

COMPANY No. 06331809
CHARITY No. 1131802

WORKING CHANCE LIMITED
(Company Limited by Guarantee without Share Capital)

REPORT
AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

WORKING CHANCE LIMITED

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WORKING CHANCE LIMITED

REPORT FROM THE CHIEF EXECUTIVE

FOR THE YEAR ENDED 31 AUGUST 2016

Don't judge a woman by her conviction – judge her by her talent, commitment and potential.

Report from our Chief Executive



This is our message to business, the government and society. I am proud to report another year of growth and success for our mission – to help the women we work with find a job they love and become financially independent.

Innovations: A significant innovation this year was forging a stronger connection between young women leaving care and the criminal justice system. One third of women prisoners have spent time in care, so we are applying our successful model to help young women leaving care make their transition into the world of work. We hope this preventive approach will help reduce the number of women care leavers entering prison.

This year we also refined how our recruitment work is done. As HMP Holloway closed, our response was to open our first recruitment office in a UK prison – in HMP Downview. This is run by serving prisoners whom we have trained and to

whom we pay a weekly wage. Our aim is to replicate this model in other women's prisons and to include our candidates' feedback in the development process – really listening to their valuable input.

Being an agile organisation, finding solutions to pressing social issues is part of our DNA and is what makes us bold and distinctive: The launch of our pilot office in Manchester this year has also revealed a healthy appetite for our services in the North. We are busy looking for more employers in the North West so that we can help greater numbers of women into paid employment after leaving HMPs Styal and Drake Hall.

These abundant successes – helping women and their children to move beyond lives of poverty and isolation – are thanks to the hard work and dedication of my wonderful team, who always go the extra mile and are the reason why so many lives have been transformed.

Growth and impact: Working Chance is at an important juncture in its trajectory. We want more growth and we want to increase our impact – because we have the evidence that our model works and is changing women's lives for the better. Employment has been proven to be a major factor in reducing re-offending – providing people with an income, stability and opportunity. In 2015/16, Working Chance successfully made 266 paid and voluntary placements. Most importantly, 82% of the women we place are still in the same role six months later – because we are helping them find jobs they love, as well as a pay cheque and financial independence. However, we do not want growth for growth's sake. We do not want to dilute the quality of our work.

It is important that we continue to provide a first-rate service to both our candidates and our employers: No one is sure what the future holds in these uncertain economic and political times – but we

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can be certain that the more women we help into sustainable, paid employment, the better it is for them, their children, the economy and for society as a whole.

At an organisational level, we are focused on diversifying our income. We are exploring how we can start charging for our services, working towards being contract-ready and fully prepared for investment. We are also seeking to work in partnership with more business CSR (Corporate Social Responsibility) teams across the UK.

Revolutionary thinking: Our education of, and engagement with, the corporate world has started a revolution in their thinking and made great inroads into changing attitudes. We now have many partnerships with forward-thinking employers such as Virgin Trains, Pret A Manger, William Hill and Cook.

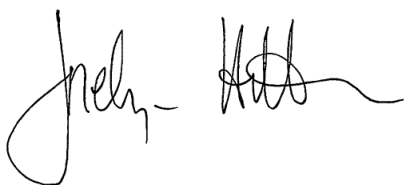
Employers tell us that staff morale improves when they hire our candidates: We have helped companies become inclusive, diverse employers – introducing a pool of talented, creative people they may previously have overlooked. I am pleased to announce that Blackrock and Virgin Media are now helping us fundraise for and set up a corporate mentoring scheme for our candidates, so that we can – with further funding in the future – provide one-to-one in-work support and career progression coaching.

It is important that we continue to provide leadership on these issues, and deliver new ways of thinking to change attitudes. We will continue to push the employment of women with convictions and young women care leavers onto the government's agenda and increase awareness in business and the media. This is vital if we want to break the intergenerational cycle of offending and poverty so often passed from mother to child.

Investing in our experts: We have a high-performance team and our staff members are fantastic role models for our candidates. 39% of our staff have personal experience of the criminal justice system, so they are uniquely qualified to best support the women we work with. To retain and attract more top talent, we are working towards becoming an 'employer of choice' – investing in the careers and future of our staff.

I am pleased to see that our recent recruitment drive for Trustees has brought a wealth of new skills and expertise to our Board. This fresh energy will enable us to help more women to move across the social divide from lives of exclusion to lives of contribution.

Work gives people dignity and independence. We take great care to listen to and involve our candidates at every stage of the design and implementation of our services. Our candidates tell us that their children do better at school once they have got a job. We are preparing for, and looking forward to, a very exciting future – helping to change the world for the better, one job placement at a time.



Jocelyn Hillman OBE

Founder and Chief Executive – Working Chance

Member of the Government's Advisory Board on Female Offenders

WORKING CHANCE LIMITED

REPORT FROM THE CHAIR OF TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2016

Looking back on a year of great change and great successes.

Report from our Chair of the Board of Trustees



I would like to congratulate our Chief Executive, Jocelyn Hillman OBE, and the entire Working Chance team, on the organisation's performance in the past year.

Working Chance successfully made 266 placements in 2015/16, supporting women with convictions and young women care leavers into quality paid or voluntary jobs. Of these, 203 were paid placements, surpassing the annual target by 6%. We have placed candidates with 69 employers across a range of sectors and at all organisational levels – from large, national corporations to the Houses of Parliament and the NHS, from SMEs to the third sector.

To have surpassed our paid placements target against a backdrop of great change is a real testament not only to Jocelyn Hillman's leadership but to the commitment and talent of the whole Working Chance team. This bodes very well for the coming year and the future.

We have undergone significant organisational change and improvement during the past year. This includes the appointment of Wendy Baverstock as our new Managing Director, who has made a successful start in supporting our Chief Executive. Our former Trustees, to whom we are extremely grateful, have moved onto pastures new and we have appointed a new Board whose support we are delighted with. I am proud to take up the appointment of Chair and look forward to leading the Board through the years ahead.

After the closure of HMP Holloway, a source of many of our referrals, we had to change our business model. This has been successfully achieved due to the extremely good management of the Working Chance team, and we are pleased with the strong results so far from our new office in HMP Downview and our pilot office in Manchester.

Jocelyn Hillman's years of tireless work on behalf of women with convictions were recognised by her being awarded an OBE, which is wholly deserved. Working Chance was also delighted to be chosen as the City Women Network Charity of the Year, for the second year running. We are very grateful to all of our funders and donors for their vital support over the past year.

We have continued to win over major employers, with Clive Schlee (CEO of Pret A Manger) recently enthusing about the benefits that businesses stand to reap from hiring women with convictions: *"Working Chance is the most professional and successful agency that we use. I strongly recommend them. Hiring ex-offenders will enrich your company and strengthen your brand."*

The Board's attention has been focused on a revenue diversification strategy, acknowledging that we need to look beyond funding from Trusts and Foundations to include earned income – such as statutory contracts, commission on job placements and other income from employers. We are pleased to have made strong initial headway with this strategy and look forward to continuing the diversification of our income

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REPORT FROM THE CHAIR OF TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2016

streams moving forward.

On behalf of the Board of Trustees, I'd like to once again thank our Chief Executive and all the Working Chance team for their hard work and considerable achievements over the past year. Their determination and commitment has had a huge impact upon the lives of many marginalised women, and continues to build safer and happier communities.

A handwritten signature in black ink, appearing to read 'S Marshall', written over a horizontal line.

Simon Marshall

Chair of the Board of Trustees – Working Chance

WORKING CHANCE LIMITED

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees present their annual report and financial statements of the charity for the year ended 31 August 2016.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Memorandum and Articles of Association, the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective 1 January 2015).

Objectives and Activities, Achievements and Performance

2015-16 was a year of both significant change and success for Working Chance. We made 203 placements into paid work, and 63 voluntary work placements, which are an important stepping stone to paid roles. We are proud to have supported so many women into employment and to have changed their lives and their children's lives for the better. We have fought hard to ensure that not only do these women achieve financial autonomy through work, but that businesses don't miss out on talented and tenacious additions to their teams.

We have made strong progress against the future objectives we stated in our previous Annual Report for 2014-15:

Working with greater numbers of women: In 2015-16 Working Chance made 26 more paid placements than in the previous year, an increase of 15%, and worked with a total of over 400 women. We delivered training to 66% more women, supporting them to successfully gain and remain in work. We launched three new initiatives during the year, enabling us to work with greater numbers of women than ever before: our early intervention work with young women care leavers, an office in HMP Downview and a pilot scheme in Manchester.

In HMP Downview, we employ two women prisoners to represent us and act as peer advisers. We visit the prison weekly and run six-week employability workshops covering CV writing, interview skills and disclosure. The pilot scheme in Manchester started in August 2016 and the initial results are very encouraging. Zara Crane-Davies, who is leading the pilot, has already made successful job placements and we hope to report many more in 2016-17.

Strengthening our relationship with existing employers: We made 120 direct placements with 39 existing employers in 2015-16. The percentage of placements made with existing employers increased significantly over the year, underlining our efforts to build on our existing relationships and develop repeat business. 29 of our existing employers engaged with Working Chance's work through our numerous employability events, which brought candidates and companies together face-to-face to break down barriers and misconceptions about women with convictions.

Engaging new companies: We made a total of 84 direct placements with 58 new employers in 2015-16. 81 new companies attended our employability events, where employers met our staff and candidates and learnt more about our work.

Adding value to our employer-facing services: We delivered 11 employability events at a range of venues – both in prisons and at corporate offices – which were attended by a total of 136 corporate

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volunteers. These events brought together women with convictions and companies for 'speed-interviews', enabling the women to rehearse disclosing their conviction to real employers and get valuable feedback on their interview technique. The feedback from employers at these events has been consistently positive: *"Thank you for allowing me to be a part of such an amazing experience. I hope I've been able to give as much as I have taken away!"* (Tina Rosenow, Project Officer, Berkeley Foundation)

Tackling barriers to employment and discrimination: Our Support team have continued to provide tailored, wraparound support to the women we work with, to help them overcome any resettlement barriers to work that they may face. 111 women we've worked with in the past year have benefited from support on a total of 288 issues related to housing, debt and finance, domestic abuse and child custody, that affected their ability to gain and/or stay in work. This included one-to-one support, workshops and training, peer support groups and counselling.

We continued to fight discrimination against women with convictions and young women care leavers by educating employers through our employability events, and by convincing new businesses of the benefits of hiring our candidates – as evidenced by the 58 new employers who hired from Working Chance in 2015-16. We also continued to counter prejudice against women with convictions through awareness-raising and proactive media work.

Expanding the training we offer to candidates: In addition to training with CV-writing, interview techniques and disclosure of a conviction that we offer to our candidates, we now also deliver training in HMP Downview via our new office there. We hope to expand this on-site training to more women's prisons going forward. We have also delivered successful workshops to help prepare our care leaver candidates to enter the workplace for the first time, in addition to a well-received workshop for women who have experienced domestic abuse.

Fostering stronger partnerships: We have developed partnerships with a number of new businesses in the past year, as well as cementing existing relationships. We are delighted to have received wide-ranging support through these partnerships, including:

- Paid and voluntary placements for our candidates
- Corporate sponsorship and donations
- Pro bono legal advice
- Corporate volunteers and event space
- Counselling for our candidates
- Mentoring of our staff

We are particularly grateful to Promontory Financial Group, Bank of Tokyo-Mitsubishi, Mother, EE, Transport for London, Capital Group, Gather & Gather, Cook, William Hill and Pret A Manger for their support.

Pursuing opportunities to deliver statutory services: Working Chance delivered services at HMP Holloway as part of the London CRC (Community Rehabilitation Company) Transforming Rehabilitation contract. The contract involved two mandated posts – a Debt & Finance Officer and an ETE (Education, Training & Employment) Officer – providing services to women prisoners. The contract was terminated early due to the closure of HMP Holloway.

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Working closely with London CRC: We have continued to work directly with London CRC and receive referrals from them, with members of our team frequently providing workshops at their Sutton Hub and other women's centres. We also work with London CRC at our office at HMP Downview, and are listed as a provider on their rate card.

Progressing our work with young women care leavers: We have placed 18 young women care leavers into paid employment and one into voluntary work in 2015/16. Working Chance attended events at City Hall as part of National Care Leavers' Week, raising the profile of our valuable work with young women care leavers. The criminal justice and care systems are closely connected – a third of women in prison have been in care and 61% of girls aged 15-18 in young offender institutions say they have also spent time in care. Our work with women care leavers aims to tackle this damaging 'care-to-prison pipeline'.

Launching our 2016-2020 business plan: We launched our 2016-2020 business plan internally, which will provide the framework for our ongoing development and expansion. It will be further revised, if needed, to accommodate the fast-changing political and economic environment.

Developing our business: We have invested in our business development – including in our infrastructure, our staff, and our performance and data analysis capacity. We have also focused on diversifying our income – ensuring that Working Chance will be fully contract and investment-ready.

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Public Benefit

In shaping and reviewing the charity's aims and objectives and planning future activities, the Trustees referred to the information contained in the Charity Commission's general guidance on public benefit.

Working Chance's model of supporting women with convictions and young women care leavers into quality jobs is based around the societal benefit from those women moving from lives of exclusion to lives of contribution. Placing these women into jobs moves them towards financial independence, reduces reoffending, counters the 'care-to-prison pipeline', and breaks the intergenerational cycle of crime and disadvantage which is often passed from mother to child.

Financial Review

Working Chance strengthened its financial position in 2015-16, reporting income of £996k. Although this is £154k lower than that stated in the previous year, it should be noted that in 2014-15 we benefited from one-off funding from the Lord Mayor's Appeal of £320k. Excluding this, total income has increased by 20% (2014-15 8%). The increase is reflected both in restricted and unrestricted funds.

Our expenditure has also increased to £962k (2014-15: £729k), an increase of 32% over the previous year. The net contribution to reserves is £35k. This is made up of a deficit in restricted funds of £29k and a surplus in unrestricted funds of £64k. The deficit in restricted funds reflects the timing of spending current year restricted funds as well as the brought-forward balances from last year.

The resulting total unrestricted (including designated) reserves amount to £904k at the end of the year. Of this, £500k has been designated to support our strategic growth over the next four years. This will be used to invest in Working Chance's infrastructure and development of services, to ensure that we increase our impact on more women's lives and the lives of their children and families. We also want to ensure that we are a truly sustainable organisation, with a healthy, diversified income base and a model that continues to deliver public benefit and better lives for the women we support.

Working Chance's balance sheet remains healthy, with lower debtor and creditor levels than last year. We are not foreseeing any cashflow problems as we continue to hold the majority of our reserves in cash and cash equivalents.

Reserves Policy

In line with the Charity Commission Guidance CC19, "Building Resilience", the Trustees of Working Chance recognise the need to hold sufficient reserves to maintain our operating capacity and have agreed that this should be between three to six months of operating expenditure. The Trustees review the reserves policy annually to ensure that it remains relevant and appropriate to changing circumstances facing the charity.

The Trustees are comfortable with the organisation's current level of unrestricted reserves, net of designated funds, of £404k. This represents over 4 months of the 2016-17 budgeted spend.

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Principal Funding Sources

We are extremely grateful to the following organisations for their vital financial support over the past year, enabling us to change the lives of so many women and their children for the better:

Big Lottery Fund
Charles Dunstone Charitable Trust
City Women Network
Esmeé Fairbairn Foundation
Hackney Virtual School
Impetus-PEF
J Leon Foundation
J Paul Getty Jnr Charitable Trust
KPMG Foundation
Lloyds Bank Foundation
Macquarie David Clarke Fellowship
The Monument Trust
Oak Foundation
Philip King Charitable Trust
Porticus UK
Society for the Assistance of Ladies in Reduced Circumstances
The Coutts Foundation
The Henry Smith Charity
The Pilgrim Trust
Thompson Family Charitable Trust
The Tudor Trust
Vicar's Relief Fund



LOTTERY FUNDED

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Plans for the Future

Working Chance will continue to work to our 2016-2020 business plan, focusing on:

1. Increasing our impact through placing more women into work.
2. Strengthening our infrastructure at all levels in preparation for continued growth.
3. Raising Working Chance's profile and awareness of our impact and potential; provide leadership on the issue of employment and career progression for women with convictions and young women care leavers.
4. Establishing and embedding the organisation's financial stability through growing and diversifying our income.

Working Chance will continue to increase the number of women with convictions and young women care leavers that we place into both paid and voluntary work, to enable them to become emotionally and financially autonomous. We will strive to maximise our impact as much as possible. We will aim to continue our pilot scheme in Manchester, with the hope of building on its initial successes and the positive feedback received from candidates and employers alike.

We will also build on the success of our new office in HMP Downview and develop this further, with the aim of replicating this on-site model at HMPs Bronzefield and Send. We will partner with prison governors in new and innovative ways as they are given greater control over their prisons, as part of the government's prison reform plans. On a local government level, we will expand our partnerships with devolved authorities in London and Manchester. We will continue to fundraise for, and then implement, a new mentoring scheme which will deepen the impact of our work and will see corporate mentors help guide our candidates on their journey into and within employment.

We will invest in our staff to ensure that we attract and retain a highly skilled, talented and diverse workforce which is best placed to deliver our strategic objectives. We will invest in further training opportunities, a new performance management system and a complete review of our HR remit – all designed to ensure that we are an employer of choice and that we maintain our talented team. We will develop, refine and successfully implement a range of new policies and procedures.

We will implement our new Marketing and Communications strategy and complete our brand refresh and new website, leveraging these new assets to maximise the impact of our communications with all key stakeholders. We will also further invest in our performance and data analysis, which will prove valuable in informing and improving what we do – as will continuing to really listen to our candidates.

We will diversify our income, moving beyond a reliance on Trusts and Foundations towards a landscape where revenue from statutory contracts, corporate sponsorship, major donors and payroll schemes feature more prominently. We will deepen our relationships with key current supporters to ensure that Working Chance not only increases its sustainability but that we are primed to expand our influence and impact effectively. We will also expand our corporate partnerships and work with a greater number of businesses.

WORKING CHANCE LIMITED

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Structure, Governance and Management

Working Chance is a company limited by guarantee, governed by its Memorandum and Articles of Association adopted on 24 May 2012. It is registered with the Charity Commission of England and Wales. In the event of the company being wound up, all trustees present and 12 months past are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Trustees

A skills audit is undertaken annually and when any gaps are identified, the Chair of Trustees leads a formal search and a multiple-stage interview process before any proposed appointments.

Trustees Induction and Training

All prospective Trustees are provided with sufficient background knowledge to contextualise discussions at the first Board meeting they attend, and to answer any questions which may have occurred to them during the selection process. They will be invited to visit the Working Chance offices where they will meet the team and be briefed by senior management, before they attend their first Board meeting.

After prospective Trustees have attended a Board meeting, they will then meet with our Chair of Trustees to finalise the process of joining our Board, by having a two-way discussion about their role.

Once formally appointed, the aim is to bring Trustees quickly up to speed on our work so they can participate meaningfully in discussions and decision-making. They will typically be assigned a buddy, who will be an existing Trustee, and will be invited to attend workshops and events in prisons and at our offices. Existing Trustees and Working Chance staff make themselves available to help during this period. New Trustees are encouraged to undertake Trustee training.

After six months, we encourage new Trustees to provide feedback to the Chair, which can include a review of their induction. The feedback will be shared with other Trustees to identify improvements in the induction process.

Organisational Structure

The Board of Trustees, which can have up to eleven members, administers the charity. The Board meets up to six times each year and there is a sub-committee covering finance and audit. The charity benefits from a Development Board, which has a fundraising focus. The Chief Executive has delegated authority for all operational matters.

Risk Management

The Trustees continually review the risks facing the organisation. During an annual review meeting that all Trustees and senior staff members attend, not only is the performance and organisational strategy reviewed but the risk profile of the organisation is assessed and a formal timetable for review is agreed. This is typically done at each audit and finance subcommittee, via the management of a risk register, together with a full Board review once a year.

The identified principal risk facing the organisation is ongoing financial sustainability, due to the need to

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diversify income streams. Notwithstanding the current health of the cashflow and balance sheet, the diversification of income is a key strategic objective for the next four years. The charity wishes to increase its individual and corporate supporter base, whilst maintaining and deepening its collaboration with trusts and foundations. The charity is preparing its approach to attract statutory funding by investing in its infrastructure, to become investment and contract ready.

Working Chance is actively mindful of the unknown and potential impact of Brexit, including the likely longer term loss of EU funding. Furthermore, there are uncertainties over developments in the prison estate, especially the Justice Secretary's announcement of a major overhaul that includes plans to build five community prisons for women.

Related Parties

None of our Trustees receive remuneration or other benefit from their work with the charity. Any connection between a Trustee or senior manager of the charity with other industry-related bodies or organisations must be disclosed to the full Board of Trustees, in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

Reference and Administrative Details

Charity registration number: 1131802

Company registration number: 06331809

Registered and principal office: Claremont Building
24-27 White Lion Street
London
N1 9PD

Directors and Trustees

The Board of Trustees constitutes directors of the company for the purpose of company law and constitutes Trustees for the purpose of charity law. The Trustees serving during the year and since the year end were as follows:

Fiona Ash	Resigned 9 March 2016
Helen Dickinson OBE	Resigned 16 November 2016
Maddie Grindal	Resigned 20 July 2016
Erica Handling	Appointed 11 November 2015
Lady Emma Hood	Appointed 9 September 2015
Simon Marshall (Chair)	Appointed 9 September 2015 and appointed Chair on 16 November 2016
Susan Round	Appointed 11 November 2015
Nick Tesseyman (Treasurer)	Appointed 9 September 2015
Emma Whitcombe	Resigned 9 March 2016
Dee Winzar	Appointed 11 November 2015

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No Trustee received any remuneration for services during the year (2015 – nil), nor did they have any beneficial interest in any contract with the charity.

Chief Executive Officer: Jocelyn Hillman OBE

Auditors: Barcant Beardon Limited
Chartered Accountants
8 Blackstock Mews
Islington
London N4 2BT

Bankers: The Co-Operative Bank
PO Box 250
Delf House
Southway
Skelmersdale
WN8 6WT

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4TA

Unity Trust Bank
23 Great Russell Street
London
WC1B 3UB

Statement of the Trustees' Responsibilities

The Trustees (who are also directors of Working Chance for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the financial year. In preparing these 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 2015 (FRSSE);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable United Kingdom 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 operation.

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The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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

Disclosure of Information to the Auditors

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

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

On behalf of the Board

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Simon Marshall
Chair of the Board of Trustees

WORKING CHANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORKING CHANCE LIMITED

FOR THE YEAR ENDED 31 AUGUST 2016

We have audited the financial statements of Working Chance Limited for the year ended 31 August 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable for Smaller Entities).

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of Working Chance 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.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been properly prepared in accordance with the Companies Act 2006.

WORKING CHANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORKING CHANCE LIMITED

FOR THE YEAR ENDED 31 AUGUST 2016

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statement 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 or explanations we require for audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Mukesh Khatri
Senior Statutory Auditor

For and on behalf of
BARCANT BEARDON LIMITED
Chartered Accountants & Statutory Auditors

8 Blackstock Mews
Islington
London N4 2BT

WORKING CHANCE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Restricted Funds £	Unrestricted Funds £	Total Funds 2016 £	Total Funds 2015 £
<i>Income and endowments from:</i>					
Donations and legacies	2	-	143,112	143,112	91,941
Charitable activities	3	625,142	173,333	798,475	1,018,963
Other trading activities	4	-	52,178	52,178	37,616
Investments	5	-	2,640	2,640	2,210
Total income and endowments		<u>625,142</u>	<u>371,263</u>	<u>996,405</u>	<u>1,150,730</u>
<i>Expenditure on:</i>					
Costs of raising funds:					
Fundraising costs		-	17,610	17,610	1,641
Charitable activities		<u>637,250</u>	<u>306,907</u>	<u>944,157</u>	<u>727,520</u>
Total expenditure	6	<u>637,250</u>	<u>324,517</u>	<u>961,767</u>	<u>729,161</u>
Net income/ (expenditure)		(12,108)	46,746	34,638	421,569
Transfers between funds		<u>(17,026)</u>	<u>17,026</u>	<u>-</u>	<u>-</u>
<i>Net movement in funds for the year</i>		(29,134)	63,772	34,638	421,569
<i>Reconciliation of funds</i>					
Total funds brought forward		29,134	840,690	869,824	448,255
Total funds carried forward		<u>-</u>	<u>904,462</u>	<u>904,462</u>	<u>869,824</u>

The statement of financial activities includes all gains and losses recognised during the year.
All income and expenditure derive from continuing activities.

WORKING CHANCE LIMITED

BALANCE SHEET

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	2016 £	2015 £
<i>Fixed assets</i>	13	<u>13,752</u>	<u>12,879</u>
<i>Current assets</i>			
Debtors	14	14,947	31,450
Cash at bank and in hand		<u>1,041,582</u>	<u>1,036,460</u>
		<u>1,056,529</u>	<u>1,067,910</u>
<i>Creditors: amounts falling due within one year</i>	15	<u>(165,819)</u>	<u>(210,965)</u>
<i>Net current assets/(liabilities)</i>		<u>890,710</u>	<u>856,945</u>
<i>Net assets</i>		<u><u>904,462</u></u>	<u><u>869,824</u></u>
<i>Charity funds</i>			
Restricted funds	17	-	29,134
Unrestricted funds			
- General funds	17	404,462	340,690
- Designated funds	17	<u>500,000</u>	<u>500,000</u>
Total charity funds		<u><u>904,462</u></u>	<u><u>869,824</u></u>

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective January 2015).

Signed on behalf of the Board of Trustees

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Simon Marshall
Chair of the Board of Trustees

The notes on pages 19-27 form part of these financial statements.
Company registration number: 06331809
Registered charity no. 1131802

WORKING CHANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

1.0 Accounting Policies

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

1.1 General information and basis of preparation

Working Chance is a company limited by guarantee incorporated in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office is Claremont Building, 24-27 White Lion Street, London, N1 9PD.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost and transaction value unless otherwise stated in the relevant accounting policy notes.

1.2 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Unrestricted funds are donations and other income received or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subject to restrictions on their expenditure imposed by the donor.

1.3 Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be

WORKING CHANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2016

received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Interest income is recognised when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Donated services or 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. On receipt, donated services and 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.

1.4 *Expenditure recognition*

Expenditure is recognised on an accrual basis where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings:

- Costs of raising funds comprise the costs incurred on activities that raise funds.
- Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

1.5 *Support costs allocation*

Support costs are those functions that assist the work of the charity but do not directly represent charitable activities and include premises overheads, office, finance and governance costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

1.6 *Operating leases*

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

1.7 *Tangible fixed assets*

Tangible fixed assets costing more than £100 are capitalised at cost and depreciated over their estimated useful economic lives on a straight line basis as follows:

Fixtures, fittings & equipment	4 years
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WORKING CHANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2016

1.8 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

1.9 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

1.10 Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

1.11 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged in the Statement of Financial Activities in the year they are payable.

2.0 Income from Donations and Legacies

	2016	2015
	£	£
Gifts	119,517	89,549
Gift Aid tax reclaims	1,676	1,260
Gifts in Kind	21,919	1,132
	<u>143,112</u>	<u>91,941</u>

2.1 Income from donation and legacies was £143,112 (2015 - £91,941) of which £Nil (2015 - £Nil) was attributable to restricted and £143,112 (2015 - £91,941) was attributable to unrestricted funds.

2.2 Gifts in kind and donated services - fixed assets and items donated to the charity are included as Voluntary Income at their market value at time of receipt. Donated services and facilities are included at their value to the charity, where this can be quantified. The charity received free lunches and counselling for candidates in the current financial year. These are valued at the amount the charity would have to pay to acquire. An equivalent charge is included in expenditure.

3.0 Income from Charitable Activities

	2016	2015
	£	£
Grants	798,475	1,018,963
	<u>798,475</u>	<u>1,018,963</u>

WORKING CHANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2016

3.1 Income from charitable activities was £798,475 (2015 - £1,018,963) of which £625,142 (2015 - £573,963) was attributable to restricted and £173,333 (2015 - £445,000) was attributable to unrestricted funds.

4.0 Income from Other Trading Activities

	Unrestricted funds 2016 £	Unrestricted funds 2015 £
Service Contracts	49,031	24,516
Employer placement fees	3,147	13,100
	<u>52,178</u>	<u>37,616</u>

5.0 Income from Investments

	Unrestricted funds 2016 £	Unrestricted funds 2015 £
Interest – bank	2,640	2,210
	<u>2,640</u>	<u>2,210</u>

6.0 Analysis of Expenditure on Charitable Activities

	Direct activities undertaken £	Support costs £	Governance costs £	Total £
Services	854,888	106,118	761	961,767
	<u>854,888</u>	<u>106,118</u>	<u>761</u>	<u>961,767</u>

6.1 Of the £961,767 in 2016 (2015 - £729,161), £637,250 (2015 - £594,883) was attributable to restricted funds and £324,517 (2015 - £134,278) was attributable to unrestricted funds.

WORKING CHANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2016

7.0 Analysis of Support and Governance Costs

	Support Costs £	Governance Costs £	Total £
Premises	48,648	-	48,648
Office running	7,363	-	7,363
Information technology	8,188	-	8,188
Insurance	2,351	-	2,351
Telephone	11,979	-	11,979
Marketing and Advocacy	4,683	-	4,683
Depreciation	4,644	-	4,644
Subscriptions	2,575	-	2,575
Audit and accountancy	7,542	-	7,542
Trustees' expenses	-	761	761
Other Expenditure	8,145	-	8,145
	<u>106,118</u>	<u>761</u>	<u>106,879</u>

8.0 Net Income/ (Expenditure) for the Year

	2016 £	2015 £
This is stated after charging:		
Auditors' remuneration : Audit	7,500	6,800
Depreciation	4,644	5,415
Operating lease payments: Land and buildings	38,968	31,848
	<u>49,112</u>	<u>44,063</u>

9.0 Trustees' Remuneration and Expenses

The Trustees were not paid any remuneration or received any other benefits during the year (2015 – £Nil). Travel costs amounting to £148 (2015 - £Nil) were reimbursed to one (2015 – Nil) member of the Board of Trustees.

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into the charity during the year (2015 – £Nil).

10.0 Analysis of Staff Costs

	2016 £	2015 £
Wages and salaries	562,501	489,508
Social security costs	51,291	45,555
Pensions	14,108	9,279
SMP Rebate	(3,008)	(7,029)
	<u>624,892</u>	<u>537,313</u>

WORKING CHANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2016

10.1 No employee received remuneration of more than £60,000 (2015 – none).

11.0 Staff Numbers

The average monthly head count was 21 staff (2015: 18 staff) and the average monthly number of full-time equivalent employees (including casual and part time staff) during the year was as follows:

	2016 No.	2015 No.
Direct charitable work	17.9	15.6

12.0 Taxation

As a charity, Working Chance is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

13.0 Fixed Assets

	Fixtures, fittings & equipment £
<i>Cost</i>	
At 1 September 2015	36,713
Additions	6,433
Disposals	(4,021)
At 31 August 2016	39,125
<i>Depreciation:</i>	
At 1 September 2015	23,834
Charge for the year	4,644
Eliminated on disposals	(3,105)
At 31 August 2016	25,373
<i>Net Book Value:</i>	
At 31 August 2016	13,752
At 1 September 2015	12,879

14.0 Debtors

	2016 £	2015 £
Trade debtors	6,129	24,516
Other debtors	6,728	4,108
Prepayments	2,090	2,826
	14,947	31,450

WORKING CHANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2016

15.0 Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	12,622	2,123
Accruals	29,547	13,189
Deferred income (see note 16)	122,099	194,014
Other Creditors	1,551	1,639
	<u>165,819</u>	<u>210,965</u>

15.1 Included in Other Creditors is a pension liability of £1,551 (2015 - £1,539).

16.0 Deferred Income

Deferred income comprises of grants received in advance.

	Total £
Balance as at 1 September 2015	194,014
Amount released to income earned from charitable activities	(162,348)
Amount deferred in year	90,433
	<u>122,099</u>

17.0 Analysis of Charitable Funds

Unrestricted Funds	Balance 1 Sep 2015 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance 31 Aug 2016 £
General funds	340,690	371,263	(324,517)	17,026	404,462
Designated fund	500,000	-	-	-	500,000
	<u>840,690</u>	<u>371,263</u>	<u>(324,517)</u>	<u>17,026</u>	<u>904,462</u>

General funds: These are "free reserves" after allowing for any designated funds.

Designated funds: These are funds earmarked for the purpose of expanding and developing Working Chance.

WORKING CHANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2016

Restricted Funds	Balance 1 Sep 2015	Incoming Resources	Outgoing Resources	Transfers	Balance 31 Aug 2016
	£	£	£	£	£
Big Lottery Fund	235	163,871	(164,106)	-	-
Charles Dunstone Charitable Trust	-	40,000	(40,000)	-	-
Esmeé Fairbairn Foundation	3,336	7,067	(10,403)	-	-
Hackney Virtual School	-	10,000	(10,000)	-	-
KPMG Foundation – Care Leavers	-	54,000	(54,000)	-	-
KPMG Foundation – Support Worker	2,336	37,000	(39,336)	-	-
Lloyds Bank Foundation	788	8,250	(9,038)	-	-
Macquarie David Clarke Fellowship	-	1,333	(1,333)	-	-
Oak Foundation	646	46,961	(47,607)	-	-
Philip King Charitable Trust	-	25,000	(25,000)	-	-
Porticus UK	4,767	50,000	(54,767)	-	-
Society for the Assistance of Ladies in Reduced Circumstances	-	360	(360)	-	-
The Henry Smith Charity	-	40,000	(40,000)	-	-
The Monument Trust	-	66,000	(66,000)	-	-
The Pilgrim Trust	-	40,000	(40,000)	-	-
The Tudor Trust	17,026	35,000	(35,000)	(17,026)	-
Vicar's Relief Fund	-	300	(300)	-	-
	<u>29,134</u>	<u>625,142</u>	<u>(637,250)</u>	<u>(17,026)</u>	<u>-</u>

Name of restricted fund**Description, nature and purposes of the fund**

Big Lottery Fund	Supporting the Building Futures project
Charles Dunstone Charitable Trust	Supporting plans to develop work with women leaving custody
Esmeé Fairbairn Foundation	Funding of salaries and related costs
Hackney Virtual School	Supporting employment services for your women care leavers
KPMG Foundation – Care Leavers	Supporting employment services for your women care leavers
KPMG Foundation – Support Worker	Funding of a Support Worker
Lloyds Bank Foundation	Funding of a Recruitment Consultant
Macquarie David Clarke Fellowship	Supporting international research
Oak Foundation	Supporting housing key worker
Philip King Charitable Trust	Funding of a Recruitment Consultant
Porticus UK	Supporting trainee programme
Society for the Assistance of Ladies in Reduced Circumstances	Emergency candidate support
The Henry Smith Charity	Contribution to core running costs of the recruitment programme
The Monument Trust	Funding of the Women@Work programme
The Pilgrim Trust	Funding of our work with care leavers
The Tudor Trust	Funding of salaries and related costs
Vicar's Relief Fund	Emergency candidate support

WORKING CHANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2016

18.0 Analysis of Net Assets between Funds

	Restricted Fund £	Unrestricted Fund £	Total £
Tangible fixed assets	-	13,752	13,752
Cash at bank and in hand	122,099	919,483	1,041,582
Other net current assets/(liabilities)	(122,099)	(28,773)	(150,872)
	<u>-</u>	<u>904,462</u>	<u>904,462</u>

19.0 Operating Leases - Lessee

At the 31 August 2016 the charity had annual commitments under non-cancellable operating leases for the office premises as follows:

	2016 £	2015 £
Less than one year	13,979	-
Between one and two years	-	33,550
	<u>13,979</u>	<u>33,550</u>

20.0 Related Party Transactions

There were no related party transactions during the year (2015 – £nil).