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REGISTERED COMPANY NUMBER: SC217367 (Scotland)
REGISTERED CHARITY NUMBER: SCO031487

REPORT OF THE TRUSTEES AND

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

FOR

ROUTES TO WORK SOUTH

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FOR THE YEAR ENDED 31 MARCH 2026

ROUTES TO WORK SOUTH

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2026

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2026. 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).

Routes to Work South is a registered charity in Scotland, registration number SCO031487. The Organisation is also a Company limited by guarantee, incorporated on 27 March 2001 and registered as a charity on that date. The Company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

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

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

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

Services are delivered from four fully resourced and staffed employability centres in Cambuslang, East Kilbride, Hamilton and Lanark and the organisation also uses a range of community venues to deliver outreach services in communities experiencing high levels of unemployment. The company works in partnership with a wide range of agencies and organisations that provide complementary services within the South Lanarkshire Local Employability Partnership (LEP) supporting South Lanarkshire Council's Employability Strategy and related objectives including its contributions to the Community Planning Partnership and Child Poverty Action Plan.

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

ROUTES TO WORK SOUTH

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT

Achievements and performance

Charitable activities

The company continues to be resolute in its commitment to alleviate poverty by engaging, supporting and encouraging people in the most disadvantaged communities in South Lanarkshire to develop their skills, gain recognised qualifications and progress into sustainable employment.

The company's operating environment continues to be characterised by uncertainty with unemployment at relatively low levels whilst economic inactivity is at a record high and people who are long term sick rising significantly. Reductions in funding has exacerbated existing challenges within the sector and despite this the company has remained steadfast in its approach to supporting some of the most vulnerable and disadvantaged within our communities.

During 2025/26, supporting the Local Employability Partnership (LEP), through the Scottish Government's No One Left Behind (NOLB) strategy and the UK Government's Shared Prosperity Fund (UKSPF), the company targeted disadvantaged communities in South Lanarkshire and those at risk of being 'left behind' whether through disability, ill-health, lack of relevant work experience or lack of the necessary skills or qualifications.

The company continued to support a reduction in youth unemployment through the delivery of services targeted to support young people, including bespoke courses such as RISE, Reach and Impact, positively contributing to school leaver destinations in South Lanarkshire.

The Trustees are grateful to South Lanarkshire Council for their unwavering support throughout the year and to the staff who have continued to show a strong commitment to the people and businesses of South Lanarkshire whilst delivering a lasting impact.

The company has adjusted and developed its service delivery in the face of a challenging operating environment. The Trustees identified specific development plans at the beginning of 2025/26 that aimed to build on the company's established infrastructure and partner network to tackle poverty and develop new and additional services.

Key actions, started and progressed during 2025/26, to support the implementation of the company's refresh of its longer-term Development Strategy covering the 3-year period 2025-28 and contributing to the LEP and related objectives include:

- Innovation & Sustainability: Develop opportunities for new and additional services to alleviate poverty and meet the employability and skill needs of South Lanarkshire communities
- Training, Accreditation & Service Development: Progress Centre Accreditations and Award Approvals to establish a structured skills and training framework and Employer Services offer that is responsive and flexible to client needs
- Development, Partnerships and Promotion: Implement an Engagement Strategy, increase collaboration and partnership working, boost visibility through forums, event, publications and service user involvement
- Investment & Infrastructure: Organisational development through globally recognised quality assurance, customer service standards, continuous improvement and infrastructure investment

During 2025/26, the company engaged over 1,500 local people and registered 1,150, supporting 560 into employment. These figures reflect the company's increased focus on supporting marginalised clients, including those further removed from the labour market, parents, and economically inactive individuals, helping to reduce barriers to employment and improve access to sustainable work opportunities. The company also continued its investment with support from South Lanarkshire Council in Customised Skills Training to support local businesses.

Local Employability Partnership (LEP)

The Gateway to Employment Service is the LEP's primary employability programme providing support to both clients who are unemployed and a small number of those who are currently economically inactive. During the year, the company provided tailored, person-centred support that includes skills development, employability guidance, and training, ensuring individuals are equipped with the tools they need to enter or re-enter the labour market.

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Charitable activities
Additionally, the Gateway Intensive Service, delivered specialist support for individuals experiencing severe and complex barriers to employment, offering more intensive and flexible interventions to meet their unique needs.

Throughout the year, Key Workers focused on providing specialist support to clients experiencing physical and mental health barriers to employment. This included delivering bespoke wellbeing sessions via our in-house training team, facilitating men's and women's peer support groups, and sourcing external provision aimed at helping clients build confidence, improve mental resilience, and develop healthier routines essential for work readiness.

Gateway continued to be the company's flagship employability service during 2025/26, delivering significant impact across South Lanarkshire communities. The service provided support to over 775 residents, helping individuals overcome barriers to employment and progress towards sustainable futures.

During the year, 323 participants engaged in training and/or wellbeing interventions designed to build confidence, skills, and resilience, while 163 individuals achieved recognised qualifications to enhance their employment prospects. Gateway also supported 470 people into sustainable employment, demonstrating the continued success and strong local impact of the service in helping residents access and sustain meaningful work opportunities.

The Making It Work (MIW) for Parents service, targeting families with children, is a key element of the company's approach to reducing child poverty. MIW provides person-centred support to parents and carers to help them overcome barriers to employment. During 2025/26, MIW supported a further 191 parents, delivering much-needed wellbeing and training interventions to 130 individuals, and successfully progressed 88 parents into employment.

By continuously adapting services to meet the evolving needs of clients, job start targets were met and/or exceeded, changing lives by reducing poverty and helping individuals achieve greater financial independence through meaningful employment. These outcomes reflect the company's commitment to providing tailored support and addressing the barriers that clients face, ensuring lasting impact and success.

Innovation and Sustainability
During the second half of 2024/25 the Trustees authorised the use of company financial reserves to launch a new service aimed at working age residents who were economically inactive. The service was termed What I Need (WIN) in Life and was a targeted, community-focused initiative designed to engage individuals facing the most significant barriers to employment on their terms.

Due to the limited funding, Trustees restricted access to the WIN service to residents of Blantyre and Rutherglen Central and North based on their position within the Scottish Index of Multiple Deprivation (SIMD). The success of WIN continued into 2025/26, receiving support from South Lanarkshire Council and LEP partners, and the company consolidated and refined the service in the target communities.

During 2025/26, the service evolved from its pilot phase into a fully operational, community-based model focused on early intervention, flexible engagement, and responsive support for individuals experiencing complex and interlinked barriers. The service supported 132 Rutherglen and Blantyre residents to identify and work towards personal goals and aspirations, including progression towards training, further education, or employment.

Baseline data highlights the complexity of need within the group, with 92% of participants recorded as economically inactive and many having been out of work for several years or having never worked. The most reported barrier is mental health, with over 60% of participants experiencing two or more health-related conditions. Additional barriers include physical disabilities, learning difficulties, long-term health conditions, social isolation, low skills levels, limited or no work experience, and previous involvement with the justice system.

STRATEGIC REPORT
Achievements and performance
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National data shows that 1 in 3 individuals return to work if they receive support within the first 12 months of becoming economically inactive compared to just 1 in 23 if they remain disengaged for longer. This stark contrast reinforces the growing need for early, targeted interventions that are needs-led and support clients to overcome barriers.

The Trustees recognise WIN is a vital conduit between individuals and South Lanarkshire's network of support. For many, navigating services alone can be overwhelming and through strong, collaborative partnerships, WIN ensures quick and seamless access to the right help at the right time.

During the year, the organisation was shortlisted for the national Scottish Urban Regeneration Forum (SURF) Awards in the Removing Barriers to Employability category, recognising its innovative and impactful, community-based, person-centred approach to engaging and supporting individuals who are economically inactive and/or living with health-related barriers.

The company subsequently won the award at a ceremony in December 2025, reflecting the effectiveness of its delivery model and the outcomes achieved through sustained engagement. This recognition has strengthened the organisation's profile and credibility with partners and funders, supporting further investment in service delivery.

The organisation's achievements and contribution to local communities were also formally recognised during the year through five Parliamentary Motions lodged in the Scottish Parliament, highlighting its sustained impact in supporting individuals facing complex barriers to participation, its 20-year contribution to local employability provision, and its continued role in delivering meaningful outcomes for communities across South Lanarkshire.

Currently operating in just two communities, the company aims to further develop the service and expand WIN's reach throughout South Lanarkshire. The Trustees vision for WIN's future is rooted in co-production, sustainable growth, and continuous development. As the needs of our communities' change, so too will the WIN service - introducing new interventions, deepening partnerships, and maintaining its core principles of emphasising the needs of the individual.

WIN has already demonstrated that with creativity, compassion, and collaboration, even the most disengaged individuals can reconnect, rebuild, and rediscover their potential. Over the last year WIN has delivered a wide range of positive outcomes for participants, supporting individuals to progress towards employment and improved wellbeing.

A total of 72 participants engaged in training or upskilling opportunities, while 23 achieved qualifications and a further 6 progressed into further education. Despite the primary focus being on engagement and barrier removal, WIN supported 22 clients to move further along the employability pipeline with 14 progressing directly into employment. A further 37 participants progressed into volunteering opportunities helping participants to gain workplace experience.

Recent data from Nomis on economic inactivity and long-term sickness shows that South Lanarkshire continues to experience higher levels of economic inactivity (42.4%) compared to Scotland (34.7%) and the UK (28.7%). The figures continue to demonstrate an upward trajectory, with the number of individuals experiencing long-term sickness increasing by 2,300 over the last 12 months. This further reinforces the need for continued investment in specialised services such as Gateway Intensive and WIN to address these growing challenges and provide targeted support to those most in need.

The organisation continues to take an innovative and adaptive approach to service design and delivery, with a strong focus on sustainability and long-term community impact. This approach is underpinned by the development of integrated, flexible services that respond to evolving local need and address the wider barriers affecting individuals' ability to engage in training, education, and employment.

A key feature of this approach is the emphasis on health and wellbeing as a foundation for progression. Specialist support has been embedded across services during 20025/26 to address the physical, mental, and social health challenges experienced by participants.

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This includes targeted wellbeing interventions, structured support pathways, and access to appropriate external services where required, ensuring individuals receive holistic support that reflects the complexity of need.

Peer support has also been developed as an important element of delivery, enabling participants to connect with others who share similar experiences. This has supported improved engagement, reduced isolation, and provided informal learning and encouragement through shared experience, strengthening confidence and participation over time.

These developments reflect a broader commitment to innovation through co-location, partnership working, and the integration of services. By combining different strands of support within a flexible delivery model, the organisation ensures services remain accessible, efficient, and responsive to local needs.

Training, Accreditation & Service Development
The Trustees built on progress in previous years in accrediting additional qualifications and ensuring skills and training fully complement key worker support provided through services such as Gateway to Employment, Making It Work (MIW) and the WIN service.

This year, the company continued to strengthen its in-house training provision through the introduction of new group training opportunities, offering progression and wellbeing pathways, specifically designed to support clients who are further removed from the labour market.

In response to increasing demand for mental health and wellbeing support, the company introduced RESET, a holistic personal development and wellbeing training programme to help clients move forward, improve confidence, wellbeing, self-care and develop budgeting skills, emotional resilience, and a positive mindset through structured yet supportive interventions.

RESET has been particularly effective in helping participants stabilise personal circumstances while progressing towards volunteering, training, and employment opportunities. The programme combines group-based learning with tailored one-to-one support, enabling individuals to build motivation, manage stress, and improve self-esteem in safe, structured environments.

This year, the company's Skills and Training Team delivered 155 training courses to 854 clients across Cambuslang, East Kilbride, and Lanark. Courses included wellbeing-focused sessions, such as Confidence Building and employability skills designed to enhance clients' readiness for work.

A Digital Support Hub was also established in CTEC during the year, operating each Friday morning to provide practical guidance and digital inclusion support to local residents. The Hub assists individuals to develop confidence in using technology for everyday tasks, including accessing online services, online banking, managing bill payments via smartphones, and improving wider digital skills essential for daily life and employability.

Trustees continue to strengthen the range and quality of accredited learning opportunities available to participants. During the year, the ASDAN Employability Skills qualification was introduced to support individuals in developing key workplace skills, confidence, communication, teamwork, and problem-solving abilities, particularly benefiting those furthest from the labour market and individuals with little or no previous work experience.

In addition, the company progressed the REHIS Mental Health First Aid qualification as part of a pilot partnership with REHIS, enhancing the organisation's ability to provide early intervention and wellbeing support to participants. REHIS Allergy Awareness training was also implemented, further broadening the range of accredited health and wellbeing learning opportunities available to clients.

STRATEGIC REPORT
Achievements and performance
Charitable activities

Sector Routeways were also further developed during the year allowing participants to explore career options while gaining industry recognised certifications to improve their readiness for employment.

Alongside these developments, the organisation introduced Summer Wellbeing Sessions, supporting participants to improve wellbeing, by encouraging them to get outdoors, reduce social isolation, and build resilience. Preparatory work was also undertaken during the year towards becoming an SQA accredited centre, including reviewing quality assurance processes, strengthening internal verification arrangements, and developing the infrastructure required to deliver nationally recognised qualifications in future years.

Moving forward, the company aims to further enhance its accredited training and certification offer to strengthen qualification outcomes and enable continued progression toward sustainable employment.

Throughout 2025/26, the company's Employer Services Team identified the recruitment and skill needs of local employers providing valuable data to inform skills and training provision. In doing so, the company provided support to 242 local employers, delivering bespoke recruitment solutions which resulted in 282 vacancies being filled. In addition, the team supported employers to adopt Fair Work principles and promote inclusive employment practices, as well as facilitating over 80 work experience opportunities to help individuals gain valuable skills and workplace exposure.

In addition to matching skills to employer needs and filling vacancies, the company's Employer Services Team organised 4 highly successful Jobs Fairs across localities. The Jobs Fairs attracted over 300 South Lanarkshire residents and provided them with the opportunity to engage with 52 local employers from various sectors, gaining valuable insights into job opportunities and the skills required.

The impact of the Jobs Fairs was notable with 93 clients advancing to interviews and 68 receiving job offers. This reflects the effectiveness of the company's job matching process and employer engagement efforts in connecting local people with local job opportunities.

In response to evolving employer needs, industry-specific sector routeways were developed to ensure local workforce skills align with labour market demands. Over the year, 6 sector-specific programmes across Hospitality, Catering, Security and Transport were delivered.

Owing to last year's success and ongoing demand, a further two Railway Skills Academy were delivered in partnership with South Lanarkshire Council during 2025/26, providing 23 young people aged 18-24 with the opportunity to gain industry-specific training, qualifications, and work placements, of which 19 young people gained secure employment.

Furthermore, the Employer Services Team delivered two targeted Information Sessions in partnership with two large employers to support their recruitment needs. The sessions attracted 32 clients, providing direct insight into available roles, employer expectations, and recruitment processes. This focused pre-recruitment activity proved highly effective, with 21 clients receiving job offers, demonstrating the value of strong employer engagement in generating positive employment outcomes for local people.

The breadth and depth of support provided by the company's Employer Services Team was formally recognised during 2024/25 when Routes to Work South was named regional winner of Best Recruitment Business at Scotland's Business Awards. Following this success, the company was invited to attend the National Awards event in November 2025, further elevating the company's profile and reinforcing its reputation as a leading provider of employer-focused services that successfully link opportunity with need by connecting employers to skilled and work-ready clients.

STRATEGIC REPORT
Achievements and Performance
Charitable activities
Development, Partnerships and Promotion

During the year, progress was made against key objectives to strengthen engagement, enhance partnership working, and increase the organisation's visibility across a range of stakeholders, including local authority partners, third sector organisations, employers, elected members, and service users. This included the early development and implementation of an engagement strategy designed to support more coordinated collaboration, improve service user involvement, and increase participation in forums and events.

A key milestone during the year was the delivery of two community-based events to mark the organisation's 20th anniversary. These events brought together clients, partners, elected members, and political representatives, providing an opportunity to reflect on the organisation's impact while strengthening existing relationships. Beyond celebration, the events showcased a longer-term legacy of enhanced engagement, improved visibility of services, and strengthened partnership working.

Alongside this, the organisation further developed its approach to co-design, involving clients through focus groups, surveys, and consultation activities to help shape future service delivery. This has strengthened the role of lived experience in service design and improved understanding of local need across the various communities in South Lanarkshire. This approach is now being implemented as standard practice and will continue to be developed throughout the duration of the company's 3-year development strategy.

Throughout 2025/26, RTWS has continued to play a central role in the delivery and coordination of employability activity across South Lanarkshire, administering the LEP referral process. A total of 1,142 LEP referrals were received demonstrating strong and sustained engagement across the local employability landscape. Each referral is triaged by RTWS to ensure clients are connected to the most appropriate support, maintaining the integrity and responsiveness of the LEP.

Collaborations with South Lanarkshire Council and the LEP's Employability Academy continue to deliver positive outcomes through Skills Academies and the NHS Demonstrator programme. A total of 67 referrals were made to Skills Academy courses, offering practical, entry-level training such as School Crossing Patrol, Personal Assistant, Introduction to Facilities, and ESOL courses, providing clients with direct pathways into employment and further training.

The NHS Demonstrator programme has been strongly supported by the company, with 22 clients attending information sessions and 11 successfully securing paid placements across NHS roles and other areas including grounds maintenance, cleaning, and catering. These partnerships continue to strengthen pathways into employment and training, ensuring clients receive tailored support that meets local needs while enhancing employability opportunities across South Lanarkshire.

The development of partnerships and services for young people are key priorities for Trustees. The planned closure of the Cambuslang Jobcentre, announced in 2025, alongside rising levels of economic inactivity among young people, prompted the company in conjunction with the Local Employability Partnership (LEP) and UK Government to develop a targeted response by creating a Youth and Wellbeing Hub in the Cambuslang Training & Enterprise centre (CTEC). The Hub ensures continued community access, integrated benefit, wellbeing and employment support.

The Youth and Wellbeing Hub, also known as 'The POD' to signify 'Pathways, Opportunity, Development', brings together a range of partners including Job Centre Plus, South Lanarkshire College, NHS and Business Gateway and provides a coordinated, multi-agency approach to support young people and individuals experiencing health-related barriers, offering early intervention, wellbeing support, and progression-focused guidance in a community setting

Since January 2026, alongside employability support, the Hub delivered a range of wellbeing and engagement activities aimed at increasing confidence, reducing isolation and encouraging participation. Training sessions included introduction to reiki, canvas art painting, mind map sessions and introduction to podcasting. These interventions have been particularly popular with over 40 clients participating in training and further development of the Hub and support for young people a priority going forward.

STRATEGIC REPORT
Achievements and Performance
Charitable activities
Trustees also maintained their support, working with South Lanarkshire Council, for services targeting young people most at risk of not progressing to education, employment or training on leaving school through the company's delivery of RISE, Reach and Impact training programmes.

During July 2025, the Reach Rural programme piloted the ASDAN Employability Skills Award, achieving strong pass rates and establishing a clearer and more cost-effective progression pathway aligned to the Impact programme and wider employability provision. Youth unemployment continues to present a significant challenge across Scotland, reinforcing the importance of targeted employability support and early intervention. Through the Reach and Impact programmes, 53 young people were supported to access accredited learning, work placements, industry-specific qualifications, and tailored employability support designed to improve progression into positive destinations.

During the year, referrals to the RISE Winter and Summer Leavers Programme increased, with over 40 young people supported through the 13-week training programme. In response to the closure of Landed, the Skills & Training Team developed and delivered bespoke wellbeing sessions at short notice, strengthening internal delivery capacity and expanding staff expertise across areas including vaping and smoking awareness, drugs and alcohol awareness, and knife safety.

Ongoing collaboration with the South Lanarkshire Council Aspire Team and the Local Employability Partnership has continued to strengthen pathways for young people, supporting access to education, training, and employment opportunities across the local area.

These activities have contributed to improved referral pathways, stronger local collaboration, and more accessible support for priority groups throughout South Lanarkshire. Overall, this work has strengthened partnership coordination, improved feedback mechanisms, and supported a more responsive and inclusive approach to service delivery, providing a stronger foundation for continued collaboration and development across the wider employability and third sector network.

Investment & Infrastructure
Recognising the critical importance of strong internal systems, governance, and infrastructure in delivering high-quality services, the Trustees previously tasked the Management Team with developing a forward-looking Development Strategy. This strategy was designed to strengthen organisational capability while driving continuous improvement across quality assurance, customer service standards, and governance arrangements.

Working with South Lanarkshire Council and alongside key stakeholders, partners, and customers, the organisation during 2025/26, implemented year one of its 3-Year Development Strategy covering the period 2025-2028. This reflects a clear commitment from both the company and the Trustees to continuous development and ensuring the organisation remains responsive, resilient, and well-positioned to meet evolving needs. The strategy sets out three core themes which align directly with local and national priorities:

People - delivering holistic, needs-led and person-centred support to those experiencing the greatest disadvantage within our communities.

Jobs - strengthening pathways into employment through enhanced employer engagement and improved access to opportunity.

Place - ensuring opportunity and need are effectively linked through outreach, partnership working, and locally responsive service design.

Together, these themes provide a clear framework for organisational development and investment, ensuring that the company continues to evolve while maintaining a strong focus on impact, quality, and delivery. Early implementation of the strategy has already contributed to improved coordination across services, strengthened partnership working, and clearer customer progression pathways.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2026

STRATEGIC REPORT
Achievements and Performance
Charitable activities
Alongside the Development Strategy, the organisation has undertaken a review of internal structures and operating costs in response to reduced funding streams and wider financial pressures within the sector. This has included streamlining roles and processes to improve efficiency, strengthen resilience, and ensure the majority of available resources is directed towards frontline delivery and service impact.

These changes have improved operational efficiency and strengthened financial resilience while maintaining service quality and customer experience. Internal efficiency measures have contributed to a reduction in support services costs, enabling a greater proportion of expenditure to be directed towards direct service delivery.

In addition, continued investment in organisational infrastructure and service delivery has been demonstrated through the development and implementation of the Youth and Wellbeing Hub. Since its introduction, the Hub has contributed to increased engagement from priority groups, enabling earlier intervention and improved signposting into education, training, employment, and wellbeing support. Early indicators show a measurable increase in engagement from young people alongside improved progression into positive destinations.

Significant work has also been undertaken to reduce expenditure and improve value for money across core operational areas, including the successful renegotiation of key supplier contracts such as utilities, resulting in reduced ongoing costs. These measures reflect a proactive approach to financial management and sustainability in a challenging funding environment.

In addition, substantial progress has been made in strengthening the organisation's internal systems, governance, and quality frameworks. This work has focused on developing the foundations required to support future achievement of external quality accreditation, ensuring that policies, processes, and performance systems are robust, consistent, and aligned with recognised standards of excellence.

Throughout the year, data has been increasingly used to inform service delivery and ensure provision is responsive to customer need. This has supported a more targeted and evidence-based approach across the organisation, improving the allocation of resources and enabling more effective support for individuals and employers. Service data indicates improved responsiveness, including reduced time from referral to intervention for priority client groups.

The company maintains a strong commitment to learning and development, with a structured programme of Continuous Professional Development (CPD) delivered throughout 2025/26. This investment in workforce development has enhanced staff capability and confidence across frontline services, contributing to improved consistency in service delivery and customer experience. Sessions have included Autism Awareness, Mental Health First Aid and World Host customer service, alongside staff undertaking individual qualifications to further strengthen skills and knowledge. These have included SVQ Level 4 in Management and REHIS Food Hygiene Diploma, further enhancing organisational capability and overall service delivery.

The Trustees remain committed to ensuring the organisation is financially sustainable, strategically focused, and delivering meaningful outcomes for individuals, employers, and South Lanarkshire's communities. The progress outlined and achieved during 2025/26 reflects a continued focus on quality, accountability, and continuous improvement, ensuring the organisation remains resilient and well-positioned to meet future needs.

STRATEGIC REPORT

Achievements and performance

Internal and external factors

Trustees have updated the company Risk Register in recent years in response to Brexit and the replacement of European Structural Funds with the UK Shared Prosperity Fund and to reflect changes to the Employability Fund, now an integral part of local authorities 'No One Left Behind' strategies. No One Left Behind places people at the centre of the design and delivery of employability services and will become the main vehicle for future investment in skills, training and employment through the Council led Local Employment Partnership (LEP).

The Trustees have welcomed this approach with the company an active participant in the LEP and are confident the company will continue to play a key role in the achievement of South Lanarkshire's No One Left Behind Strategy. This has included the Transformational Review of Routes to Work South by South Lanarkshire Council, which concluded that the company's Arm's Length External Organisation (ALEO) status should remain in place as it continued to provide best value in achieving positive outcomes for local people and businesses.

Funding provided through UKSPF during 2025/26 has enabled the company to expand employability provision, strengthen local partnerships, and increase engagement with priority groups, which continues to align with the Get Britain Working agenda, focused on reducing economic inactivity and supporting progression into employment. Following the conclusion of UKSPF funding, this will transition to the Growth Fund for 2026/27, supporting continuity of delivery and ongoing investment in employability and skills provision.

The Trustees again recognise the important role of Community & Enterprise Resources and Education Resources within the Council and their contribution to the company's efforts to reduce poverty and improve targeting of the most vulnerable in our communities.

The company remains committed to providing community outreach and securing the resources to extend the success achieved in recent years within targeted communities including the Clyde Gateway area. It also remains committed to supporting residents of other disadvantaged areas to access a full range of employability and related services.

The Trustees maintained their focus during the year on the alleviation of poverty by targeting hard to reach clients and aim to ensure that investment attracted to South Lanarkshire by the company continues to be targeted at residents most in need.

Commitment to Fair Work Practices

The company is a National Award Winner for its progressive policies to support a strong work life balance and the Trustees remain committed to further developing Fair Work Practices, through measures such as promotion of the minimum wage, early adoption of the Real Living Wage, access to certificated and non-certificated training and flexible working.

The Trustees recognise that the company's achievements are a result of the skills, dedication, and hard work of its staff. During the year, the company has continued to invest in staff training and the 'We Applaud' programme to recognise and reward individuals and teams that continually went above and beyond to represent the company and its values.

The company will continue its focus on 'People and Culture' and the management of risk. The company has a strong track record of developing its people and the Trustees recognise that staff are central to its future plans.

Financial review

Principal funding sources

The company's main income sources are South Lanarkshire Council through a combination of service level agreements, challenge funding and contracts.

Investment policy and objectives

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

STRATEGIC REPORT
Financial review
Reserves policy
The reserves of the company are as described in the accounting policies. It is the policy of the company to build up unrestricted funds to equate to approximately 3 months unrestricted expenditure to provide sufficient resources to meet ongoing projects and closure costs if required. Management prepares an annual closure calculation to verify that this policy will cover all potential closure costs as well as short term overhead costs and the policy is set at the appropriate level.

Future plans
The Trustees recognise 2025/26 was an extremely difficult year for local people and businesses and stand ready to work with partners throughout South Lanarkshire and provide the company's support and resources to rebuild the economy and contribute to growth and recovery in the year ahead.

The Trustees have identified specific development plans for 2026/27 and aim to build on the company's established infrastructure and partner network to tackle poverty and develop new and additional services.

Looking ahead to 2026/27, the Trustees have identified several priority development areas. These build on the organisation's established infrastructure and partner network and focus on tackling poverty, improving employability outcomes, and developing new and enhanced services in response to local need.

These priorities clearly align with the organisation's 2025-2028 Development Strategy, structured around the core themes of People, Jobs, and Place, and will guide delivery through 2026/27 and beyond. Key priorities, started and progressed during 2025/26, that will support the implementation of the company's refresh of its longer-term Development Strategy covering the 3-year period 2025 - 2028 include:

- Developing the WIN service, delivering throughout South Lanarkshire to ease access and provide partnership support to economically inactive clients.
- Further develop the Youth & Wellbeing Hub and services that support young people.

The Trustees recognise that increases in the cost of living will have a significant impact on the most marginalised in our communities and is committed to mitigating this impact by providing practical help and support to local people with the greatest need. The Trustees continue to respond constructively and positively to changes in the company's working environment to reduce and prevent poverty in the most vulnerable clients and communities of South Lanarkshire.

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

The company adheres to the policies set out in its Memorandum and articles of association.

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

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

The Board of Directors meet quarterly and receive reports from the Senior Management Team, which comprises the Chief Executive Officer, Deputy Chief Executive and Operations Manager. The Board is also supported by a Finance Sub-Committee. Only directors serve as members of the Sub-Committee though the Chief and Deputy Chief Executive, and specialist external expertise are also invited to attend to support their work. The decision-making authority remains with the main Board and the Sub-Committee's main role is to bring forward recommendations for Board approval.

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

Induction and training of new trustees

There is a structured induction programme for incoming directors to ensure they fully understand the company's operations.

Key management remuneration

Salaries of key personnel are decided and approved at board level. They review annual salaries of similar positions at other organisations and decide on an appropriate level based on this review.

Wider network

The company's activities are within the South Lanarkshire area.

Related parties

The following directors are representative members of the company:

D B Hashagen, South Lanarkshire Council
Cllr C McClymont, South Lanarkshire Council

No other related parties have been identified either with the trustees or key management within the organisation.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. They do this through maintaining and updating a risk register.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC217367 (Scotland)

Registered Charity number

SCO031487

Registered office

1-15 Main Street
Cambuslang
Glasgow
G72 7EX

ROUTES TO WORK SOUTH

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2026

Trustees
W A M McBride Chairperson
J Edgar (resigned 16.6.26)
N Spence
J Anderson
D B Hashagen
C McClymont

Company Secretary
S Barr

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

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

ROUTES TO WORK SOUTH

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2026

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ....11.8.26................ and signed on the board's behalf by:

....

S Barr - Secretary

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF ROUTES TO WORK SOUTH

Opinion

We have audited the financial statements of Routes to Work South (the 'charitable company') for the year ended 31 March 2026 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2026 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006(as amended

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' 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 charitable 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.

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF ROUTES TO WORK SOUTH

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

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

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF ROUTES TO WORK SOUTH

Our 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 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 reasonable be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- evaluates the appropriateness of accounting policies used and reasonableness of accounting estimates.
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- conclude on the appropriateness of the director's use of the going concern basis of accounting and,based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.
- identify and assess the risks of material misstatement of the entity's financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion.
- obtain an understanding of the legal and regulatory frameworks that are applicable to the entity and design audit procedures that are appropriate in the circumstances.
- design and implement audit procedures to identify non - compliance with the direct and indirect laws and regulations specific to the nature of the entity.
- enquires of management in relation to their assessment of the susceptibility of the financial statements to material misstatement or their knowledge of any actual, suspected, or alleged fraud.
- there is a presumed significant risk associated with income recognition therefore appropriate audit procedures are designed and implemented to obtain appropriate audit evidence to support the auditor's opinion. Income proof in total will be carried out ensuing accuracy, completeness and cut off and income will be recognised within the financial statements inline with the appropriate accounting policy.
- there is a presumed significant risk associated with management override therefore appropriate audit procedures are designed and implemented to obtain appropriate audit evidence to support the auditor's opinion. Audit evidence substantiated by review of journal entries, for large or unusual transactions, transactions outwith the normal course of operations and review of accounting estimates.
- design and implement audit procedures to identify related parties, unusual or unexpected transactions that are appropriate in the circumstances and obtain appropriate audit evidence to support the auditor's opinion and disclosures within the financial statements.
- design and implement audit procedures to review the accuracy and occurrence of wages, tests will include systems testing, analytical review and physical verification.
- conclude on organisatons compliance with laws and regulations, both statutory and organistaion specific prevalent to the day to day operations, focusing on appropriate disclosures and compliance throughout the audit file. Organistaion correspondence will also be reviewed ensuring no issues which could affect the financial statements.

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 Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF ROUTES TO WORK SOUTH

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

Maureen O'Donnell - McDaid & Partners

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

Date: 11\8\2024

ROUTES TO WORK SOUTH

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted funds £	Restricted funds £	31.3.26 Total funds £	31.3.25 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	3				
Charitable activities		2,836,517	-	2,836,517	3,237,254
Investment income	2	18,289	-	18,289	26,033
Total		2,854,806	-	2,854,806	3,263,287
EXPENDITURE ON					
Charitable activities	4				
Charitable activities		2,848,181	-	2,848,181	3,256,562
NET INCOME		6,625	-	6,625	6,725
RECONCILIATION OF FUNDS					
Total funds brought forward		602,095	-	602,095	595,370
TOTAL FUNDS CARRIED FORWARD		608,720	-	608,720	602,095

The notes form part of these financial statements

ROUTES TO WORK SOUTH

BALANCE SHEET
31 MARCH 2026

	Notes	Unrestricted funds £	Restricted funds £	31.3.26 Total funds £	31.3.25 Total funds £
FIXED ASSETS					
Tangible assets	10	18,876	-	18,876	27,208
CURRENT ASSETS					
Debtors	11	41,489	-	41,489	74,122
Cash at bank and in hand		1,988,302	-	1,988,302	1,679,208
		2,029,791	-	2,029,791	1,753,330
CREDITORS					
Amounts falling due within one year	12	(1,189,035)	-	(1,189,035)	(927,531)
NET CURRENT ASSETS		840,756	-	840,756	825,799
TOTAL ASSETS LESS CURRENT LIABILITIES		859,632	-	859,632	853,007
PROVISIONS FOR LIABILITIES	14	(250,912)	-	(250,912)	(250,912)
NET ASSETS		608,720	-	608,720	602,095
FUNDS	15				
Unrestricted funds				608,720	602,095
TOTAL FUNDS				608,720	602,095

The financial statements were approved by the Board of Trustees and authorised for issue on 11/8/26 and were signed on its behalf by:

W A M McBride - Trustee

Catherine McClymont

C McClymont - Trustee

ROUTES TO WORK SOUTH

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2026

	Notes	31.3.26 £	31.3.25 £
Cash flows from operating activities			
Cash generated from operations	1	290,805	(453,407)
Net cash provided by/(used in) operating activities		290,805	(453,407)
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(2,785)
Interest received		18,289	26,033
Net cash provided by investing activities		18,289	23,248
Change in cash and cash equivalents in the reporting period		309,094	(430,159)
Cash and cash equivalents at the beginning of the reporting period		1,679,208	2,109,367
Cash and cash equivalents at the end of the reporting period		1,988,302	1,679,208

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2026

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.26	31.3.25
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	6,625	6,725
Adjustments for:		
Depreciation charges	8,332	7,926
Interest received	(18,289)	(26,033)
Decrease in debtors	32,633	50,450
Increase/(decrease) in creditors	261,504	(492,475)
Net cash provided by/(used in) operations	290,805	(453,407)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.25	Cash flow	At 31.3.26
	£	£	£
Net cash			
Cash at bank and in hand	1,679,208	309,094	1,988,302
	1,679,208	309,094	1,988,302
Total	1,679,208	309,094	1,988,302

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern
The organisation prepares its accounts on the basis that it remains a going concern: That is that there is the assumption that the functions of the organisation will continue in operational existence.

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

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

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

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

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

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

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

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

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

Tangible fixed assets
Depreciation is provided at the disclosed annual rates in order to write off the cost less estimated residual value of each asset over its estimated residual life.

Property improvements	-	10% on cost
Fixtures & fittings	-	25% on cost
Computer equipment	-	33.33% on cost
Equipment	-	25% on cost

continued...

1. ACCOUNTING POLICIES - continued

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

Taxation
The charity is exempt from corporation tax on its charitable activities.

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.

Dilapidations
Dilapidation's are provided for within the accounts when there is certainty that the expenditure will occur.

Pension costs and other post-retirement benefits
The charity operates a defined contributions pension scheme for the remainder of its employees. The assets of the scheme are held separately from those of the charity in independently administered funds.

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

Basic financial instruments
Trade debtors
Trade debtors are amounts due from customers for goods or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade Creditors
Trade creditors are amounts due to suppliers for goods or services obtained in the ordinary course of business.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Cash
Cash and cash equivalents are basic financial assets and include cash on hand, deposits held at call with banks, other short-term liquid investments and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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

Government Grants
Government grants are eligible for recognition within the financial statements once they become receivable.

continued...

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2026

2. INVESTMENT INCOME

	31.3.26	31.3.25
	£	£
Deposit account interest	18,289	26,033

3. INCOME FROM CHARITABLE ACTIVITIES

		31.3.26	31.3.25
	Activity	£	£
Miscellaneous	Charitable activities	230	1,862
Gateway to Employment	Charitable activities	1,013,000	943,000
Room hire & tenancy	Charitable activities	152,129	145,833
Cafe & Catering	Charitable activities	32,851	25,735
Pantry	Charitable activities	48	123
Clyde Gateway	Charitable activities	25,000	38,000
Employability Fund	Charitable activities	25,000	47,400
East Kilbride Work and Training Services	Charitable activities	100,000	70,000
RISE	Charitable activities	122,500	234,357
Fair Start Scotland	Charitable activities	133,876	564,236
Gateway/intensive health	Charitable activities	250,000	250,000
Reach & impact	Charitable activities	200,000	300,000
Aspire works	Charitable activities	100,000	67,657
SLC Railway academy	Charitable activities	81,883	19,051
Making IT Work for Parent	Charitable activities	520,000	530,000
Youth hub	Charitable activities	20,000	-
WIN	Charitable activities	60,000	-
		2,836,517	3,237,254

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 5)	Totals
	£	£	£
Charitable activities	2,835,531	12,650	2,848,181

continued...

5. SUPPORT COSTS

	Governance costs
	£
Charitable activities	12,650

6. NET INCOME/(EXPENDITURE)

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

	31.3.26	31.3.25
	£	£
Auditors' remuneration	7,700	6,500
Auditors' remuneration for non audit work	4,950	4,500
Depreciation - owned assets	8,332	7,926

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2026 nor for the year ended 31 March 2025.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2026 nor for the year ended 31 March 2025.

8. STAFF COSTS

	31.3.26	31.3.25
	£	£
Wages and salaries	1,809,111	1,836,068
Social security costs	221,123	181,330
Other pension costs	145,374	147,216
	2,175,608	2,164,614

Staff other employment benefits totalled £22,024 (2025 £18,836).

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

	31.3.26	31.3.25
Management Staff	4	4
Project Staff	52	55
	56	59

continued...

8. **STAFF COSTS - continued**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.26	31.3.25
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
£80,001 - £90,000	1	1
	2	2

Key management personnel employment benefits totalled £174,808 (2025 £166,505).

9. **COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Charitable activities	3,237,254	-	3,237,254
Investment income	26,033	-	26,033
Total	3,263,287	-	3,263,287
EXPENDITURE ON			
Charitable activities			
Charitable activities	3,256,562	-	3,256,562
NET INCOME	6,725	-	6,725
RECONCILIATION OF FUNDS			
Total funds brought forward	595,370	-	595,370
TOTAL FUNDS CARRIED FORWARD	602,095	-	602,095

continued...

10. TANGIBLE FIXED ASSETS

	Property improvements £	Equipment £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 April 2025 and 31 March 2026	154,124	2,500	15,103	17,731	189,458
DEPRECIATION					
At 1 April 2025	138,396	937	10,618	12,299	162,250
Charge for year	3,044	833	1,492	2,963	8,332
At 31 March 2026	141,440	1,770	12,110	15,262	170,582
NET BOOK VALUE					
At 31 March 2026	12,684	730	2,993	2,469	18,876
At 31 March 2025	15,728	1,563	4,485	5,432	27,208

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.26 £	31.3.25 £
Trade debtors	54	24,899
Prepayments and accrued income	41,435	49,223
	41,489	74,122

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.26 £	31.3.25 £
Trade creditors	28,239	56,097
Social security and other taxes	39,693	-
VAT	127,903	106,667
Other creditors	3,126	6,249
Accrued expenses	137,714	134,658
Deferred grants & funding	852,360	623,860
	1,189,035	927,531

continued...

13. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.26	31.3.25
	£	£
Within one year	137,112	79,897
Between one and five years	187,500	200,000
In more than five years	-	50,000
	324,612	329,897

14. PROVISIONS FOR LIABILITIES

	31.3.26	31.3.25
	£	£
Provisions	250,912	250,912

The value in provisions relates to a constructive obligations by the Board of Trustees to carry out property dilapidations to the CTEC building at Cambuslang and East Kilbride building.

15. MOVEMENT IN FUNDS

	At 1.4.25	Net movement in funds	At 31.3.26
	£	£	£
Unrestricted funds			
General fund	602,095	6,625	608,720
TOTAL FUNDS	602,095	6,625	608,720

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	2,854,806	(2,848,181)	6,625
TOTAL FUNDS	2,854,806	(2,848,181)	6,625

continued...

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.24	Net movement in funds	At 31.3.25
	£	£	£
Unrestricted funds			
General fund	595,370	6,725	602,095
TOTAL FUNDS	595,370	6,725	602,095

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	3,263,287	(3,256,562)	6,725
TOTAL FUNDS	3,263,287	(3,256,562)	6,725

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.24	Net movement in funds	At 31.3.26
	£	£	£
Unrestricted funds			
General fund	595,370	13,350	608,720
TOTAL FUNDS	595,370	13,350	608,720

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	6,118,093	(6,104,743)	13,350
TOTAL FUNDS	6,118,093	(6,104,743)	13,350

continued...

16. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contributions scheme. Pension contributions charged during the year were £145,374 (2025 £147,216).

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2026.

18. DEFERRED INCOME

Income is recognised as deferred income when it does not meet the criteria for recognition as income in the statement of financial activities because entitlement to the income does not exist at the balance sheet date. Deferred income at the balance sheet date is:

	As at 31.03.25	Released 2025/26	Deferred 2026/27	As at 31.03.26
	£	£	£	£
Adult Education & Training Services	466,000	-156,000	207,000	517,000
Youth Education & Training Services	157,860	-72,500	250,000	335,360
Total	623,860	-228,500	457,000	852,360

ROUTES TO WORK SOUTH

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2026

	31.3.26	31.3.25
	£	£
INCOME AND ENDOWMENTS		
Investment income		
Deposit account interest	18,289	26,033
Charitable activities		
Miscellaneous	230	1,862
Gateway to Employment	1,013,000	943,000
Room hire & tenancy	152,129	145,833
Cafe & Catering	32,851	25,735
Pantry	48	123
Clyde Gateway	25,000	38,000
Employability Fund	25,000	47,400
East Kilbride Work and Training Services	100,000	70,000
RISE	122,500	234,357
Fair Start Scotland	133,876	564,236
Gateway/intensive health	250,000	250,000
Reach & impact	200,000	300,000
Aspire works	100,000	67,657
SLC Railway academy	81,883	19,051
Making IT Work for Parent	520,000	530,000
Youth hub	20,000	-
WIN	60,000	-
	2,836,517	3,237,254
Total incoming resources	2,854,806	3,263,287
EXPENDITURE		
Charitable activities		
Wages	1,809,111	1,836,068
Social security	221,123	181,330
Pensions	145,374	147,216
Insurance	23,286	23,117
Light and heat	61,899	80,972
Telecoms	21,136	21,571
Printing, postage & stationery	12,294	15,235
Recruitment & advertising	8,212	33,008
Sundries	6,321	11,166
Rent & rates	137,832	128,805
Travelling	10,507	11,897
Hospitality	2,746	3,263
Cleaning & hygiene	21,901	20,789
Carried forward	2,481,742	2,514,437

ROUTES TO WORK SOUTH

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2026

	31.3.26	31.3.25
	£	£
Charitable activities		
Brought forward	2,481,742	2,514,437
Subscriptions	4,628	1,904
IT maintenance	37,299	43,469
Training	4,807	37,945
Professional fees	7,187	6,321
Repairs & renewals	49,127	43,100
Beneficiary travel	38,148	63,722
Beneficiary training	136,942	261,123
Net Vat cost	68	-
Cafe expenses	33,817	28,991
Bank charges	2,232	2,356
Small capital costs	9,178	26,932
Other staff costs	22,024	18,836
ERI employment initiative	-	188,500
Depn of improvements to property	3,044	3,044
Depn of equipment	833	833
Depn of fixtures & fittings	1,492	1,086
Depn of computer equipment	2,963	2,963
	2,835,531	3,245,562
Support costs		
Governance costs		
Auditors' remuneration	7,700	6,500
Auditors' remuneration for non audit work	4,950	4,500
	12,650	11,000
Total resources expended	2,848,181	3,256,562
Net income	6,625	6,725

This page does not form part of the statutory financial statements