

UPWARD MOBILITY LIMITED
REPORT AND FINANCIAL STATEMENTS
for the year ended 31 October 2022

Charity number: SC037917
Company number: SC309982



UPWARD MOBILITY LIMITED

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UPWARD MOBILITY LIMITED

TRUSTEES' ANNUAL REPORT

for the year ended 31 October 2022

The Trustees are pleased to present their annual Trustees' report together with the financial statements of the Charity for the year ending 31 October 2022 which are also prepared to meet the requirements for a Directors' Report and Accounts for Companies Act purposes.

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).

INTRODUCTION FROM THE CHAIR

Another year gone with many positive achievements and challenges faced by Upmo and our strong core of staff, students, families and supporters. As our Senior Leadership team got their teeth into new developments such as Upmo Retail, curriculum development and improved information systems, we then faced increasing operational expenditure, lower than expected income and rising cost of living. Again, these challenges were not unique to Upmo and felt throughout the sector. The term 'perfect storm' is used more often than we'd like, perhaps we're just constantly operating in stormy conditions.

Andrew Thomson continues to steer our good ship Upmo through these choppy times, always looking to the horizon and stronger, calmer times. The past year has seen Upmo integrate and embed new technical solutions that allow us to securely store and access student information, schedule staff shifts, analyse organisational performance, run payroll, track and report on finances with much more potential now at our fingertips. This in turn empowers Claire Farquhar (Operations) and Alan Smart (Development) to deliver in their roles, support their teams and ultimately improve the experience and opportunities for all of our students.

Our dedicated Board of Trustees oversee the organisation, ensuring we are delivering our strategy, scrutinize finances and govern with responsibility. We all extend our gratitude and support to the full team at Upmo, those providing direct support to our students, those that lead and manage and of course the team behind the scenes that aren't always visible. Without you all, Upmo wouldn't be the organisation it is today.

I'd also wish to thank our commissioners of services, funders, fundraisers and volunteers for their ongoing and committed support. Their contributions ensure adults with learning disability and autism have choice, opportunity and support in their everyday lives. In the midst of financial challenges facing us all, the ethos at Upmo remains. Innovation, quality, opportunity and experience will be drivers for us all moving into 2023 with exciting plans in place and new area's development.

As always, we are grateful to those students who personally choose to join Upmo as well as City of Edinburgh, East Lothian and Midlothian Councils and the Scottish Government for their ongoing and committed support. We could not deliver the high quality, innovative opportunities that we do with the additional support from the Trusts and Partnerships that have financially supported us to do so throughout the year. Special mention must go to RS MacDonald, The Henry Smith Charity, Agnes Hunter Trust, National Lottery - Together for our Planet, Scottish Government Community Based Adult Learning Fund and SCVO – Adapt and Thrive for their generous and continued support of Upmo and our students.

UPWARD MOBILITY LIMITED

TRUSTEES' ANNUAL REPORT

for the year ended 31 October 2022

OBJECTIVES AND ACTIVITIES

Purposes

Upward Mobility Limited (Upmo) was set up to support and provide opportunities to adults with learning difficulties and autism. It provides tailored support services with a curriculum of creative workshops, educational activities and vocational programmes.

Aims and activities

Upmo combines a tailored support service with an increasingly respected curriculum of creative workshops, educational activities and vocational programmes. Upmo is driven by a passionate belief that every person in society should be given the opportunities they need to develop their potential and play an equal, inclusive and rewarding role in their communities. Upmo encourages its students to build confidence, develop life skills and enhance their employability through music, drama, art and other expressive and physical activities.

The support services provided by Upmo currently constitute the majority of the charity's income generation.

ACHIEVEMENTS AND PERFORMANCE

As we emerge from the challenges of the pandemic, Upmo has continued to work with the families and commissioning officers to ensure our students are supported to access an imaginative and educational programme of workshops and tailored support services.

The student curriculum has been enhanced to provide further opportunities for students to express their creative talents in the performing arts with the introduction of Dance workshops and additional Drama workshops have proven to be very popular with the students and provides the opportunity for talent to come to the fore in the Upmo Christmas Show and Upmo Panto.

The relaxation of Covid restrictions has enabled Outdoor Learning to feature more strongly in the revised curriculum. Working with the Duke of Edinburgh Award Scheme we intend to offer students access and support to the scheme which will promote personal development and the opportunity to work towards recognized awards. We continue to develop the Outdoor Learning theme through our gardens in Duddingston and North Berwick. This year produce grown at Duddingston has been used at our Cafes in Leith and Drumbrae to emphasis the vitreous cycle of growing, harvesting, preparing and retailing throughout the student programme. The re introduction of Street Soccer has been well received and has introduced a competitive sporting element with student teams taking part in regular competitions.

The development of our Retail workshops and the establishment of our second café operation at Drumbrae in partnership with Edinburgh Leisure, has opened up further pathways to employment opportunities. Working with Edinburgh Community Food, students have achieved recognised qualifications in Food Hygiene and Food Handling and have then put this learning to good use within our café locations. Further work experience placements are being discussed with our partners which would lead to students taking a route to employment opportunities where appropriate. The introduction of further national qualifications is being undertaken in partnership with Borders College and will enhance the outcomes for the students.

UPWARD MOBILITY LIMITED

TRUSTEES' ANNUAL REPORT

for the year ended 31 October 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Through blended learning, our digital initiative Upmo Connect continues to provide students with new educational experiences. Working with Dynamic Earth our students took part in a collaborative project entitled 'Our Solar System and Beyond'. This project presented to families, students and sponsors at the Dynamic Earth Planetarium and was well received by all attendees.

To return to a pre-pandemic service, Upmo is actively progressing a Short Breaks programme which will include a respite element. Research within the current student and families group indicates a strong interest in the restart of what had been a very popular service particularly after the period of restricted activities due to the pandemic.

Behind the student activities, we continue to work towards improved efficiencies with greater use of technology and digitisation for student records and for staff systems. As technology continues to have an ever-greater impact on everyday lives, we must continue to embrace the changes and challenges to ensure we keep up with the opportunities in developing online services to supplement our building-based services.

The challenge of the post pandemic era on the service has seen a reduction in student numbers with a corresponding dip in the charity's income. While the reasons for the reduction are varied, the evidence is that this is a short-term issue as the students intimating a desire to become Upmo service users in the coming year remains positive.

The return of students to building-based services has necessitated the reconfiguration of our Links House accommodation to provide additional art workshops. This change also enabled the Swanfield premises in Leith to be released back to the landlord thereby reducing operating costs.

Having reduced the administrative space available in Links House, we continue to work with staff to offer a hybrid working arrangement with hot desking being used at Links House for the non front line operational staff. The accommodation at St Margaret's House continues to be let from the landlords on the proviso of a potential site redevelopment. It is considered strategically important that alternative property options continue to be sought which would remove the uncertainty over what is a key operating site.

The continued focus on Digital learning within Upmo is aligned with the Scottish Government's Digital Health and Care Strategy published in October 2021. We continue to invest resources into the development of digital services to build on the success experienced during the pandemic and to ensure we offer more innovative and resilient service options going forward.

FINANCIAL AND OPERATING REVIEW

There was a small net decrease of 6.17% (2021: net decrease of 0.99%) in income compared to the previous year, due to slightly less grant income in the current year. Details of grants and fees are shown in notes 2 – 4 on pages 23 and 24. Expenditure for the year increased by 9.48% (2021: increased by 5.38%).

There was a deficit for the year of £323,957 (2021: a deficit of £17,910). Total funds carried forward are £294,986 (2021: £618,943), comprising £125,132 (2021: £193,267) of restricted funds and £169,854 (2021: £425,676) in the unrestricted general fund.

UPWARD MOBILITY LIMITED

TRUSTEES' ANNUAL REPORT

for the year ended 31 October 2022

FINANCIAL AND OPERATING REVIEW (continued)

Details of fund movements are shown in note 14 on page 30. This demonstrates that there is a significant shortfall in the cost of providing the service in some areas.

Principal funding sources

Upmo receives funding from three main sources:

- fees from students and local authorities;
- grants and voluntary donations; and
- the operation of social enterprises.

We are enormously appreciative of all our donors for their support and would like to thank all the individuals and groups who made donations to the charity.

Investment policy

The organisation is keenly aware of the need to ensure its longer-term viability. To provide reliable services on an ongoing basis the organisation must be able to absorb funding setbacks and to take advantage of changes and opportunities. The organisation provides for this by putting aside, where it can afford to, and in line with its Reserves Policy, some of its current unrestricted income as a reserve against future uncertainties.

Aside from retaining a prudent amount in reserves, the Finance Subcommittee regularly reviews the organisational finances and level of reserves to ensure most of the charity's funds are spent in the short to medium term.

Reserves policy

In the Trustees' view, reserves should provide the Charity with adequate financial stability and the means for it to meet its charitable objectives for the foreseeable future. To achieve this a policy of three months operational expenditure, £500,000, has been calculated as an appropriate free reserve. The free reserves, not tied up in fixed assets at 31 October 2022 were £126,796 which is short of target reserves, however the Trustees are considering ways of addressing this shortfall. Further details are included in accounting policies note on page 20.

UPWARD MOBILITY LIMITED

TRUSTEES' ANNUAL REPORT

for the year ended 31 October 2022

FINANCIAL AND OPERATING REVIEW (continued)

Risk Management

The Trustees have considered the risks faced by Upward Mobility and have put appropriate policies and procedures in place to mitigate the 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 the continued impact of the global pandemic, Brexit, rising living and energy costs as well as new funding opportunities and trends in demand for Upward Mobility services. Upward Mobility regularly reviews the responsibilities and skills of Trustees to strengthen and consolidate governance as well as to enhance the capacity, network and profile of the Charity.

The organisation Risk Register is analysed quarterly at each Board Meeting. The Register is meticulously reviewed in full annually with the next full review scheduled to take place in March 2023. In the meantime, the current principal risks are detailed below as of February 2023 (subject to review) alongside existing controls and proposed action.

	Risk Event	Possible Consequences	Existing Controls	Proposed Action
Financial	Inappropriate revenue and capital expenditure decisions.	Funds tied up in capital items; detrimental impact on cashflow resulting in reputational risk and loss of commissioned services; low levels of reserves; winding up of the organisation.	Likely consequential financial impact of major decisions fully considered; Develop strong business planning and modelling tools to assess likely impacts of change which protects core objectives; Develop a good "change" culture; Build up and husband optimally sustainable reserves; Aligned practice and financial expenditure policies.	Creation of a Finance Sub Committee to advise the Board on all financial aspects Set financial decision parameters for CEO Establish budget setting process, timescale and decision making

UPWARD MOBILITY LIMITED

TRUSTEES' ANNUAL REPORT

for the year ended 31 October 2022

FINANCIAL AND OPERATING REVIEW (continued)

	Risk Event	Possible Consequences	Existing Controls	Proposed Action
Financial	Reduction in funding for commissioned services or other income streams for unforeseen reasons.	Unable to sustain current organisational activities and/or project growth and development; leading to downsizing and possible redundancies.	Continual monitoring of contractual relationships to ensure operational staffing and delivery matches Strategic plan; Diversification of income pursued; Annual review to ensure funds are well managed with optimum impact on investments; Reserves to be continually built up to cover any potential short term funding difficulties.	Monitoring of contract performance against stated targets and financial results on a quarterly basis
				Manage income diversification activities against performance targets on a quarterly basis.
				Review performance and structure of social enterprise activities if projected income is set to exceed thresholds.

UPWARD MOBILITY LIMITED

TRUSTEES' ANNUAL REPORT

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FINANCIAL AND OPERATING REVIEW (continued)

	Risk Event	Possible Consequences	Existing Controls	Proposed Action
Operational	Business Interruption through closure of property site(s) due to incident, Government advice or landlord actions.	Discontinuation of operation at Upmo site(s). Leases are terminated /altered by the landlords; unable to continue service delivery leading to disruption of student services and family support; risk to staff jobs; sustainability jeopardised.	Signed leases and Contingency Plans in place for each site; identified alternative venues for office premises and re-location of workshops to community settings (church halls, community centres etc); closure and contingency plans for students to be supported through blended learning in place; all non-front line staff are equipped to work remotely with ICT equipment supplied; staff contact telephone numbers issued to all teams for use in emergency; property searches ongoing.	Lease reviews completed, alternative property options being considered throughout all three operating areas
				Staff have DSE assessments completed for remote working
				ICT equipment provided and all staff contact numbers issued to enable remote working and blended learning in the event of service interruption's

UPWARD MOBILITY LIMITED

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PLANS FOR FUTURE PERIODS

As we enter the post pandemic period, Upmo like other social care sector organisations continues to face a challenging recruitment market in competing with other sectors to recruit and retain key staff.

The emergence from the pandemic necessitates a period of reflection and consolidation to ensure we move forward in a sustainable manner.

With the funding landscape becoming increasingly competitive, we intend to implement a Fundraising Strategy to help target our fundraising activities and look to growing new income streams from social enterprise activities such as Upmo Eat and Upmo Retail.

Upmo is committed to using technology to enhance across services and reach towards existing and new students. The redevelopment of our online presence and digital offering will be driven forward with a new web site which will encourage additional student and family interaction through online activities including the introduction of the online shop. While we have made good progress in expanding our social media profile, more activities are planned to increase our new student referral rates by spreading the progress and success of our new curriculum.

We continue to look to develop the concept of an Upmo Campus model to provide further routes for enhancing the student activities and creating new opportunities for the organisation to have a greater impact.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Upmo is a charitable company limited by guarantee, incorporated on 11 October 2006 and registered as a charity on 14 March 2007. The company's purposes and powers are prescribed by, and it is governed in accordance with, its Memorandum and Articles of Association. The liability of each member in the event of winding up is limited to a £1.

The Charity was also registered with the Care Inspectorate on 23 March 2009.

Directors and Trustees

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

Recruitment and appointment of Trustees

The Trustees may, at any time, unanimously agree to appoint any person as a Trustee provided that the prescribed maximum 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 Limited.

Induction and training of new Trustees

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 regulation as part of their induction. Currently this training is sourced through two organisations: Edinburgh Voluntary Organisation Committee (EVOC) and Scottish Council for Voluntary Organisations (SCVO).

UPWARD MOBILITY LIMITED

TRUSTEES' ANNUAL REPORT

for the year ended 31 October 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT (contd)

Recruitment and appointment of new employees and volunteers

Employees and volunteers are recruited using recruitment practices that fully adhere to the National Care Standards regulated by the Care Inspectorate. The National Care Standards require that all new appointees be processed through The Protecting Vulnerable Groups Scheme (PVG) in partnership with Disclosure Scotland.

Employee and volunteer induction training

Upmo has invested a significant amount of resources into creating its own internal, induction training programme which is completed by all new employees. The objective of this training is firstly to ensure familiarity as well as adherence to the National Care Standard but also to introduce new employees to the unique systems, resources and structures that make Upmo the dynamic and innovative organisation it is. This induction includes, but is not restricted to, Adult Support & Protection, Student Documentation, Data Protection, Workshop Facilitation, Epilepsy Awareness, and First Aid Awareness. 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 operational and administrative activities, but not support services, the Upmo provides relevant training. Volunteers also receive training appropriate to their role in the organisation.

Organisational structure

The Trustees are responsible for the strategic direction of the charity, for providing financial oversight, and for ensuring that the organisation is well governed and operates in line with charitable objectives. Trustees come from a variety of professional backgrounds relevant to the work of the charity. Following two resignations and six new additions, the Board has seven members.

A schedule of delegation is in place and day-to-day responsibility for the provision of the services rests with the Senior Management Team. The Chief Executive is responsible for strategy, organisational development and leadership, with the Head of Departments responsible for the operational management of the organisation, staff management and for ensuring that the charity delivers the services specified and that key performance indicators are met.

The Service Managers are responsible for managing the day-to-day delivery of services and have responsibility for ensuring that staff team members continue to develop their skills and that working practices are in line with good practice. Staff and volunteers are provided with regular supervision and opportunities to identify training and continuing professional development needs.

Related Parties

All Trustees are responsible for declaring any interests of close family or other associates who members of the public might reasonably think could influence their judgement. The charity is managed by the Trustees, with no sole individual having undue control of the charity.

UPWARD MOBILITY LIMITED

TRUSTEES' ANNUAL REPORT

for the year ended 31 October 2022

Related Parties (continued)

Upmo is grateful for the collaborative relationships that have been established with other organisations and service providers. We continue to work closely with Edinburgh Palette (www.edinburghpalette.co.uk) who manage St Margaret's House, one of our main sites. We also continue to work with the City of Edinburgh Council, East Lothian Council; and Midlothian Council to provide support and opportunities for students. Thanks to their interest in Upmo 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. Our partnership with Jock Tamson's Garden at Duddingston Kirk continues to be strengthened and relationships with new sites in Gorebridge and North Berwick have allowed improved options for delivery of support and opportunities outside of the City of Edinburgh.

Pay and Remuneration of Key Personnel

Senior Management staff are remunerated in line with industry norms along with any increments set out at time of recruitment, or awarded as a result of any additional training, qualifications or responsibility. Otherwise, increments are usually limited to annual cost of living increases across all pay scales.

UPWARD MOBILITY LIMITED

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REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name: Upward Mobility Limited (known as "Upmo")

Charity Number: SC037917

Company Number: SC309982

Directors:

Eric Mitchell	Chair
Nasir Ali	
Paul Atkinson	
Sonya Campbell-Perry	
Antonio Longo	
Shona Moyes	
Richard Snodgrass	

**Key Management
Personnel:**

Andrew Thompson	Chief Executive Officer
Claire Turnbull	Head of Operations
Alan Smart	Head of Development
Angela Dias	Head of Corporate Services (to August 2022)

**Principal Office and
Registered Office:**

Links House
15 Links Place
Suite 4/5
Edinburgh
EH3 6NL

**Senior Statutory
Auditor:**

Ingela Louise Presslie CA

**Independent
Auditors:**

Whitelaw Wells
Statutory Auditor
9 Ainslie Place
Edinburgh, EH3 6AT

Bankers:

Royal Bank of Scotland plc
142-144 Princes Street
Edinburgh
EH2 4EQ

UPWARD MOBILITY LIMITED

TRUSTEES' ANNUAL REPORT

for the year ended 31 October 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the Directors of Upmo 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 Charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

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

Statement as to disclosure of information to auditors

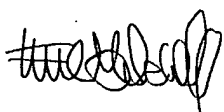
So far as the Trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each Trustee has taken all the steps he ought to have taken as a Trustee in order to make himself aware of any relevant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

Auditors

A resolution to re-appoint Whitelaw Wells as auditors for the ensuing year will be proposed at the annual general meeting.

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

Approved by order of the Board of Trustees on 30 March 2023 and signed on its behalf by:-



.....
E Mitchell Trustee

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

UPWARD MOBILITY LIMITED

For the year ended 31 October 2022

Opinion

We have audited the financial statements of Upward Mobility Limited for the year ended 31 October 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 FRS102 '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 charity's affairs as at 31 October 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 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 trustees' (who are also the directors of the company for company 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 trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

UPWARD MOBILITY LIMITED

For the year ended 31 October 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 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 in the report of the trustees, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report, included with the report of the trustees, 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, 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 and proper accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records; 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' exemptions in preparing the directors' report, included within report of the trustees, and from the requirement to prepare a strategic report.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

UPWARD MOBILITY LIMITED

For the year ended 31 October 2022

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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 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 performed income and expenditure testing which was designed to identify any irregularities as a result of 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.

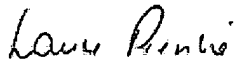
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

UPWARD MOBILITY LIMITED

For the year ended 31 October 2022

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Ingela Louise Presslie CA

Senior Statutory Auditor

for and on behalf of Whitelaw Wells, Statutory Auditor

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

9 Ainslie Place

Edinburgh EH3 6AT

30 March 2023

UPWARD MOBILITY LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME & EXPENDITURE ACCOUNT)**

For the year ended 31 October 2022

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Income					
Donations and legacies	2	10,335	1,962	12,297	4,221
Charitable activities	4	1,657,103	121,833	1,778,936	1,935,391
Other trading activities	3	33,379	-	33,379	5,145
Investments		209	-	209	22
		<hr/>	<hr/>	<hr/>	<hr/>
Total income		1,701,026	123,795	1,824,821	1,944,779
		<hr/>	<hr/>	<hr/>	<hr/>
Expenditure:					
Costs of raising funds	6	31,135	-	31,135	15,406
Charitable activities	7	1,925,935	191,708	2,117,643	1,947,283
		<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure		1,957,070	191,708	2,148,778	1,962,689
		<hr/>	<hr/>	<hr/>	<hr/>
Net (expenditure)/income for the year		(256,044)	(67,913)	(323,957)	(17,910)
Transfers between funds	14	222	(222)	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		(255,822)	(68,135)	(323,957)	(17,910)
Reconciliation of funds:					
Total funds brought forward		425,676	193,267	618,943	636,853
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward	14	169,854	125,132	294,986	618,943
		<hr/>	<hr/>	<hr/>	<hr/>

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

All activities relate to continuing operations.

The notes on pages 20 to 33 form part of these financial statements

UPWARD MOBILITY LIMITED

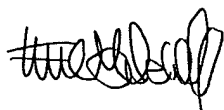
BALANCE SHEET

As at 31 October 2022

	Notes	£	2022 £	£	2021 £
Fixed assets					
Tangible assets	11		111,546		136,281
			<hr/>		<hr/>
			111,546		136,281
Current assets					
Debtors	12	247,438		221,582	
Cash at bank and in hand		175,961		457,274	
		<hr/>		<hr/>	
		423,399		678,856	
Creditors: amounts falling due within one year					
Creditors	13	239,959		196,194	
		<hr/>		<hr/>	
		239,959		196,194	
		<hr/>		<hr/>	
Net current assets			183,440		482,662
			<hr/>		<hr/>
Net assets			294,896		618,943
			<hr/>		<hr/>
Funds					
Restricted funds	14	125,132		193,267	
Unrestricted funds	14	169,854		425,676	
		<hr/>		<hr/>	
Total funds			294,986		618,943
			<hr/>		<hr/>

The 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 Board of Trustees on 30 March 2023 and were signed on its behalf by:



E Mitchell

Registered number: SC309982

The notes on pages 20 to 33 form an integral part of these financial statements

UPWARD MOBILITY LIMITED

CASH FLOW STATEMENT

For the year ended 31 October 2022

	2022	2021		
	£	£		
Cash generated by operating activities	(265,976)	106,757		
Cash flows from investing activities				
Interest income	209	22		
Purchase of tangible fixed assets	(15,546)	(37,596)		
Cash used in investing activities	(15,337)	(37,574)		
Increase in cash and cash equivalents in the year	(281,313)	69,184		
Cash and cash equivalents at the beginning of the year	457,274	388,090		
Total cash and cash equivalents at the end of the year	175,961	457,274		
Reconciliation of net movement in funds to net cash flow from operating activities				
Net movement in funds (as per Statement of Financial Activities)	(323,957)	(17,910)		
Adjusted for:				
Depreciation charge	40,281	36,390		
Interest received	(209)	(22)		
(Increase)/decrease in debtors	(25,856)	74,225		
Increase in creditors	43,765	14,074		
Net cash generated by operating activities	(265,976)	106,757		
Analysis of change in net debt				
	At 31		Other	At 31
	October		non-cash	October
	2021	Cashflows	changes	2022
	£	£	£	£
Cash and cash equivalents	457,274	(281,313)	-	175,961

The notes on pages 20 to 33 form an integral part of these financial statements

UPWARD MOBILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

1. Accounting Policies

Statutory information

Upward Mobility Limited is a company limited by guarantee, domiciled in Scotland and registration number SC309982. The charitable company is governed by its Memorandum and Articles of Association. The liability of members is limited to £1 each. The registered office is Links House, 15 Links Place, Suite 4/5, Edinburgh EH6 7EZ.

Basis of accounting

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 under the historical cost convention and 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), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity constitutes a public benefit entity as defined by FRS102.

Going concern

Upmo has continued to work towards the resumption of services to its students through both building based and online support post the Covid restrictions. The demand for places within the Upmo support programme continues to show a healthy position with taster events and tours of the facilities continuing to be taken up by potential students and their families. There is a list of students willing to join Upmo awaiting acceptance of contract documentation. New workshops covering drama and dance have been introduced to ensure we expand the curriculum to meet the demand for the performing arts. The Directors have prepared budgets and forecasts for the period through until June 2024 which show a growth at sustained levels and a contribution to Upmo's activities, based upon anticipated student numbers as per the waiting list and interest expressed by the potential students, the securing of additional grant funding and increased funding levels. The Directors have implemented an improved discipline over the budgeted expenditure to ensure that any commitments are in line with the expected budgets.

The service level charging rates continues to be amended in line with the local authority rates. This will ensure we are applying a charging level which is consistent across the three operating areas. As an organisation which supports the Real Living Wage initiative, we continue to adhere to a strategy which ensures that all staff are fairly paid.

Steady progress has been seen throughout the year with the development of Upmo Eat and Upmo Retail. The Café operations have expanded to provided services at two Edinburgh Leisure facilities, while Upmo Retail has seen increased attendance at local markets to promote the student made products and raise awareness of our work. Customer service feedback from Edinburgh Leisure customers continues to put Upmo Eat Café's as consistently high performing outlets. Trustees have taken several steps to address known uncertainties during the year to ensure a sustained growth level which included a regular and close review of students waiting list and ensure that the students enrolment is given a high priority,

UPWARD MOBILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

1. Accounting Policies (continued)

Going Concern (continued)

ensuring that the success of the cafes is replicated in opening new spaces, ensuring the budget discipline continues to be implemented throughout the organisation and a regular and close review of available financial resources. Based on these measures, existing reserves of the charity, success of additional funding bids, current performance and students numbers being increased by 15 in line with the forecast projections, the Trustees are satisfied that Upmo is a going concern for a period of at least twelve months from the signing date of the financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

Income recognition

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacies are included in full in the Statement of Financial Activities when receivable. Income from activities for generating funds is recognised as earned, as the related services are provided.
- Investment income is included when receivable.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Income from service level agreements, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- Income is only deferred where entitlement conditions have not been met or related services have not been provided as at the year end.
- Donated professional services and donated facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Report of the Trustees for more information about their contribution. On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.
- Income from sale of goods and services is recognised when goods and services are delivered.

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. These are allocated as between charitable expenditure and Governance costs. The charity is not registered for VAT and, accordingly, expenditure is shown gross of irrecoverable VAT.

UPWARD MOBILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

1. Accounting Policies (continued)

Expenditure (continued)

Charitable expenditure is incurred in direct pursuance of the charity's principal objects and as set out in the Directors' Report. Cost of generating funds comprises costs incurred in inducing organisations to contribute financially to the charity's work and income received in pursuance of these areas is shown within income.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programs and activities. These costs include the expenses of Directors meetings, the statutory audit and legal and professional fees and have been charged fully to centre costs as set out in note 7.

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	- straight line over 3 years
Leasehold improvements	- straight line over the term of the lease.

Operating lease

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged against the Statement of Financial Activities on a straight-line basis over the term of the lease.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Financial instruments

Financial instruments comprise financial assets and financial liabilities which are recognised when the company becomes a party to the contractual provisions of the instrument. Financial instruments are classified as "basic" in accordance with FRS102 and are accounted for at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash flows over the life of the financial assets or liability to the net carrying amount on initial recognition. Discounting is not applied to short-term receivables and payables, where the effect is immaterial. Financial assets comprise cash, grants receivable and other debtors. Financial liabilities comprise other creditors and accruals.

UPWARD MOBILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

1. Accounting Policies (continued)

Pensions

The Charity operates a Defined Contributions Pension Scheme for the benefit of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable are charged to the Statement of Financial Activities in that year that they are payable.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. Income from donations

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Ponton House Trust	-	-	-	2,500
Kiltwalk	3,875	-	3,875	-
Other donations of less than £1,000	6,460	1,962	8,422	1,721
	<u>10,335</u>	<u>1,962</u>	<u>12,297</u>	<u>4,221</u>

Included above is restricted donations income amounting to £1,962 (£2021: £482). All other income was unrestricted in both the current and previous years.

3. Other trading activities

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Community café	27,839	-	27,839	3,220
Merchandise income	5,540	-	5,540	210
Hire of premises	-	-	-	1,715
	<u>33,379</u>	<u>-</u>	<u>33,379</u>	<u>5,145</u>

All income from other trading activities was unrestricted in the current and previous year.

UPWARD MOBILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

4. Income from charitable activities

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Service income	1,629,038	-	1,629,038	1,635,014
Project grants received				
Gardening Project:				
- Prestonpans in Bloom	-	500	500	-
Management Support:				
- R S Macdonald Charitable Trust	-	9,200	9,200	13,400
Project Development:				
- The Robertson Trust	-	-	-	15,000
- The Henry Smith Charity	-	26,200	26,200	52,400
- State Street Foundation	-	5,000	5,000	22,002
- Nat West Social & Community Care	-	-	-	10,000
- The Mickel Fund	-	-	-	2,000
- Communities Recovery Fund	-	-	-	23,899
- Swinton Paterson	-	-	-	2,000
- Turcan Connell	-	-	-	2,000
- Arnold Clark	-	1,000	1,000	1,000
- Edinburgh Third Sector Interface	-	5,000	5,000	-
- William Syson	-	6,600	6,600	-
- Anonymous 1	-	15,000	15,000	-
- The National Lottery Community Fund				
- Together for our Planet	-	10,000	10,000	-
- Trefoil Trust	-	2,158	2,158	-
- The Co-Operative	-	190	190	-
- Stevenson Trust	-	3,000	3,000	-
- Hope Scott Trust	-	2,500	2,500	-
- David Solomon Trust	-	1,000	1,000	-
- Agnes Hunter Trust	-	7,485	7,485	-
- Screw Fix Foundation	-	1,500	1,500	-
- Baily Thomas Foundation	-	20,000	20,000	-
- Asda Community Fund	-	1,000	1,000	-
- Leith Benevolent Association	-	2,500	2,500	-
- Nancy Massie Charitable Trust	-	2,000	2,000	-
- Anonymous 2	650	-	650	-
Covid Response:				
- The Henry Smith Charity	-	-	-	59,900
- Communities Recovery Fund	-	-	-	45,000
- CJRS	-	-	-	7,844
- Other grants	27,415	-	27,415	43,932
	<u>1,657,103</u>	<u>121,833</u>	<u>1,778,936</u>	<u>1,935,391</u>

Included above is restricted income from charitable activities of £121,833 (£2021: £246,601). All other income was unrestricted in both the current and previous year.

UPWARD MOBILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

5. Staff costs	2022	2021
Wages and salaries	1,417,185	1,237,311
Social security costs	106,205	94,188
Pension costs – defined contribution	24,228	20,011
Ex-gratia payment	-	1,646
	<u>1,547,618</u>	<u>1,353,156</u>

The charity considers its key management personnel to be the Trustees, Chief Executive Officer, Head of Operations, Head of Development and Head of Corporate Services. The total employment benefits including employer pension contributions and consultancy costs of the key management personnel were £191,488 (2021: £170,980). No employee received emoluments in excess of £60,000 during the year. The policy for redundancy follows the statutory redundancy provisions.

The average monthly number of staff during the year, on a head count basis, was as follows:

	2022	2021
	No.	No.
Management and administrative staff	26	23
Project staff	58	50
	<u>84</u>	<u>73</u>

6. Costs of raising funds	2022	2021
	£	£
Fundraising expenses	31,135	15,406
	<u>31,135</u>	<u>15,406</u>

In 2022 the expenditure on raising funds was £31,135 (2021: £15,406) of which £31,135 (2021: £15,406) was expenditure from unrestricted funds and £Nil (2021: £Nil) was expenditure from restricted funds.

UPWARD MOBILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

7. Charitable activities

	Centre Costs £	Community Café £	Total 2022 £	Total 2021 £
<i>Raising funds</i>				
Fundraiser	31,135	-	31,135	15,406
<i>Charitable activities</i>				
Salary costs	1,513,751	3,867	1,517,618	1,353,156
Direct project costs	30,812	15,492	46,304	29,196
<i>Support costs</i>				
Registrations and subscriptions	9,301	-	9,301	5,313
Training and expenses	10,184	-	10,184	3,081
Marketing, communication and publication	2,417	-	2,417	1,859
Rent	202,789	-	202,789	174,854
Maintenance	21,915	-	21,915	17,149
Cleaning costs	61,658	-	61,658	64,984
Other premises costs	15,326	-	15,326	42,407
Health & safety including PPE	20,114	-	20,114	27,707
Recruitment fees	9,607	-	9,607	17,260
Postage, stationery and telephone	25,845	-	25,845	26,780
Computer expenses	37,398	-	37,398	31,763
Insurance	11,117	-	11,117	11,374
Other staff costs	5,795	-	5,795	6,556
Subsistence, travel and motor expenses	4,841	-	4,841	4,362
Professional fees	53,459	-	53,459	95,190
Bank charges	2,683	-	2,683	1,264
Depreciation	40,281	-	40,281	36,390
Sundry expenses	5,919	-	5,919	4,667
Bad debt provision	7,072	-	7,072	563
<i>Governance costs</i>	6,000	-	6,000	6,408
Auditors remuneration – previous auditor	-	-	-	1,008
Auditors remuneration – current auditor	6,000	-	6,000	5,400
	<u>2,129,419</u>	<u>19,359</u>	<u>2,148,778</u>	<u>1,962,689</u>

Expenditure was £2,148,778 (2021: £1,962,689) of which £1,957,070 (2021: £1,754,996) was expenditure from unrestricted funds and £191,708 (2021: £207,693) was expenditure from restricted funds.

UPWARD MOBILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

8. 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 these activities.

	Centre Costs £	Community Café £	Total 2022 £	Total 2021 £
Costs	(2,129,419)	(19,359)	(2,148,778)	(1,962,689)
Donations	12,297	-	12,297	4,221
Community cafe	-	27,839	27,839	3,220
Merchandise income	5,540	-	5,540	5,145
Hire of premises	-	-	-	1,715
Charitable activities	1,778,936	-	1,778,936	1,935,391
Investments	209	-	209	22
	<hr/>	<hr/>	<hr/>	<hr/>
	(332,437)	8,480	(323,957)	(12,975)
	<hr/>	<hr/>	<hr/>	<hr/>

UPWARD MOBILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

9. Net incoming resources

	2022	2021
	£	£
This is stated after charging		
Auditor's remuneration – current auditor	6,000	5,400
Auditor's remuneration – previous auditor	-	1,008
Depreciation	40,281	36,390
Operating lease costs	150,983	189,511

10. Taxation

The charitable company is exempt from corporation tax on its charitable activities.

11. Tangible assets

	Motor Vehicle £	Leasehold Improvements £	Office Equipment £	Total £
Cost				
At 1 November 2021	53,000	187,819	97,751	338,570
Additions	-	5,096	10,450	15,546
Disposals	-	-	-	-
	<u>53,000</u>	<u>192,915</u>	<u>108,201</u>	<u>354,116</u>
At 31 October 2022	53,000	192,915	108,201	354,116
	<u>53,000</u>	<u>192,915</u>	<u>108,201</u>	<u>354,116</u>
Depreciation				
At 1 November 2021	53,000	81,131	68,158	202,289
Charge for the year	-	15,377	24,904	40,281
Disposals	-	-	-	-
	<u>53,000</u>	<u>96,508</u>	<u>93,062</u>	<u>242,570</u>
At 31 October 2022	53,000	96,508	93,062	242,570
	<u>53,000</u>	<u>96,508</u>	<u>93,062</u>	<u>242,570</u>
Net book value at 31 October 2022	-	96,407	15,139	111,546
	<u>-</u>	<u>96,407</u>	<u>15,139</u>	<u>111,546</u>
Net book value at 31 October 2021	-	106,688	29,593	136,281
	<u>-</u>	<u>106,688</u>	<u>29,593</u>	<u>136,281</u>

UPWARD MOBILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

12. Debtors

	2022	2021
	£	£
Service income debtors	205,370	212,455
Prepayments	39,719	6,952
Other debtors	2,349	2,175
	<hr/>	<hr/>
	247,438	221,582
	<hr/>	<hr/>

13. Creditors

	2022	2021
	£	£
Trade creditors	77,137	23,129
Accruals	138,462	145,828
Social security and taxation	24,360	27,237
	<hr/>	<hr/>
	239,959	196,194
	<hr/>	<hr/>

UPWARD MOBILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

14. Movements in funds

	Balance at 31 October 2021	Income Expenditure		Transfers	Balance at 31 October 2022
	£	£	£	£	£
Restricted Funds:					
Students	-	1,962	(1,962)	-	-
Gardening	-	500	(500)	-	-
Premises	10,500	-	(1,500)	(9,000)	-
Management support	7,999	9,200	(11,599)	-	5,600
Campus Development	67,900	-	(9,700)	(58,200)	-
Project Development	28,200	112,133	(102,388)	-	37,945
COVID Response	78,668	-	(64,060)	(1,508)	13,100
Fixed asset fund	-	-	-	68,488	68,488
Total Restricted Funds	193,267	123,795	(191,708)	(222)	125,132
Unrestricted Funds					
General Funds	425,676	1,701,026	(1,957,070)	(42,836)	126,796
Fixed asset fund	-	-	-	43,058	43,058
Total Unrestricted Funds	425,676	1,701,026	(1,957,070)	222	169,854
Total Funds	618,943	1,824,821	(2,148,778)	-	294,986

Purpose of restricted funds

Students - small donations received in the year that were donated to support a number of specific student projects.

Gardening project - this fund contributes to gardening and outdoor learning workshops in Duddingston, North Berwick and Prestonpans. These workshops involve landscaping and maintaining garden and public areas in these locations.

Premises - ongoing maintenance and refurbishment costs.

Management support - this fund, supported by R S Macdonald Charitable Trust, has contributed to the development of the Salesforce platform, and in the past has contributed towards the salary costs associated with strengthening the organisation.

Campus development - development of our Upmo campus in Leith and has been supported by The Clothworkers Foundation, The Robertson Trust and The Bailey Thomas Charitable Fund.

UPWARD MOBILITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

14. Movements in funds (Cont.)

Project development - This fund contributed to the campus development project and was supported by several funders. The transfer represents assets purchased with the funding.

COVID response - this fund contributed to the recovery from the impact of Covid-19 and has been supported by the Henry Smith Charity and the Scottish Community for Voluntary Organisations in the current year.

Fixed asset fund - 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 the fund.

Digital Skills - This fund has contributed to the development of the Digital Lab which supports a wide variety of workshops including, for example, IT skills, employability skills, music and current affairs.

Transfers represent transfer of net book value of assets into designated restricted and unrestricted fixed asset fund.

	Balance at 31 October 2020	Income Expenditure		Transfers	Balance at 31 October 2021
	£	£	£	£	£
Restricted Funds:					
Students	-	482	(482)	-	-
Gardening	500	-	-	(500)	-
Digital skills	-	-	(81)	81	-
Premises	12,012	-	(1,512)	-	10,500
Management support	-	13,400	(270)	(5,131)	7,999
Campus Development	77,600	-	(9,700)	-	67,900
Project Development	36,200	128,301	(132,294)	(4,007)	28,200
COVID Response	40,263	104,900	(63,354)	(3,141)	78,668
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Restricted Funds	166,575	247,083	(207,693)	(12,698)	193,267
Unrestricted Funds					
General Funds	470,278	1,697,696	(1,754,996)	12,698	425,676
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Funds	636,853	1,994,779	(1,962,689)	-	618,943
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

UPWARD MOBILITY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 October 2022

15. Company limited by guarantee

The members have each agreed to contribute £1 in the event of the company being wound up.

16. Operating lease commitments

The Charity has outstanding commitments for future lease payments under non-cancellable operating as at the reporting date as follows:-

	2022	2021
	£	£
Not later than one year	89,753	130,788
Later than one year and not later than five years	268,960	449,366
Later than five years	134,480	747,720
	<hr/>	<hr/>
	493,193	1,327,874
	<hr/>	<hr/>

17. Analysis of net assets between funds

	General funds £	Restricted funds £	Total funds £
Tangible fixed assets	43,058	68,488	111,546
Net current assets	126,796	56,644	183,440
	<hr/>	<hr/>	<hr/>
Net assets at 31 October 2022	169,854	125,132	294,986
	<hr/>	<hr/>	<hr/>
Comparative figures:			
General			
	funds £	Restricted funds £	Total funds £
Tangible fixed assets	43,123	93,158	136,281
Net current assets	382,553	100,109	482,662
	<hr/>	<hr/>	<hr/>
Net assets at 31 October 2021	425,676	193,267	618,943
	<hr/>	<hr/>	<hr/>

UPWARD MOBILITY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 October 2022

18. Related party transactions

During the period the Charity provided services, on a normal commercial basis, to close family members of the Trustees.

Upmo paid EJM Consultancy £21,125 (2021: £31,600) in fees for consultancy work provided by Eric Mitchell (chair).

Other than the above, no remuneration or reimbursement of expenses was paid to the Trustees during the year. Trustee indemnity insurance costing £944 (2021: £903) was purchased during the year.