £86,659

- Sharecare Scotland: £25,132 for Outward Mobility
- Community Food Health Scotland Charitable Trust: £2,825 for Café project
- Sylvia Aitken Charitable Trust: £1,500 for Café project
- The Clothworker's Foundation: £18,000 for Café project
- The James T Howat Charitable Trust: £250 allocated to Café project
- Bank of Scotland Communities: £3,000 allocated to Café project
- The Russell Trust: £1,000 allocated to workshop investment
- The RS Macdonald Foundation: £20,200 for the Sensory Room
- The Souter Charitable Trust: £2,000 allocated to workshop investment
- The Peoples Postcode Lottery: £11,552 for the Heart and Soil project
- Edinburgh Palette: £1,200 for gardening

Unrestricted Funds £14,000

- The Boshier-Hinton Foundation: £5000 allocated to workshop investment
- Miss I F Harvey's Charitable Trust: £3000 allocated to wetroom and first aid room
- The Albert Hunt Trust: £1000 for North Edinburgh Arts project
- Screwfix: £1000 for the wet room and first aid room.
- The Nancie Massie Trust: £4,000 for North Edinburgh Arts project

The cost of generating these funds was £29,453 ('Cost to funding achieved' ratio 3.4:1).

Expenditure

Costs were effectively managed and controlled. As predicted and planned for, staff salaries took up the greatest part of expenditure, 81%. This is in line with on 2014 (81%) despite an increase in student numbers. The established costing model for workshops continues to be utilised to ensure that satisfactory margins are achieved but not at the expense of our exceptional staff to student support ratios.

Accommodation – The previous agreement with Edinburgh Palette (St. Margaret's House leaseholders) for the rent of £3,600 per month underwent its annual rental contract appraisal in November 2014 with an extension to the duration of rental contract negotiated and achieved for a fixed period of 5 years. Rent payable of £3,600 per calendar month remains in place until November 2015 - subject to annual rental contract appraisal.

IT, postage, stationary and telephone / internet costs have increased in relation to the growth of the operational structure.

Computer expenses consist of maintenance, new equipment, coordination costs, and bookkeeping and payroll support fees. Costs in 2013/14 were higher due to a one-off investment in 'People Planner' software to increase our ability to schedule staff and students more efficiently.

The allocation for depreciation had risen significantly due to the capitalisation of improvements and installation of the Café. These additions are being depreciated over a period of 2 years. The Charity's capitalisation policy is reviewed annually to ensure relevancy and effectual financial management.

UPWARD MOBILITY LTD.

REPORT OF THE TRUSTEES (Continued)

Balance Sheet and Cash flow

The balance sheet for the current year now reflects a surplus of £87,534 in relation to total assets over total liabilities from a surplus of £90,135 in year 2013/14. Increase in revenues, investment in operational structure and the effective management of these resources have largely contributed to this position.

Creditors – Total short-term liabilities of £68,957 were managed and all outstanding liabilities as at year end were fully settled within specified terms.

Debtors – Effective credit control has ensured that invoiced revenues have been received within the standard timescale with an average time to pay period of 21 days. Bad debt “write-offs” represent 0.005% of gross service income. £45,317 of £59,267 related to service income due from councils which was settled in November 2015.

Cash Flow - Has been effectively managed and the pressure to meet outgoing commitments within the standard timeframes is manageable.

Investment

Main investments during the year were the development of Café YoYo, iMuse and sensory room, the Heart and Soil project and installation of a wet room with tracking hoist. Maintenance and refurbishment of our existing premises also continued. Further details are outlined in the Review section.

All significant investments require authorisation by the Board of Trustees in conjunction with the financial risk management process.

Reserves Policy

The Charity's reserves serve to ensure the safety and welfare of the users of Upward Mobility's services while providing financial sustainability for the organisation. The Trustees aim to build a reserve to cover three months operational costs and £1000 per month is being paid into a restricted access account. These funds will only be accessed in an emergency and only with the agreement of the trustees.

REVIEWS OF THE YEAR

The income for Upward Mobility Ltd continues to be generated primarily through the support services offered by the Charity. At the end of this financial year we have 138 students attending our workshops each week. Staff costs have been effectively managed with an increase of 9% compared to an increase in service income of 11%. Demand for our services continues to grow and we currently have a growing waiting list for many of our workshops and where students are requesting full-time placements we are currently only able to offer three days per week due to capacity constraints.

During the year we completed the installation of a state of the art iMuse facility and sensory room. iMuse is based on ground-breaking field research by Professor Phil Ellis at the University of Sunderland using musical technology to allow people with profound disabilities to find new ways of expressing themselves and allows them to completely control their environment for perhaps the first time in their lives. The facility launched in July 2015 and is currently running 2 days per week with 8 sessions per day. We aim to increase our service to four days per week once additional staff have been trained to use the facility.

Outward Mobility has continued to develop as an innovative short breaks project with support from Shared Care Scotland Short Breaks Fund. In the last year we have run a pilot trip to Paris for three students – for two students it was their first experience on a plane and being abroad. We have also taken a group on a camping trip to Glencoe for hillwalking and outdoor adventures. Other trips have involved canoeing, archery, raft building and gorge walking.

UPWARD MOBILITY LTD.

REPORT OF THE TRUSTEES (Continued)

REVIEWS OF THE YEAR (Continued)

We also received grant funding to upgrade our teaching kitchen and add a commercial grade café, christened 'Café Yo Yo' by our students. From December 2015 the students have started lunch service two days a week, making simple lunches for the other students and staff. The supported environment is a progression from our standard cooking workshops where students learn basic food safety, nutrition, budgeting and cleaning up. The launch of Café Yo Yo is a major achievement for Upward Mobility. Our Heart & Soil pilot project was developed to provide a unique, quality garden maintenance service, targeted at older & disabled people who were unable to manage their gardens, plus offering vocational gardening experience for adults with learning disabilities. This has since led to our landscape gardening service that transforms local eyesores into community green spaces.

We continued to maintain and refresh our existing premises and work was undertaken to improve the facilities for giving personal care to students with complex physical disabilities. A hospital standard wet room with an overhead tracking ceiling hoist has been added to the current first aid room. This greatly increases privacy and comfort for students. The student office was also upgraded with bespoke workstations built to maximise wheelchair accessibility.

Our satellite projects continue at Prestonpans and North Berwick and provide us with additional flexibility and further opportunities for our students. We also operated a 6 month pilot project at North Edinburgh Arts that provided an alternative option for students in the West of Edinburgh.

FUTURE PLANS

It is recognised by Scottish Government as well as local authorities that there is a significant lack of meaningful opportunities for adults with learning difficulties and for people with autism. Since its establishment, Upward Mobility has been addressing this need for social provision and we can see that the demand is significant and growing. Yet, we are not currently able to meet the current demand for our services due to lack of physical space as well as organisational capacity. We currently have a growing waiting list for many of our workshops and where students are requesting full-time placements we are currently only able to offer three days per week.

Employability Project

We are actively pursuing funding to expand our employability programme and allow us to recruit a Work Experience Manager. The Employability programme allows students to progress through stages at their individual pace, developing skills and overcoming barriers to employment (in line with Scottish Government Strategic Skills pipeline). First, participating in our internal workshops, then onto our workshops offering professional services and finally onto external placements with employers.

In the short term increased funding would allow us to

- Employ a work experience manager and continue funding for our curriculum manager
- Expand the student run café to open five days per week (three additional days) and offer service to external customers
- Provide 20 students with training and qualifications for working in the food industry
- Expand our landscaping service to five sessions per week (two additional sessions)
- Provide 16 students with the skills working with gardening tools and an awareness of health and safety
- Expand the Employable Skills Workshop to five days per week (four additional sessions)
- Provide 20 students with training in Interview Skills

In the long term increased funding would allow us to develop:

- Sustainable employability programme for young adults with learning disabilities and autism
- Network of potential employers offering opportunities for our students
- Increased physical capacity and disabled facilities to support increasing demand for our services
- A volunteer programme to provide additional support for the organisation
- Expansion of the student involvement group
- A parental involvement group to capitalise on the skills and experience of our parents

UPWARD MOBILITY LTD.

REPORT OF THE TRUSTEES (Continued)

TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of Upwards Mobility Ltd. 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 that 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 the year. In preparing the financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in 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 presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

BY ORDER OF THE BOARD

C F Farquhar

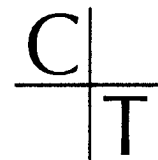
Trustee, Chair of Board

C F Farquhar 2016

25th July 2016

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

AND MEMBERS OF UPWARD MOBILITY LTD



We have audited the financial statements of Upward Mobility Ltd for the year ended 31 October 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charity'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 (as amended). Our audit work has been undertaken so that we might state to the members and the Charity's Trustees 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 Charity, its members as a body and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, 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.

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 regulations made under those Acts.

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

Scope of the audit of the financial statements

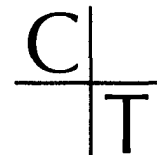
A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 October 2015, 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 (applicable to smaller entities); and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
AND MEMBERS OF UPWARD MOBILITY LTD (Continued)



Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

Matters on which we are required to report by exception

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 periods 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees and take advantage of the small companies exemption from the requirement to prepare a strategic report.

JEREMY HARPER CA (Senior Statutory Auditor)
For and on behalf of
CHIENE + TAIT LLP
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

26 July 2016

Chiene + Tait LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

UPWARD MOBILITY LTD.

STATEMENT of FINANCIAL ACTIVITIES

Year ended 31 October 2015

| | Notes | Restricted Funds £ | Un- restricted Funds £ | 2015 Total £ | 2014 Total £ |
|---|---------------|--------------------------|---------------------------------|--------------------|--------------------|
| Incoming Resources | | | | | |
| Incoming resources from generated funds: | | | | | |
| Voluntary income | 2 | - | 17,443 | 17,443 | 28,087 |
| Activities for generating funds – fundraising | | - | 21,339 | 21,339 | 10,984 |
| Interest received | | - | 157 | 157 | 231 |
| Incoming resources from charitable activities | 3 | 86,659 | 1,018,410 | 1,105,069 | 998,442 |
| Other incoming resources | | | | | - |
| Total incoming resources | | 86,659 | 1,057,349 | 1,144,008 | 1,037,744 |
| Resources expended | | | | | |
| Cost of generating funding | 5 | - | 29,453 | 29,453 | 16,784 |
| Charitable activities | 6 | 145,465 | 967,581 | 1,113,046 | 1,032,524 |
| Governance costs | 8 | - | 4,110 | 4,110 | 3,000 |
| Total resources expended | | 145,465 | 1,001,144 | 1,146,609 | 1,052,308 |
| Net outgoing funds before transfers | | (58,806) | 56,205 | (2,601) | (14,564) |
| Transfers between funds | 14 | 1,963 | (1,963) | - | - |
| Net movement in funds | | (56,843) | 54,242 | (2,601) | (14,564) |
| Total funds brought forward | | 92,422 | (2,287) | 90,135 | 104,699 |
| Total funds carried forward | 14, 15 | 35,579 | 51,955 | 87,534 | 90,135 |

The company has no recognised gains or losses other than those included in the Statement of Financial Activities.

All activities relate to continuing operations.

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The notes on pages 13 to 20 form part of these financial statements.

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UPWARD MOBILITY LTD.

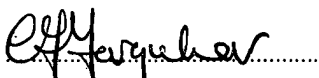
BALANCE SHEET

As at 31 October 2015

| | Notes | £ | 2015 £ | £ | 2014 £ |
|--|-------|---------------|---------------|----------------|----------------|
| Fixed assets | 11 | | 57,355 | | 45,702 |
| Current assets | | | | | |
| Debtors | 12 | 62,549 | | 18,670 | |
| Cash at bank and in hand | | 36,587 | | 87,346 | |
| | | <u>99,136</u> | | <u>106,016</u> | |
| Creditors:- Amounts falling due within one year | | | | | |
| Sundry creditors and accruals | | 48,755 | | 43,503 | |
| Taxation and social security | | <u>20,202</u> | | <u>18,080</u> | |
| | | <u>68,957</u> | | <u>61,583</u> | |
| Net current assets | | | 30,179 | | 44,433 |
| Net assets | | | <u>87,534</u> | | <u>90,135</u> |
| Funds | | | | | |
| Restricted funds | 13 | | 35,579 | | 92,422 |
| Unrestricted funds - General | 14 | | <u>51,955</u> | | <u>(2,287)</u> |
| Total Funds | | | <u>87,534</u> | | <u>90,135</u> |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board of Trustees on 25 July 2016 and signed on its behalf by:

 C F Farquhar
25th July 2016

Company No. SC309982

UPWARD MOBILITY LTD.

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 October 2015

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended), Statement of Recommended Practice - Accounting and Reporting by Charities (SORP) 2005 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

Going concern

The financial statements have been prepared on a going concern basis. The Trustees have assessed the Charity's ability to continue as a going concern and have reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal and constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities. The company is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Cost of generating funds are those costs associated with the generation of the Charity's incoming resources.

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

Fixed assets

Items costing less than £500 are not capitalised in the balance sheet.

Depreciation

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

| | |
|------------------------|---|
| Motor vehicle | - straight line over 4 years |
| Office equipment | - 33 1/3 % straight line |
| Leasehold improvements | - 20% straight line and 50% straight line for additions |

Voluntary income

Voluntary income is received by way of grants, donations and gifts, and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by Upward Mobility Ltd, are recognised when Upward Mobility Ltd becomes unconditionally entitled to the grant.

Project grants receivable

Project grants, including capital grants, are included in incoming resources when they are receivable.

Incoming resources from charitable activities

Incoming resources from charitable trading activity are accounted for when earned.

Operating lease

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

Volunteers

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution of volunteers can be found in the Report of the Trustees.

UPWARD MOBILITY LTD.

NOTES to the FINANCIAL STATEMENTS (Cont'd)

For the year ended 31 October 2015

1. Accounting Policies (Contd.)

Restricted Funds

Better Breaks Programme

This fund furthered by £25,132 to provide aid for Upward Mobility's work in providing trips.

Café Project

This fund was provided to aid Upward Mobility's creation of a training kitchen for students which has been expanded due to grants received. Various grants were received in the year totalling £25,575 as detailed in note 3.

Greenseeds and Heart & Soil Project

This fund was furthered by a grant of £1,200 towards the cost of maintenance & landscaping the garden areas of St Margaret's House and the installation of an outdoor classroom by *Edinburgh Palette*.

The People's Postcode Lottery granted £11,552 towards the costs of the "Garden Buddy" project.

Sensory Room

The project to install a state of the art sensory room was granted £20,200 by R S Macdonald Charitable Trust to build the sensory room, provide equipment for the room and to provide training to staff and the Souter Charitable Trust granted £2,000.

Unrestricted Funds

General fund

The General fund represents the unrestricted funds, which the Trustees are free to use in accordance with the charitable objects.

2. Voluntary income

| | 2015 | 2014 |
|--|---------------|---------------|
| | £ | £ |
| Restricted donations: | | |
| Donation towards minibus / travel project | - | 25,000 |
| Unrestricted donations: | | |
| Donation from St Cuthbert's Episcopal Church | - | 1,000 |
| Nancie Massie Charitable Trust | 4,000 | - |
| The Albert Hunt Charitable Trust | 1,000 | - |
| Crears Hotels Trust | - | - |
| Martin Connell Charitable Trust | - | - |
| Forbes Charitable Foundation | - | - |
| Miss I F Harvey's Charitable Trust | 3,000 | - |
| Margaret Murdoch Charitable Foundation | - | - |
| Screwfix Foundation | 1,000 | - |
| Boshier Hinton Foundation | 5,000 | - |
| Other donations of less than £1,000 | 3,443 | 2,087 |
| | 17,443 | 28,087 |
| | ===== | ===== |

UPWARD MOBILITY LTD.**NOTES to the FINANCIAL STATEMENTS (Contd.)****For the year ended 31 October 2015**

| 3. Incoming resources from charitable activities | 2015 £ | 2014 £ |
|---|-------------------|-------------------|
| Service income | 1,018,410 | 918,496 |
| <i>Project grants received</i> | | |
| Community Film and Arts Project: | | |
| - The Robertson Trust | - | 12,000 |
| - Big Lottery Fund (Get UPMO and Dance) | - | 462 |
| Better Breaks Programme: | | |
| - Shared Care Scotland | 25,132 | - |
| Café Project: | | |
| - RTR Foundation | - | 4,000 |
| - The T Howat Charitable Trust | 250 | 500 |
| - CFHS Charitable Trust | 2,825 | - |
| - BOS Communities | 3,000 | - |
| - Sylvia Akiens Charitable Trust | 1,500 | - |
| - The Clothworkers' Foundation | 18,000 | - |
| - The Russell Trust | 1,000 | - |
| Bike Project: | | |
| - Co-Op Community Fund | - | 483 |
| Green Seeds: | | |
| - Edinburgh & Lothian Greenspace Trust | - | 722 |
| - Edinburgh Palette | 1,200 | 1,200 |
| Heart & Soil Gardening Project: | | |
| - Innovation Fund | - | 35,041 |
| - Big Lottery Fund | - | 1,538 |
| - Santander Foundation | - | 10,000 |
| - People's Post Code Lottery | 11,552 | - |
| Sensory Room Project: | | |
| - Souter Charitable Foundation | 2,000 | 2,000 |
| - RS Macdonald Charitable Trust | 20,200 | - |
| Building Refurbishment Project: | | |
| - Crears Hotels Trust | - | 4,000 |
| - Martin Connell Charitable Trust | - | 1,000 |
| - Forbes Charitable Foundation | - | 3,000 |
| - Miss I F Harvey's Charitable Trust | - | 3,000 |
| - Margaret Murdoch Charitable Foundation | - | 1,000 |
| | 1,105,069 | 998,442 |
| | ===== | ===== |

UPWARD MOBILITY LTD.

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 October 2015

| 4. Staff Costs | 2015 | 2014 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 879,513 | 814,997 |
| Social security costs | 53,077 | 40,444 |
| | <u>932,590</u> | <u>855,441</u> |
| | ===== | ===== |

Average (full time equivalent) staff numbers during the year were 45 (2014: 42). No employee received emoluments in excess of £60,000 during the year.

No remuneration or reimbursement of expenses was paid to the Trustees during the year. Trustee indemnity insurance costing £553 (2014: £553) was purchased during the year.

| 5. Costs of generating funds | 2015 | 2014 |
|-------------------------------------|---------------|---------------|
| | £ | £ |
| Fundraiser costs | - | - |
| Fundraiser salary costs | 28,855 | 16,300 |
| Fundraising expenses | 598 | 484 |
| | <u>29,453</u> | <u>16,784</u> |
| | ===== | ===== |

6. Resources expended – Charitable Activities

| | Unrestricted | Restricted | 2015 | 2014 |
|------------------------|---------------------|-------------------|------------------|------------------|
| | £ | £ | Total | Total |
| | | | £ | £ |
| Multi-sensory Room | - | 24,088 | 24,088 | - |
| Get UPMO and Dance | - | - | - | 1,862 |
| Green Seeds | - | - | - | 2,910 |
| Salary costs | 865,301 | 35,908 | 901,209 | 839,141 |
| Project support | - | - | - | 23,794 |
| Support costs (note 7) | 102,280 | 85,469 | 187,749 | 164,817 |
| | <u>967,581</u> | <u>145,465</u> | <u>1,113,046</u> | <u>1,032,524</u> |
| | ===== | ===== | ===== | ===== |

UPWARD MOBILITY LTD.**NOTES to the FINANCIAL STATEMENTS (Contd.)****For the year ended 31 October 2015**

| 7. Support costs | 2015 | 2014 |
|--|----------------|----------------|
| | £ | £ |
| Registrations and subscriptions | 1,669 | 465 |
| Training and expenses | 1,996 | 5,180 |
| Marketing, communication and publication | 2,776 | 3,019 |
| Rent | 44,705 | 43,155 |
| Maintenance | 24,609 | 27,968 |
| Administration fees | 3,946 | 3,053 |
| Postage, stationery and telephone | 14,333 | 11,650 |
| Computer expenses | 7,500 | 12,173 |
| Insurance | 7,165 | 2,744 |
| Subsistence, travel and motor expenses | 21,233 | 12,003 |
| Professional fees | 8,401 | 8,983 |
| Bank charges | 1,185 | 882 |
| Depreciation | 46,231 | 31,609 |
| Sundry expenses | 2,000 | 1,933 |
| | 187,749 | 164,817 |
| | ===== | ===== |
| 8. Governance costs | | |
| Audit | 4,110 | 3,540 |
| | 4,110 | 3,540 |
| | ===== | ===== |
| 9. Net incoming resources | 2015 | 2014 |
| | £ | £ |
| This is stated after charging | | |
| Auditor's remuneration | 4,110 | 3,540 |
| Depreciation | 46,231 | 31,609 |
| | ===== | ===== |

10. Taxation

Upward Mobility Ltd has charitable status for taxation purposes. In the year to 31 October 2015 it is considered that Upward Mobility Ltd's activities were within the scope of the charitable status and accordingly no provision for taxation is necessary.

UPWARD MOBILITY LTD.

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 October 2015

| 11. Fixed assets | Motor Vehicle £ | Leasehold Improve- ments £ | Gardening & Office Equipment £ | Total £ |
|--|--------------------------------|---|---|--------------------|
| Cost | | | | |
| At 1 November 2014 | 53,800 | 53,100 | 18,350 | 125,250 |
| Additions | - | 57,884 | - | 57,884 |
| At 31 October 2015 | 53,800 | 110,984 | 18,350 | 183,134 |
| Depreciation | | | | |
| At 1 November 2014 | 18,464 | 43,132 | 17,952 | 79,548 |
| Charge for year | 9,035 | 36,798 | 398 | 46,231 |
| At 31 October 2015 | 27,499 | 79,930 | 18,350 | 125,779 |
| Net book value at 31 October 2015 | 26,301 | 31,054 | - | 57,355 |
| Net book value at 31 October 2014 | 35,336 | 9,968 | 398 | 45,702 |

| 12. Debtors | 2015 £ | 2014 £ |
|------------------------|-------------------|-------------------|
| Service income debtors | 59,267 | 15,758 |
| Prepayments | 2,676 | 2,280 |
| Other debtors | 606 | 632 |
| | 62,549 | 18,670 |

13. Restricted Funds

Funds to be applied for the purposes specified by the Donors (as set out in note1).

| | Balance at 31 October 2014 £ | Incoming Resources £ | Outgoing Resources £ | Transfers £ | Balance at 31 October 2015 £ |
|---------------------------------|---|-------------------------------------|-------------------------------------|------------------------|---|
| Community Film and Arts Project | 12,511 | - | (12,511) | - | - |
| Green Seeds | 268 | - | (268) | - | - |
| Heart & Soil Gardening Project | 27,102 | 12,752 | (37,110) | - | 2,744 |
| Café Project | 4,500 | 25,575 | (27,560) | - | 2,515 |
| Sensory Room Project | 2,000 | 22,200 | (24,088) | - | 112 |
| Minibus/Travel Project | 32,095 | - | (8,025) | - | 24,070 |
| Better Breaks Project | 1,946 | 25,132 | (20,940) | - | 6,138 |
| Building Refurbishment Project | 12,000 | 1,000 | (14,963) | 1,963 | - |
| | 92,422 | 86,659 | (145,465) | 1,963 | 35,579 |

UPWARD MOBILITY LTD.

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 October 2015

14. Unrestricted Funds

| | Balance at 31 October 2014 £ | Incoming Resources £ | Outgoing Resources £ | Transfers £ | Balance at 31 October 2015 £ |
|--------------|---------------------------------------|----------------------------|----------------------------|----------------|---------------------------------------|
| General fund | (2,287) | 1,048,349 | (992,144) | (1,963) | 51,955 |
| | ===== | ===== | ===== | ===== | ===== |

15. Capital

The company being limited by guarantee has no share capital.

16. Commitments

a) Operating Lease Commitments

At 31 October 2015 the company held annual commitments under a non-cancellable lease as set out below.

| | 2015 £ | 2014 £ |
|--------------------------------|-----------|-----------|
| Operating leases which expire: | | |
| Within one year | - | 257 |
| Within two to five years | 1,132 | - |
| More than five years | 43,200 | 43,200 |
| | ===== | ===== |

b) Capital Commitments

There were no capital commitments as at 31 October 2015.

17. Analysis of net assets between funds

| | Tangible Fixed Assets £ | Net Current Assets £ | Total £ |
|--------------|----------------------------------|-------------------------------|------------|
| Restricted | 44,794 | (9,215) | 35,579 |
| General Fund | 12,561 | 39,394 | 51,955 |
| | ----- | ----- | ----- |
| | 57,355 | 30,179 | 87,534 |
| | ===== | ===== | ===== |

18. Related party transactions

During the period the company provided services, on an arm's length basis, to close family members of certain of the Trustees.