



SCIO: SC045816

MCR Pathways
Financial Accounts
For the Year ended 5th April 2019

MCR Pathways
Report of the Trustees
For the year ended 5th April 2019

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MCR Pathways
Report of the Trustees
For the year ended 5th April 2019

The Trustees present the annual report together with the audited financial statements for the year ended 5 April 2019.

ORGANISATION

MCR Pathways (MCR) is a Scottish Charitable Incorporated Organisation recognised by the Scottish Charity Regulator OSCR, registration number SC045816. It is governed by its constitution which was adopted on 20th July 2015.

OBJECTIVES AND ACTIVITIES

MCR Pathways delivers schools based mentoring and talent development programmes supporting those in or on the edges of the care system to realise their full potential through education. The initial project was set up in one school in 2007 and funded directly by the MCR Charitable Foundation and Iain MacRitchie. A commitment to extend to all secondary schools in Glasgow resulted in the registration of MCR Pathways (MCR) as an independent charity on the 20th July 2015.

The MCR programme now supports over 2,000 young people aged between 12 to 18 on a weekly basis with schools based staff, a central development team and dedicated volunteers. Last year saw the MCR model embedded and fully operational in every secondary school in Glasgow. In 2018/19 the programme was introduced to six new Local Authorities as part of a national expansion. With support from national and locally based organisations, third sector partners and local and national government, MCR is now operating in schools in Aberdeen, Aberdeenshire, Edinburgh, Glasgow, North Ayrshire, South Lanarkshire and West Dunbartonshire.

A key element of the expansion is the establishment of integrated and long term pioneering partnerships with each Council and school. These partnerships are based on a shared investment to get the MCR programme fully operational in each area and include an agreed time frame for the transfer of skills and knowledge (from MCR to the Councils). The objective is to sustain the MCR programme in the long term such that it becomes part of the fabric of the education system.

MCR's **vision, mission and values** guide its activities at all times

> **vision** - an equality of education outcomes, career opportunities and life chances for young people in or on the edges of the care system relative to any other young person.

> **mission** - providing schools based mentoring and Talent Taster opportunities for young people to find, grow and use their talents through education, learning and experience.

> **values** - exceptional and consistent levels of **Motivation, Commitment and Resilience**.

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The MCR programme now has many different facets including transition support from primary school to secondary school; S1 and S2 group work as part of the curriculum; one to one relationship-based mentoring from S3 (underpinned by a detailed “matching” process undertaken with mentors and the young people); a menu of bite sized employment, college and university experiences in a Talent Taster programme; an Ambassadors programme; and a Next Steps community from S6 to support transitions to help sustain the chosen post school destination. Each facet is linked into MCR’s vision, mission and values.

Relationship focused mentoring lies at the heart of the MCR programme. There is amazing potential and talent in all young people, regardless of their home life and circumstances. But for many, that potential has yet to be discovered. Life experience has knocked the confidence out of some, firmly locking away those seeds of aspiration and hope. It is our aim to uncover, nurture and develop the skills and capabilities of our young people and to bridge their talent with opportunity. MCR only recognises three distinct (but not mutually exclusive) positive Pathways for young people leaving school; namely progression to (1) further education, (2) higher education and/or (3) employment.

Given the positive and profound impact of the programme on all participants, other Councils have joined Glasgow City Council in a commitment to encourage and support their workforce to become MCR mentors as part of their working week. MCR remains actively supported by a number of key organisations including the Chambers of Commerce, Health & Social Care Partnerships, JP Morgan, Lloyds Banking Group, Newsquest, University of Strathclyde and Wheatley Group. In addition, MCR benefits from the commitment of long-term partners and funders in Life Changes Trust, MCR Charitable Foundation, the Robertson Trust and STV Children’s Appeal. This group has been joined by the Scottish Innovation Partnership. Significant support has also been received from the Hugh Fraser Foundation, William Grant Foundation and the Children’s Lottery.

ACHIEVEMENTS AND PERFORMANCE

The results for the current year reflect the conclusion of the citywide expansion in Glasgow and build up of the coverage across the country. In addition to the £893,234 costs incurred by MCR and reflected in these accounts, other parties incurred costs in excess of £1.4m on behalf of the project in the period to 5th April 2019 including MCR Holdings, Aberdeenshire Council, Aberdeen Council, Glasgow City Council and South Lanarkshire Council. Other parties including Wheatley Group have contributed seconded staff but not passed on any of these costs to MCR. Neither MCR Holdings nor any of the Councils noted were reimbursed the costs they incurred directly on behalf of the project.

In 2018/19 the continued development allowed MCR to double the number of young people participating in the programme, having done so in each of the two years previous. The expansion plan aims to double the number again to meet the needs of the young people identified.

One of the key indicators for mentored care-experienced young people is the number leaving school and going on to a positive destination i.e. sustainable destinations of college, university or employment.

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With three years of impact data, from academic years 15/16 to 2017/18 83% of mentored, care-experienced young people achieved the aspirational MCR definition of positive destinations against a national average of 60%.

The figures for mentored, care-experienced young people attaining a full award in Maths and English at National Level 4 or above have remained consistently high with a three- year average figure of 72% as opposed to 34% of non-mentored care-experienced young people. Mentored care-experienced young people achieving a literacy and numeracy award at level 4 or above is even higher at 86%, significantly closing the gap on the 89% universal figure for all Glasgow young people.

We have maintained the dramatic improvement seen in previous years with 88% of mentored, care- experienced young people achieving five or more subjects at level 4 or above with only 46% of non-mentored young people achieving this target. Fuller details of levels of attainment may be found in our annual Impact Report.

Other notable successes in the year included:

- 45 Pathways Coordinators are now based in the schools which are part of the programme.
- S1 and S2 group work, conducted by the Pathways Coordinators in school, has been delivered to 861 young people giving them important life skills and assisting with literacy and numeracy.
- Almost 1,000 volunteer mentors supported the MCR programme by attending weekly 50 minute meetings with their assigned mentee.
- Over 39 different organisations offering Talent Taster experiences engaging 621 individual young people in 978 experiences
- 136 young people participated in the Duke of Edinburgh course achieving bronze, silver and gold awards.
- 94 young people participated in our Ambassadors programme (the voice of MCR young people) bringing together pupils from 24 of our secondary schools to inform and shape the development of the MCR programme.
- Recruitment of a Young People Engagement Coordinator to further develop our Next Steps programme to increase the post school support of our young people to sustain their positive destinations
- Further development of training courses for our volunteer mentors including a partnership with Strathclyde Business School offering a Leadership through MCR Mentoring course
- In February 2019 the launch of our Ripple Effect campaign. This helped to promote the MCR programme among a wider audience using existing contacts and social media links to spread the word

MCR's achievements in 2018/19 have been realised with the encouragement and support of numerous partners. These include our dedicated volunteer mentors, school headteachers and staff, Councils, organisations (local authorities, educational establishments, public bodies, private companies and local communities) who have encouraged volunteer

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mentoring, and our various funders. All are committed to closing the attainment gap for our young people and in securing radical improvements in post school destinations. We thank all of them for their help.

MCR looks to the future with confidence and our key areas for upcoming activity include

- reaching a long term target figure of 5,000 young people being supported each week across Scotland
- double the number of Local Authorities in which MCR is operating and in particular in those with the greatest needs and that represent all the key environments in city, town, rural and island settings.
- inspire and recruit committed mentors from the public, private and education sectors to help the organisations meet corporate parent responsibilities but also to experience the social, economic and staff training benefits that are now being evidenced
- continue to build the training, support and programme management infrastructure and MCR team capacity and capability for a national footprint.
- continue our active participation in the Care Review and in particular to ensure the various groups of our young people feed directly into the process and conclusions
- further develop and deepen links with National and Local Government officers, elected members and Ministers to help align policies and practices to ensure that the outcomes for all country's care-experienced young people are determined by their talent and potential and never their circumstances.
- ensure all components of the MCR model are impact evidenced, fully documented and can be embedded and transferred into public ownership for long term sustainability.

VOLUNTEERS

The MCR Mentoring Programme is supported by our network of volunteer mentors. Our volunteer mentors meet with their matched young person for one school period per week.

FINANCIAL REVIEW

The charity generated a net surplus of £5,942 for the year ended 5 April 2019 (2018 : surplus £320,191).

At the Balance Sheet date reserves were £517,069 (2018: £511,127) with £517,069 of these being unrestricted (2018: £511,127). The expenditure levels of MCR are in line with expectations as we go through various expansion phases. The management and Trustees of MCR utilise tight financial controls to ensure that all funding raised is used for the benefit of the young people we support. No trustee received remuneration for their services to MCR.

RESERVES

It is the policy of MCR to maintain unrestricted funds, which are free reserves for the charity, at a level equivalent to twelve months expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

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Based on the accounts for the year ended 5 April 2019 , ordinary expenditure for twelve months amounts to £893,234. At the Balance sheet date, the charity held unrestricted reserves of £517,069. This represents seven months funding and we will continue to improve on the reserve figure to achieve our goal of twelve months available funding.

RISK MANAGEMENT

MCR is not a risk averse organisation and it recognises that certain risks need to be taken if its programme is going to reach all relevant young people in Scotland. MCR invests in staff training and recognises the need to invest in its services while diversifying income sources to reduce dependence on any single stream of income.

MCR's long term objective is to ensure that its programme becomes embedded in the Scottish secondary education system, with all local authorities embracing the programme and dedicating resources to its continued success. There is risk associated with the maintenance and monitoring of the programme following its full adoption by government agencies and MCR is committed to managing this risk in order to secure the long term success of the programme.

STRUCTURE, GOVERNANCE AND MANAGEMENT

MCR is governed by a Board of Trustees. It is a single tier SCIO with all members being trustees.

As part of our expansion process, we have created a National Advisory Group, which includes some of Scotland's most experienced figures in business, the public sector, education and the third sector; Martin Armstrong, CEO of Wheatley; Sandy Begbie, Chief Transformation Officer, Tesco Bank; Professor Sir Harry Burns FRSE, University of Strathclyde; Kenneth Ferguson, Director of the Robertson Trust; David Hillier, Associate Principal and Executive Dean of the University of Strathclyde Business School; Alison MacLachlan UK Director of The Wood Foundation; Maureen McKenna, Director of Education at Glasgow City Council; Annemarie O'Donnell, CEO of Glasgow City Council; and Lena Wilson CBE, visiting Professor at the University of Strathclyde.

Day to day operation of MCR is delegated to a management team headed by Iain MacRitchie.

APPOINTMENT OF TRUSTEES

The Trustees seek to follow good practice and ensure that there is a broad and diverse mix of skills and experience within their number. The Trustees keep succession planning under review and when needed will seek to recruit new trustees based on their skill, experience and knowledge of the sector.

TRUSTEE INDUCTION PROCESS

On appointment, new trustees will be provided with a welcome pack including a history of the Trust, Trust Accounts, constitutional documents, a note on trustee duties and any other Codes of Conduct applicable at that time.

CONTROLS

The Board of Trustees is the governing body of MCR and is responsible for the charity's internal financial controls. The current system of controls aims to give the Board reasonable assurance that issues are identified as they arise and are dealt with in an effective and timely manner.

AUDITOR

It is the Trustees assessment that all necessary steps have been taken to ensure that the auditor has been made aware of all relevant audit information and as such there is no relevant audit information which the auditor has not been made aware of.

FUTURE PLANS

MCR Pathways intends to continue its expansion plans to get to the goal of supporting 5,000 young people. We will continue to market our model and engage in dialogue with additional local authorities to implement the MCR Pathways model throughout Scotland.

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Reference and Administrative Details

Registered SCIO Number
SC045816

Principal Address

25 Park Circus
Glasgow
G3 6AP

Trustees

I D MacRitchie, Chairman
N J C Walters
J G Walters

Auditors

Parkhill Mackie & Co
Chartered Accountants
60 Wellington Street
Glasgow
G2 6HJ

Bankers

Clydesdale Bank
30 St Vincent Street
Glasgow
G1 2HL

Solicitors

Dentons Middle East & UK LLP
1 George Square
Glasgow
G1 2AL

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Statement of Trustees Responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance

with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in Scotland, the Charities and Trustee Investment (Scotland) Act 2005, Charities

Accounts (Scotland) Regulations of the 2006 and the provisions of the charity's constitution 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 charity and of the incoming resources and application of resources, including the income and expenditure, of

the charity for that period. In preparing the financial statements, the trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006, and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on.....and signed on their behalf by:



.....
Ian D MacRitchie, Chairman

Independent Auditor's Report to the Trustees of MCR Pathways

Opinion

We have audited the financial statements of MCR Pathways (the 'Charity') for the year ended 5 April 2019 which comprises the Statement of Financial Activities, Balance Sheet, 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 their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ☐ give a true and fair view of the state of the charity's affairs as at 5 April 2019 and of its income and expenditure for the year then ended;
- ☐ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ☐ have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ☐ the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ☐ the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other Information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities and Trustee Investment (Scotland) Act 2005

and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- ☐ the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- ☐ proper accounting records have not been kept; or
- ☐ the financial statements are not in agreement with the accounting records; or
- ☐ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' directors' responsibilities statement set out on page 8, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal controls as the trustees determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

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

.....
Parkhill Mackie & Co
Statutory Auditor
Chartered Accountants
60 Wellington Street
Glasgow. G2 6HJ

.....
Date

Parkhill Mackie & Co is eligible for appointment as auditor of the charity under regulation 10(2) of the Charities Accounts (Scotland) Regulations by virtue of its eligibility under section 1212 of the Companies Act 2006

**Statement of Financial Activities
for the year ended 5 April 2019**

		2019	2018
	Unrestricted	Total	Total
	funds	funds	funds
Notes	£	£	£
INCOME AND ENDOWMENTS FROM:			
Charitable activities	2		
School based mentoring programme	285,893	285,893	-
Other incoming resources	610,276	610,276	757,789
Income from investments	3 3,007	3,007	364
Total income	<u>899,176</u>	<u>899,176</u>	<u>758,153</u>
EXPENDITURE ON:			
Charitable activities	4		
School based mentoring programme	5 891,374	891,374	433,864
Support costs	6 1,860	1,860	4,098
Total expenditure	<u>893,234</u>	<u>893,234</u>	<u>437,962</u>
Net income and movement in funds	<u>5,942</u>	<u>5,942</u>	<u>320,191</u>
Transfers between funds	-	-	-
Net movement in funds	<u>5,942</u>	<u>5,942</u>	<u>320,191</u>
RECONCILIATION OF FUNDS:			
Total funds brought forward	511,127	511,127	190,936
Total funds carried forward	<u>517,069</u>	<u>517,069</u>	<u>511,127</u>

The notes form part of these financial statements

MCR Pathways

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**Balance Sheet****As at 5 April 2019**

	Notes	2019 Total funds £	2018 Total funds £
CURRENT ASSETS			
Debtors: amounts falling due within one year	10	240,617	100,790
Cash at bank	11	950,543	447,772
Total current assets		1,191,160	548,562
LIABILITIES			
Creditors: amounts falling due within one year	12	674,091	37,435
NET CURRENT ASSETS		517,069	511,127
TOTAL ASSETS LESS CURRENT LIABILITIES		517,069	511,127
NET ASSETS		517,069	511,127
THE FUNDS OF THE CHARITY:			
Unrestricted Fund	13	517,069	511,127
TOTAL CHARITY FUNDS		517,069	511,127

The financial statements were approved by the Board of Trustees on 11th Nov 2019 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read "Iain MacRitchie".

Iain MacRitchie - Chairman



Cash Flow Statement
For the year ended 5 April 2019

	2019	2018
	£	£
Cash flows from operating activities		
Cash generated from operations	499,764	244,270
	<u>499,764</u>	<u>244,270</u>
Cash flows from investing activities		
Interest received	3,007	364
Net cash provided by investing activities	<u>3,007</u>	<u>364</u>
 Change in cash and cash equivalents in the reporting period	 502,771	 244,634
 Cash and cash equivalents at the beginning of the reporting period	 447,772	 203,138
 Cash and cash equivalents at the beginning of the reporting period	 <u>950,543</u>	 <u>447,772</u>
 Reconciliation of Net Income to Net Cash Flow from Operating Activities		
Net income per statement of financial activities	5,942	320,191
Increase in debtors	(139,827)	(98,282)
Interest received	(3,007)	(364)
Increase in creditors	636,656	22,725
	<u>499,764</u>	<u>244,270</u>

I. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to these financial statements.

Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with The Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended), 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 2015)" and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

The financial statements have been prepared under the historical accounting convention.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

Income Recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and that the amount of income receivable can be measured reliably.

Donations to the Trust are recognised when they have been communicated to the Trust in writing containing both the amount and the settlement date.

Investment income is dealt with by reference to the due date of payment. Interest on funds held on deposit is included 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.

Expenditure Recognition

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

Expenditure is accounted for on an accruals basis 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.

Funds

The Trust maintains unrestricted funds which can be used in accordance with its charitable objectives at the discretion of the trustees.

Charitable Activities

Cost of charitable activities include grants and donations made and support costs, including governance costs.

Financial Instruments

The Charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value.

Taxation

The Charity is exempt from tax on its charitable activities.

**Notes to the Financial Statements - continued
for the year ended 5 April 2019**

2. INCOME FROM CHARITABLE ACTIVITIES

	2019	2018
	Total	Total
	funds	funds
	£	£
School based mentoring programme	285,893	-
Grants	599,421	755,221
Donations	10,855	2,568
	<u>896,169</u>	<u>757,789</u>

Grants received, included in the above, are as follows:

STV Appeal	100,000	100,000
Creative Scotland	27,421	27,421
The Robertson Trust	100,000	100,000
The William Grant Foundation	70,000	-
Life Changes Trust	200,000	300,000
MCR Holdings	-	100,000
Hugh Fraser Foundation	-	50,000
Chance to Study	-	50,000
Budge Foundation	-	10,000
Glasgow Life	-	9,000
Foundation Scotland	-	4,800
R Leith Trust	-	4,000
Social Innovation Partnership	97,000	-
Royal Conservatoire of Scotland	5,000	-
	<u>599,421</u>	<u>755,221</u>

3. INVESTMENT INCOME

	2019	2018
	£	£
Bank interest	<u>3,007</u>	<u>364</u>

4. CHARITABLE ACTIVITIES COSTS

	2019	2018
	£	£
Expenditure on school based mentoring programme - Note 5	891,374	433,864
Support costs - Note 6	1,860	4,098
	<u>893,234</u>	<u>437,962</u>

5. EXPENDITURE ON SCHOOL BASED MENTORING PROGRAMME

	2019	2018
	£	£
Staff costs		
Programme Development & Stakeholder Engagement (Mentor & Organisational Recruitment)		
Staff salaries, consultancy fees & pension	167,128	143,780
Travel	1,651	
Programme Implementation, Support & Training (Interviewing, Training & Matching)		
Staff salaries, consultancy fees & pension	141,364	141,542
Travel	3,265	
School Teams		
Staff salaries, consultancy fees & pension		
Aberdeen, North Ayrshire, Edinburgh, Glasgow & West Dunbartonshire	312,466	
Travel	5,191	
National Plan		
Staff salaries, consultancy fees & pension	75,180	
Travel	2,324	
Digital Platforms, Support & CPD		
Staff salaries, consultancy fees & pension	74,743	48,966
Travel	209	
Website, internet costs and Computer software	45,732	21,203
General Operational Costs		
Including: Marketing campaigns & events, telephone, repairs, equipment, consultancy & professional fees, insurance, stationery and other sundry costs.	62,009	78,373
Bank charges	112	
	<u>891,374</u>	<u>433,864</u>

6. SUPPORT COSTS

	2019	2018
	£	£
Governance Costs:		
Accountancy	-	2,298
Audit fees	1,860	1,800
	<u>1,860</u>	<u>4,098</u>

In addition to the Audit fees above, non-audit fees (payroll and administration fees) amounting to £6,140 (2018 £5,160) have been included in General Operational Costs (note 5)

7. TRUSTEES' REMUNERATION AND BENEFITS

There was no trustees' remuneration or other benefits for the year ended 5 April 2019 (2018 : NIL).

Trustees' expenses

There was no trustees' expenses paid to the year ended 5 April 2019 (2018 : NIL).

8. STAFF COSTS

	2019	2018
Wages & Salaries	505,418	264,817
Social Security costs	41,734	19,523
Other pension costs	3,504	982
	<u>550,656</u>	<u>285,322</u>

The average number of employees during the year ended 5 April 2019 was as follows:

	2019	2018
Office and Project Staff (FtE)	<u>22</u>	<u>14</u>
No employees received emoluments in excess of £60,000		

9. COMPARATIVES FOR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	2018 Total funds £
INCOME AND ENDOWMENTS FROM:		
Charitable activities		
School based mentoring programme	-	-
Other incoming resources	757,789	757,789
Investment income	364	364
Total income	<u>758,153</u>	<u>758,153</u>
EXPENDITURE ON:		
Charitable activities		
School based mentoring programme	433,864	433,864
Support costs	4,098	4,098
Total expenditure	<u>437,962</u>	<u>437,962</u>
Net income/(expenditure)	320,191	320,191
Transfers between funds	-	-
Net movement in funds	320,191	320,191
RECONCILIATION OF FUNDS:		
Total funds brought forward	190,936	190,936
Total funds carried forward	<u>511,127</u>	<u>511,127</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Accrued income	97,000	100,000
Prepayments	5,617	790
Other debtors	138,000	-
	<u>240,617</u>	<u>100,790</u>

11. CASH AT BANK

	2019	2018
	£	£
Clydesdale Bank Main account	887,127	397,438
Deposit account	29,162	29,101
Parkhill Mackie	34,254	21,233
	<u>950,543</u>	<u>447,772</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	23,252	-
HM Revenue & Customs (PAYE, NI, Pension & Student loan)	16,942	6,706
Accruals	15,986	9,786
Accruals relating to School Based Mentoring Programme	7,676	20,943
Deferred income	378,361	-
Provisions	231,874	-
	<u>674,091</u>	<u>37,435</u>

Deferred income comprises income received for projects which commenced in 2019/20 and to which MCR Pathways was not entitled to in the year 18/19.

	2019	2018
	£	£
At 6 April	-	-
Deferred in year	378,361	-
released in year	-	-
As at 5 April	<u>378,361</u>	<u>-</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2019	2018
	Total	Total
	funds	funds
	£	£
Current assets	1,191,160	548,562
Current liabilities	(674,091)	(37,435)
	<u>517,069</u>	<u>511,127</u>

14. MOVEMENT IN FUNDS

	At 6/4/18	Net movement in funds	Transfer between funds	At 5/4/19
	£	£	£	£
Unrestricted fund				
General fund	321,669	195,400	-	517,069
STV Appeal	20,000	(20,000)	-	-
Life Changes Trust	119,458	(119,458)	-	-
Hugh Fraser Foundation	50,000	(50,000)	-	-
			-	-
TOTAL FUNDS	<u>511,127</u>	<u>5,942</u>	<u>-</u>	<u>517,069</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted fund			
General fund	299,755	(104,355)	195,400
The William Grant Foundation	70,000	(70,000)	-
STV Appeal	100,000	(120,000)	(20,000)
Creative Scotland	27,421	(27,421)	-
The Robertson Trust	100,000	(100,000)	-
Life Changes Trust	200,000	(319,458)	(119,458)
Hugh Fraser Foundation	-	(50,000)	(50,000)
Social Innovation Partnership	97,000	(97,000)	-
Royal Conservatoire of Scotland	5,000	(5,000)	-
TOTAL FUNDS	899,176	(893,234)	5,942

MCR Pathways SCIO

SCIO: SC045816

**Notes to the Financial Statements - continued
for the Year Ended 5 April 2019****14. MOVEMENT IN FUNDS - continued****Comparatives for movement in funds**

	At 6/4/17	Net movement in funds	Transfer between funds	At 5/4/18
	£	£	£	£
Unrestricted fund				
General fund	190,936	130,733	-	321,669
STV Appeal	-	20,000	-	20,000
Life Changes Trust	-	119,458	-	119,458
Hugh Fraser Foundation	-	50,000	-	50,000
TOTAL FUNDS	<u>190,936</u>	<u>320,191</u>	<u>0</u>	<u>511,127</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted fund			
General Fund	130,733	-	130,733
STV Appeal	100,000	(80,000)	20,000
The Robertson Trust	100,000	(100,000)	-
Hugh Fraser Foundation	50,000	-	50,000
Chance to Study	50,000	(50,000)	-
	<u>430,733</u>	<u>(230,000)</u>	<u>200,733</u>
Restricted funds			
Creative Scotland	27,420	(27,420)	-
Life Changes Trust	300,000	(180,542)	119,458
	<u>327,420</u>	<u>(207,962)</u>	<u>119,458</u>
TOTAL FUNDS	<u>758,153</u>	<u>(437,962)</u>	<u>320,191</u>

15. RELATED PARTY TRANSACTIONS

There were no related party transactions for the year ended 5 April 2019 that require disclosure.

16. COMMITMENTS

There were no outstanding commitments at 5 April 2019