

Lead Scotland

Report and audited financial statements

For the year ended 31st March 2024

Lead Scotland is a company limited by guarantee with no share capital

Company registration number: SC110186

Registered Scottish charity: SC003949

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PB AUDIT LIMITED
REGISTERED AUDITORS

Contents

Reference and administrative details	3
Board of Directors' report	4
Three Year Strategic Goals: 2023-26	5
Strategic Objective Performance 2023-34	5
Local Learning Services	5
Online Learning Services.....	6
Befriending Services.....	7
Disabled Students Helpline and Information Service	8
Policy Work.....	9
Financial review	12
Reserves policy	12
Independent Auditor's Report to the Members of Lead Scotland	15
Statement of financial activities and income and expenditure account	19
Balance sheet	20
Statement of Cash Flows	21
Notes to the financial statements	22

Reference and administrative details

Charity name	Lead Scotland
Registered company number	SC110186
Registered charity number	SC003949
Trustees	Paul Smith (Chair) Tricia Illsley (Vice Chair) Resigned 14 November 2023 Colin Anderson Senga Armstrong Kirsty Gemmell Gillian Brown Rebecca Pierce (Treasurer) Daniel Baigrie Carolyne Smith Jade O'Neil Chris McKenzie
Company secretary	Colin Anderson
Registered office	Studio 1.09, St Margarets House 151 London Road Edinburgh EH7 6AE
Senior staff	Emma Whitelock, Chief Executive Officer Sarah Burton, Business Manager & Depute CEO Doreen O'Donnell, Finance & Operations Manager
Auditors	PB Audit Limited Registered Auditors 18 North Street Glenrothes Fife KY7 5NA
Bankers	Co-operative Bank 1 Balloon Street Manchester M60 4EP Aldermore Forbury Road Reading RG1 1AX Virgin Money Gosforth Newcastle upon Tyne NE3 4PL Cambridge and Counties 5b New Walk Leicester LE1 6TE
Solicitors	Lindsays WS Caledonian Exchange 19A Canning Street Edinburgh EH3 8HE

Board of Directors' report

The Board of Directors of Lead Scotland is pleased to present its annual report together with the audited financial statements for the year ended 31 March 2024.

Vision and Mission statements

Our vision is of a fair society where disabled people and carers have an equal opportunity to learn, participate and achieve their potential.

Our mission is to influence change and provide personalised learning, befriending, advice, and information services.

Management and Governance

The management of the Company is the responsibility of the Board of Directors, who are elected under the terms of the Memorandum and Articles of Association. Board members are provided with an induction pack and training. The Board of Directors delegates day to day management of the Company to the Chief Executive Officer, who is supported by the management team. The Board of Directors is the governing body of the company and, through its four Sub Committees: Finance and Risk, Strategy and Futures, Engagement and Fundraising and Governance and Compliance, is responsible for the organisation's system of internal financial controls and monitoring the strategic performance. The Finance Committee is chaired by the Treasurer who is supported in carrying out this responsibility by other Directors including the Chairperson.

The Objects in Lead Scotland's Memorandum are:

"The Object for which the Company is established is to advance the education of the public in Scotland particularly in the area of working with people with disabilities and their carers and people disadvantaged by their social or educational exclusion."

In furthering the attainment of the above mentioned charitable object, the company shall have the following purposes:

- a) To encourage and enable the inclusion of persons with disabilities and their carers, and such other persons disadvantaged by their social or educational exclusion as may seek assistance, into educational opportunities and where appropriate to provide a trained volunteer to work on a one to one basis with such persons in their own homes or such other appropriate venues;
- b) To provide information and support with education;
- c) To provide, where appropriate, ICT and other equipment to support individual learners without access to such items from other sources;
- d) To provide an information/resources service on education and leisure opportunities;
- e) To act as a specialist resource service particularly to organisations who are not working in the field of disability or who lack awareness of the same, as well as to those working in the field of disability, and fields relevant to other persons disadvantaged by their social or educational exclusion;
- f) To promote and organise co-operation in the achievement of the above purposes.

Board of directors' report (continued)

The Core Strategic Goals and Objectives for the planning period (2023-26) were:

Three Year Strategic Goals: 2023-26

Lead Scotland was set up in 1979 with a long-term vision of fairness and inclusion. As we head towards our 45th birthday our latest 3-year strategy provides further step change towards that vision:

1. Offer more local and remote learning opportunities, which improve access, offer accreditation, build confidence and skills, reducing educational exclusion.
2. Extend our Befriending Services to reduce social isolation and create new pathways to learning.
3. Extend our disabled student's helpline and information services so that more students understand their rights, entitlements and make informed choices about their options.
4. More disabled people can influence policy makers, breaking down systemic barriers to improve access for future learners.

Strategic Objective Performance 2023-24

A summary of strategic performance in year one of our strategic plan is provided in context within the relevant service strand below. Overall, we expanded our local and online learning services and continued to work towards our ambition to extend our Befriending, Helpline and Policy services, consolidating these services in year one, 2023-24. We recruited two new posts, a part-time Administrator and a part-time Manager to support the growth in our local learning services. Our learning, befriending and helpline services were accessed across 31 local authority areas compared with 29 last year.

Local Learning Services

We deliver free, impartial, personalised home, community-based and online adult learning opportunities to meet demand for a broad range of in person, hybrid and remote learning services. Our staff and volunteers employ the established Community Learning and Development (CLD) competencies and Adult Learning National Occupational Standards. Working with partners and taking a learner centred approach opens a broad choice of subjects and pathways matching learner ambitions to learn for life, citizenship, and work. There continues to be a particular appetite for digital skills, core skills and employability skills. Volunteers provide direct support to learners, sharing skills and building confidence. We uniquely offer home visits for those who cannot access learning any other way as part of our peripatetic model of delivery and we use a wide network of local community spaces to meet the access and support needs of every individual and small group. We successfully applied to the National Device Bank for 32 laptops and 3 tablets and data which we distributed to learners across projects to supporting their learning and progression.

Board of directors' report (continued)

Strategic Objective	2023-24 ambition	2023-24 performance	Comparison with previous year	Looking ahead to 2024-25
Increase the number of disabled people and carers progressing with learning and employability skills across Scotland.	To support 465 learners : 364 learners on adult learning projects and 90 learners on employability projects. Objective in year one: maintain the 44% growth position from 2022-23 year-end, increase our manager and administrative capacity to support growth.	We supported 585 learners : 365 learners on learning projects and 220 learners on employability projects. 26% increase in numeracy and employability learners due to 6 new Multiply projects.	The number of disabled people and carers learning one to one and in small groups has increased by 23% compared with 22-23. The target growth in 2023-24 was possible with increased project admin and manager support to support new projects and staff.	At the start of 2024-25 almost all repeat contracts were secured as part of our incremental growth plan. We seek expansion in current local areas to offer a full range of learning opportunities. The outcome of the CLD Review may determine future funding streams for community-based adult learning.

Increasing the number of SQA courses

There has been a 245% increase in the number of SQA units taken up compared with last year and less Adult Achievement Awards (AAAs) taken up. In 2023-24, 69 learners registered for 81 qualifications (12 AAA, 69 SQA) with 2 qualification withdrawals and 1x fail (0 x AAA, 3 x SQA) compared with 43 learners registering for 50 qualifications (30 AAA, 20 SQA) with 5 qualification withdrawals (4 x AAA, 1 x SQA). Almost all our Learning Coordinators are assessors or internal verifiers and in 2024-25 we expect there to be a further rise in attainment of both AAA's and SQA courses.

In March 2024 we had an SQA External verification visit with numeracy qualifications in the spotlight. We scored high confidence across all categories and had 5 counts of good practice with excellent comments and feedback from the external verifier, such as: "Centre is very much candidate led", "The candidate is at the core of everything they do". Some comments from numeracy learners:

- "It made me feel I could do anything. It gave me confidence. I'm thinking of practising different types of baking and maybe starting my own business in the future. I would like to do the next course before I do that, if possible. I made friends and I loved sharing this experienced with all the ladies of different cultures. I had an amazing time".
- "To extend my CV and to be able to look back on it and know that I can do it, when I thought I couldn't and encourage me to do more".
- "Makes me feel good achieving a certificate of that level!!"
- "I feel that it was important for me to learn about numbers and become more confident".

Online Learning Services

We deliver tutor supported webinars via our Cyber Project and we have an online learning platform which can be accessed independently for self-study by people across Scotland, <https://my.lead.org.uk/>.

In 2023-24, we ran 24 webinars with 218 attendees coming from 28 local authority areas. 117 attendees from 22 local authority areas responded to our feedback survey (54% response rate):

- 97% learned something new.
- 92% of all 117 respondents had plans to share the information they learned with 2,709 other people.
- 97% felt more confident after the training (53% a lot more confident, 44% a little more confident).
- 99% would recommend our training to others.

Board of directors' report (continued)

Strategic Objective	2023-24 ambition	2023-24 performance	Comparison with previous year	Looking ahead to 2024-25
Increase the take up of remote learning opportunities for disabled people, carers, staff, and volunteers which build confidence and skills.	<p>To support 450 disabled people, carers, staff, and volunteers online.</p> <p>To engage 100 new users on MyLead platform.</p> <p>To write and publish 12 new courses.</p> <p>Objective in year one: build our capacity by developing more courses and increasing our pool of tutors.</p>	<p>We supported 374 learners directly from 28 local authority areas. 117 people surveyed said they would cascade to a further 2,871 people, 97% people had increased confidence.</p> <p>118 new users signed up to our My Lead platform, 137 course enrolments, 95 course completions.</p> <p>We wrote and published 12 new courses on MyLead</p> <p>Overall, less learners reached directly but much more indirect reach. New tutors recruited and trained to deliver webinars.</p>	<p>5% increase in the number of people supported compared with 2022-23.</p> <p>149% increase in the number of people indirectly reached via train the trainer sessions, a useful tactic for extending our reach.</p> <p>We now have 18 courses developed and 9 new cyber security courses to be written and promoted compared with 6 at the start of last year.</p>	With courses and sessional tutors in place we have had a strong start to the year already delivering webinars to 129 people in May 2024 during Scottish Learning Disability Week and more demand has been identified.

Befriending Services

Educational and social exclusion often go hand in hand. Using our experience as a learning provider our befriending projects seek to overcome social isolation and provide another pathway to learning. Some learners on the learning project take up the opportunity to have this social support too. We have 2 Befriending services in Fife. Our Adult Befriending service aims to support adults (16+) who are isolated and lonely to improve their wellbeing by increasing their access to their communities. Our young carers (12-18) project seeks to overcome social isolation and barriers to participation as a result of their caring responsibilities and to improve their wellbeing by increasing their access to their communities. The service model includes matching individuals with volunteer befrienders. In 2023-24 some befriendees were supported by staff as appropriate to the level of need and emotional support required.

Board of directors' report (continued)

Strategic Objective	2023-24 ambition	2023-24 performance	Comparison with previous year	Looking ahead to 2024-25
Extend our befriending services beyond Fife.	Objective in year one: sustain services and understand the progression pathway	Our adult service is oversubscribed. We have committed increased manager hours to respond to challenges in volunteer recruitment. Individuals served by the project report continue to report very good rates of satisfaction.	We performed 15% less well than the previous year. It has been harder to recruit and retain volunteers and some referrals require higher levels of staff support. Individuals served by the project continue to report very good rates of satisfaction.	Build upon the success of our adult befriending project. Explore funding streams which would allow us to set up learning projects with adult befriending elements in areas where we have learning services.

Service illustration and impact: A disabled young carer who provides support for one of their parents has flourished with one-to-one befriending support. They were referred by social work for support to get out of the house and to build social networks out with the family home, someone else to talk to. Stephanie has been learning coping strategies for going out in public, has engaged in a range of activities including bus travel and has now demonstrated that she can go out independently.

Stephanie's comments, "I would like it to last longer. I've liked what we've did except the crickets in Pets at Home, that was not cute".

Volunteer befriender: "Myself and Stephanie (name changed) have the best laugh when we are out. I really like that she can talk to me and we get on very well. I look forward to meeting up and hearing about her week. I feel she can offload and chat about lots. We have been doing different things. We went to the beach a while ago and last week Stephanie went herself with two friends on the bus."

Parent comments: "It's great that Stephanie is getting out more. She came back buzzing the other day!"

Disabled Students Helpline and Information Service

We run a specialist freephone helpline and information service, ensuring disabled people and their families/carers understand their rights, funding, and support entitlements in post school education. We are the only organisation in Scotland providing advice for disabled students to understand the complex benefit system and how it interacts with student funding. This impartial service enables students to feel confident in making a timely and effective complaint or discrimination claim without fear of repercussions from their institution.

A tracking survey to helpline callers returned 15 responses, all reporting positive impacts e.g. "I work for a university and was looking for advice on accessibility information that we should share with prospective learners on our short courses. The information I received was very helpful".

Board of directors' report (continued)

Strategic Objective	2023-24 ambition	2023-24 performance	Comparison with previous year	Looking ahead to 2024-25
Build our capacity to reach more people with our helpline and information services.	To support 150 helpline callers Objective in year one: seek income which enables us to pay people with lived experience to refresh and create new guides.	We supported 133 helpline callers from 22 local authority areas, 89% of our target. A new needs assessment factsheet co-produced with 4 disabled students we paid.	We supported 6% less callers in 2023-24 compared with 2022-23. Fairly stable performance. More guides were updated in 23-24 compared with 22-23	Seek opportunities to extend the helpline, advice and information.

Policy Work

Influencing policy is an important way by which we can achieve our long-term vision. Our work aligns with many key government policy areas and Scotland Performs outcomes and indicators, and our core funding comes from the Scottish Government. We influence policy from our position as an independent organisation. During the life of this strategy, we will connect more disabled people directly with policy makers to influence decisions, continue existing relationships with policy makers as well as using our organisational intelligence to influence change.

We submitted several policy responses this year to shape national policy and strategy:

1. **Independent CLD Review:** Our CEO and Senior Policy Officers assembled a written response, encouraged learners to have their say, participated in a Learning Link Scotland CLD Review and our Chief Executive Officer met with Kate Still who led the review due to be published in June 2024. We were very disappointed that the long-awaited Scottish Government Adult Learning Strategy – launched May 2022 has been parked without a governance nor implementation plan. Lead Scotland staff and learners were integrally involved since the start of the strategy development including participation on the writing group advocating for rights, entitlements, and support for disabled learners.
2. **As a member of the research advisory group** for the Scottish Government's Student Finance and Wellbeing Survey, we advocated for more inclusive language, asked for the survey to be accessible, influenced the inclusion of questions specific to disabled students and we shared the draft survey with 10 disabled students, asking them to trial the survey and send feedback about its relevance and accessibility.
3. Our Senior Policy and Information Officer and a disabled graduate continue to work with Universities Scotland and Advance HE to **make admissions fairer**. A set of principles have now been agreed on to be used by all universities in supporting fairer recruitment of disabled students and we expect it to launch around Autumn 2024.
4. We responded to the '**Statement of Intent for the Transitions Strategy**'. This consultation was asking people if we agreed with the purpose of the strategy, who it was for and what it should do. In our response we suggested raising the age of who the strategy would cover as it only went up to age 25, however we reflected on helpline calls we receive about young people older than that who still required transition support due to the non-linear nature of their transition and learning journey. We also took the opportunity to again raise the fact there were a lack of appropriate options after school, so this needed to be considered for the strategy to fulfil its intentions.
5. We responded to the **Human Rights Bill**, which was looking at incorporating multiple equality and human rights treaties into law for Scotland. We provided examples from our helpline as to why we believed it important to allow dignity to be considered by the courts in interpreting the rights of the bill, reflecting on situations where disabled students were discriminated against and had their dignity taken away from them in trying to access buildings and learning materials. We also shared that we agreed it was important to try to incorporate the 4 international treaties into the Bill with broadly the same wording, within the limits of devolved competence, rather than trying to amalgamate them. We reflected that disabled stakeholders have told us they believe the amalgamation of discrimination legislation into the Equality Act had the opposite effect than intended, weakening rather than strengthening the protections they were afforded under the Disability Discrimination Act.

Board of directors' report (continued)

6. We commented on the refreshed key priorities of the action plans which take forward the **Strategic Framework for a Cyber Resilient Scotland**. Specifically, we advocated for accessible cyber resilience awareness messaging for specific groups who are at risk of being left behind. We took up the opportunity to speak at 15 strategic engagements directly reaching an aggregate of 721 attendees to help us extend the reach of our free courses and resources.

As well as delivering learning, befriending, helpline services, strategic and undertaking policy work our staff team have been giving inputs to at least 20 regular strategic and operational forums and many other events, giving presentations, delivering workshops and facilitating discussions at partner events. For example, show and tell at the Digital Alliance forum and participation in local employability partnerships. Our CEO judged the College Awards, the Cyber 9/12 competition, the Scottish Cyber Awards and spoke at the Association of Chief Officers of Scottish Voluntary Organisations (ACOSVO) conference among other engagements to raise the profile of our work. Our Senior Policy and Information Officer has attended various forums including to the SQA's Equality and Inclusion Key Partner's Group, Child Poverty Action Group's Students and Benefits Advisory Group, College Development Network's Access and Inclusion Group and the Disability Cross Party Group.

Volunteering at Lead

We are incredibly grateful to the 83 volunteers who added tremendous value to our projects in 2023-24. We continue to seek volunteers to support our strategic ambition and have fewer volunteers than we had in 2022-23. Here are some of the trends which are changing the shape of volunteering at Lead Scotland:

- Less people are volunteering in Scotland: The Scottish population is growing slightly, but there is a trend of fewer people volunteering. We are not alone in finding it harder and harder to attract and retain volunteers and we must ensure that we can deliver our work in the face of this trend.
- More people are looking for paid, not voluntary work: The cost of living has led to a recent trend of more people looking for paid work or extending their paid work hours which reduces their availability. Coordinators tell us that whilst applicants are interested more than usual are pulling out at the application stage because they have secured paid work and more than usual numbers of existing volunteers have reduced flexibility or availability as they have taken on paid work.
- Less volunteers are needed to support our learning service: Around half of our learning projects are employability projects with staff delivery service models supported by fewer volunteers.
- More of our volunteers are befrienders: Just under half of all current volunteers are volunteer befrienders. This is a shift from when most volunteers supported our learning projects. Every befriender is supported by a volunteer, one in four learners is supported by a volunteer.
- We are offering more short term paid roles particularly seeking applications from disabled people and carers. This reduces the number of volunteering opportunities available but supports our wider ambition to reduce the disability employment gap.
- Reduced number of volunteers still represents communities: 15% of our volunteers are disabled people and whilst we have fewer volunteers, demographic information shows they continue to represent the diverse communities in Scotland whom we serve.

Fife volunteers responded to a survey in April 2024. All five who responded would recommend volunteering with Lead to others. Fife Befriending volunteer comment: "It's been very enlightening as to the challenges faced by a befriender and how small things can make a big difference in people's lives". Fife Learning volunteer: "Being involved and playing a part in the progress made by learners, it's very rewarding".

The Directors wish to recognise and thank the Friends of Lead group in North Lanarkshire. Friends of Lead North Lanarkshire is independently constituted, and is made up of members, learners and volunteers who are proudly supporting Lead through raising awareness and fundraising amplifying the work of the North Lanarkshire project. The Directors are very appreciative of their support and commitment.

Board of directors' report (continued)

Risk management

The Board of Directors and the Management Team have adopted a structured approach to risk management and have incorporated risk management into Board Sub Committee and management practices. The risks facing the organisation - including the impact, likelihood, and possible mitigations - are reviewed on a regular basis alongside reviews of our SWOT and PESTLEC. The Board of Directors and the Senior Management Team continue an even greater scrutiny of risks being faced both internally and externally during the next few years, considering the challenging external financial climate, continuing impacts arising from the pandemic and increasing cyber threats.

The main risks to the charity going forward:

- Dependency on single funder (our critical core funding) or loss of specific funding sources.
- Decreasing levels of Trust funding available and increased competition.
- Changes to Scottish and UK Government policies and political changes for example there is a lack of clarity about the impact of Post School Education Reform on Third Sector Adult Learning Providers.
- Staff and volunteer recruitment and retention, late funding decisions create uncertainty for service continuity, volunteers and staff. Fewer people are volunteering in Scotland.
- Lack of sustainable funding for activities, or significant cuts to funding projects.
- Risk from Cyber-attack and the recovery period, one third of charities were involved in a cyber attack in 23-24.

The risks are closely monitored, and the mitigations are at the core of Lead's strategy going forward. These mitigations include:

- Continuing to build and strengthen strategic relationships within multiple directorates within Government and with other key stakeholders to ensure visibility of the value and impact of Lead's work.
- Continuing to seek strategic and tactical grant funding and seek opportunities to grow our unrestricted income in the service of our strategic objectives.
- Reviewing service models which are dependent upon high levels of volunteer delivery.
- Seeking project expansion opportunities within areas where we already have strong partnerships.
- Capitalising on our ability to offer remote learning services and SQA qualifications.
- Developing a wider range of courses on our online learning portal which support our local learning services.
- Identifying and evaluating new innovative services which meet the evolving needs of the people we support in line with Lead's core vision.
- Sustaining Cyber Essentials accreditation, engaging a managed IT provider and working with key partners to deliver regular digital and cyber resilience training to staff and volunteers.
- The Board and Board Committees work closely with the Senior Management Team to evaluate how well tactics are working.

The Board have considered safeguarding responsibilities and have a policy statement and operational process including a standardised safeguarding template which gives clear guidance and practical information for staff and volunteers. The Safeguarding policy was most recently updated in May 2023 and the template reviewed in May 2023. Safeguarding training is taken up by all staff and volunteers as part of their induction and continuing professional learning.

The three main objectives of the financial control system are to:

- ensure that the charity maintains proper accounting records.
- safeguard the charity's assets from unauthorised disposal or use.
- ensure the integrity and reliability of financial and operational information used for: (a) decision making within the charity and (b) external publication.

The company's internal controls include:

- a strategic plan, operational plans and annual budget approved by the Board of Directors.
- regular consideration of financial results and variance from budgets, Chief Executive Officer and Senior Management Team review of non-financial and performance indicators.
- delegation of authority and segregation of duties.
- identification and management of risks.

Board of directors' report (continued)

The Board of Directors confirms that the financial statements comply with the current statutory requirements and the requirements of Lead's Memorandum and Articles of Association.

The Board of Directors confirms that, on a fund-by-fund basis, Lead's assets are adequate to fulfil Lead's obligations.

Financial review

The Scottish Government Children and Families Team contributes to our core costs via the Children, Young People and Families Early Intervention Fund and Adult Learning and Empowering Communities Fund administered by the Corra Foundation. This core funding is a critical source of funding and the current grant is up to the 31 March 2025. We receive excellent feedback about our performance and we are incredibly grateful for their continued support. We received project funding from the Scottish Government Cyber Resilience Unit to deliver a programme of cyber security sessions, courses, translating key messages into a range of formats supporting people to be safe and secure online.

Our income, predominantly restricted income, grew by 17% in 2023-24 compared with 11% the previous year and our application conversion rate to funded project remains very high. The service base saw significantly more increases than decreases across our delivery areas mainly due to 6 new Multiply projects. We were delighted to open a new numeracy project in East Lothian a new local authority area. We continue to be dependent on the Scottish Government and local authorities working in partnership at a strategic and operational level to effectively support people. The audited accounts show accumulated reserves of £300,987 unrestricted income, maintaining our reserves at a level of 5 months running costs. Annual payments are being made to reduce a material defined, long term, pension liability which we plan to reduce (see note 15). The impact is being minimised through robust financial governance.

Principal funding sources in 2024-25 include our valued Local Authority partners in Aberdeenshire, Highlife Highland, Dundee, North Lanarkshire, Fife, Perth and Kinross, Highland, Moray and East Lothian via a range of diverse departments within Adult Literacy Partnerships, Multiply Teams, Community Planning Partnerships, Tenant Participation Project, Health and Social Care Partnerships and others.

We value our continuing relationship and repeat donations from the Hugh and Mary Miller Bequest, Tesco, Alexander Moncur, Sir Jules Thorn Trust and other donations received from individuals to support our work.

The Board of Directors can confirm that there was sufficient funding available to Lead during 23/24 to deliver our full programme of services. We have plans to continue to utilise our restricted funding sources in 2024-25 to deliver services.

The Board of Directors and all of the Lead team are incredibly grateful for the support of all our partners, individuals and agencies, whose financial and/or in-kind support provided benefits during the year.

Reserves policy

The Board of Lead Scotland has agreed a policy for reserves that requires reserves to be maintained at a level that:

- Ensures that Lead Scotland core activities can continue during a period of unforeseen difficulty or financial uncertainty;
- Takes account of our growth ambition;
- Provides an appropriate period to secure additional or new funding when existing funding is withdrawn or no longer available; and
- Endeavours to ensure that Lead Scotland is able to meet costs associated with a reduction in services or closure of the organisation including outstanding liabilities.

Board of directors' report (continued)

The calculation of the required level of reserves is an integral part of the annual planning, budget and forecast cycle. A proportion of the reserves was maintained in cash on deposit or other readily realisable forms. The level of reserves was agreed by the Board of Directors who take account of:

- Risks associated with each income stream and expenditure being at variance with that budgeted for.
- Planned activity levels and any variance.
- Organisational commitments.

Lead Scotland aims to maintain the overall level of free funds held on reserve at an equivalent of 4 to 6 months running costs for the organisation. The current level is £300,987 which represents 5.5 months running costs.

General Fund

The General Fund represents the free reserves of Lead Scotland. During the year this fund increased to £300,987 (note 11).

Designated funds

Designated funds – The board have released these designated funds which are now included in The General Fund (note 11). They have been moved to the general fund to improve the flexibility of this funding.

Restricted funds

Restricted funds have decreased from £219,359 to £201,051 (note 12). We have plans to utilise our restricted funds to deliver services.

We have worked hard to maintain a stable position with our unrestricted reserves this year amidst the ongoing risk of funding uncertainty, late decisions and short-term contracts. We are incredibly grateful to all of our funders.

Our key challenges continue as before, the sources of funding (Scottish Government and local authorities) that we are most dependent upon are almost all available on an annual or part year basis not guaranteed multi-year funding cycles.

It continues to be important to maintain a stable level of reserves for several reasons. Our reserves help us manage the risks arising from delays in funding decisions, standstill grants, increasing supplier costs and reductions in grant levels. As well as sustaining successful projects we are continuing with our ambition to incrementally grow therefore we need to sustain a higher level of reserves to match the increase in running costs.

We continually monitor our pension liability and the latest forecast provided by TPT shows that our estimated pension debt has significantly reduced (details on page 34). After taking professional advice we are planning on reviewing our pension scheme provider. Triggering the debt would incur costs from our reserves in 24-25 but will reduce our long-term liability.

Future developments

In March 2024 the Board undertook a facilitated strategic review exercise to critically analyse the current position of the organisation in terms of services provided amidst the changing external financial, fiscal, and policy environments. Our vision for the current 2023-26 strategy and subsequent actions arising from the recent strategic review will continue to be informed by the changing needs and demands of the people we support.

Some new areas of work for 24-25:

- **Celebrate our 45th Birthday:** hold a parliamentary reception to celebrate our birthday and use the opportunity to create a call to action related to our work.
- **Diversify our funding sources:** we offer our services free at point of delivery because the disabled people and carers we seek to serve are more likely to experience poverty. Free services are made possible by third party funding.
- **Generate more unrestricted income:** Most of our funding is restricted, Scottish Government and local authority income. We will seek other sources of restricted and unrestricted income to diversify our funding.
- **Build new partnerships:** Review our strategic work and forums in line with our strategic ambition to add value to new partnerships and collaborations.

Board of directors' report (continued)

- **New website commissioned:** to raise the profile of our web-based learning, helpline and information services.
- **Reduce educational and social exclusion:** explore funding opportunities which will enable us to deliver learning projects with adult befriending opportunities to offer new pathways into learning.

Statement of Directors' responsibilities

The Directors (who are also trustees of Lead Scotland for the purposes of charity law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors 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.

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

Going concern

Having reviewed the secured funding contracts and the free reserves of the charity the Directors consider it appropriate to draw up the financial statements on a going concern basis.

Disclosure of information to auditors

In so far as the Directors are aware, there is no relevant audit information of which the company's auditors are unaware; and each Director has taken all the steps they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The report was prepared in accordance with the special provisions of the Companies Act relating to small companies.

Approved by the Board of Directors on 24 September 2024

Signed on behalf of the Board:



Paul Smith
Chair and Treasurer

Independent Auditor's Report to the Members of Lead Scotland

Opinion

We have audited the financial statements of Lead Scotland (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Independent Auditor's Report to the Members of Lead Scotland (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report, included within the trustees' annual report.

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

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report, included within the trustees' annual report, and from the requirements to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006, and report in accordance with the Acts, and the relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Independent Auditor's Report to the Members of Lead Scotland (continued)

Based on our understanding of the Charity and sector, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulations and prohibited business practices, and we considered that the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override controls), and determined that the principal risks were related to the potential posting of inappropriate journal entries to manipulate financial results and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Reviewing minutes of meetings of those charged with governance including the Board.
- Evaluation and testing of the operating effectiveness of management's controls designed to prevent and detect irregularities.
- Identifying and testing journal entries based on risk criteria.
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.
- Investigated the rationale behind significant or unusual transactions.
- Reviewed clients risk register for anything unusual.
- Reviewed accounting estimates for evidence of bias.
- Performed analytical review and sample testing of income.
- Agreed financial statement disclosures to supporting documentation.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's Report to the Members of Lead Scotland (continued)

A further description of our responsibilities is available 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 members, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Craig Wallace B.Acc.(Hons), F.C.C.A. (Senior Statutory Auditor)

For and on behalf of
PB Audit Limited
Registered Auditors
18 North Street
Glenrothes
Fife
KY7 5NA

PB Audit Limited are eligible to act as auditors under the terms of Section 1212 of the Companies Act 2006.

24 September 2024

Statement of financial activities and income and expenditure account
Year ended 31 March 2024

	Notes	Restricted funds £	Designated funds £	Unrestricted funds £	Total 2024 £	Total 2023 £
Income from:						
Donations and legacies	2	6,000	-	4,069	10,069	23,877
Other trading activities	2	-	-	1,800	1,800	300
Investment income	2	-	-	6,527	6,527	1,678
Income from charitable activities	3	814,746	-	-	814,746	683,147
Total income		<u>820,746</u>	<u>-</u>	<u>12,396</u>	<u>833,142</u>	<u>709,002</u>
Expenditure on:						
Charitable activities	6	839,054	-	(3,524)	835,530	628,628
Total expenditure		<u>839,054</u>	<u>-</u>	<u>(3,524)</u>	<u>835,530</u>	<u>628,628</u>
Net income/(expenditure)		<u>(18,308)</u>	<u>-</u>	<u>15,920</u>	<u>(2,388)</u>	<u>80,374</u>
Transfers	13	-	(9,403)	9,403	-	-
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pensions scheme	17	-	-	(2)	(2)	177
Net movement in funds		<u>(18,308)</u>	<u>(9,403)</u>	<u>25,321</u>	<u>(2,390)</u>	<u>80,551</u>
Fund balances brought forward at 1 April 2023		<u>219,359</u>	<u>9,403</u>	<u>275,666</u>	<u>504,428</u>	<u>423,877</u>
Fund balances carried forward at 31 March 2024		<u><u>201,051</u></u>	<u><u>-</u></u>	<u><u>300,987</u></u>	<u><u>502,038</u></u>	<u><u>504,428</u></u>

There were no recognised gains or losses other than those included in the statement of financial activities, incorporating the income and expenditure account. All activities relate to continuing operations.

The notes on pages 22 to 36 form part of these financial statements.

Balance sheet
As at 31 March 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets	9	-			-
Current assets					
Debtors	10	49,169		31,773	
Cash at bank and in hand		589,687		539,341	
		<u>638,856</u>		<u>571,113</u>	
Creditors: amounts falling due within one year	11	(133,731)		(60,077)	
Net current assets			505,125		511,037
Total assets less current liabilities			<u>505,125</u>		<u>511,037</u>
Provisions for liabilities and charges	17		(3,087)		(6,609)
Net assets			<u><u>502,038</u></u>		<u><u>504,428</u></u>
Represented by					
Unrestricted General Fund	13		300,987		275,666
Unrestricted Designated funds	13		-		9,403
Restricted funds	14		201,051		219,359
Total funds			<u><u>502,038</u></u>		<u><u>504,428</u></u>

The financial statements are prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 relating to small companies and were approved on 24 September 2024 by the board of directors and were signed by:



Paul Smith
Chair and Treasurer

Company Registration No: SC110186

The notes on pages 22 to 36 form part of these financial statements

Statement of Cash Flows

As at 31 March 2024

	2024	2023
	£	£
Cash flow from operating activities		
Net income/(expenditure)	(2,388)	80,374
Interest income	(6,527)	(1,678)
(Increase)/decrease in debtors	(17,396)	(13,111)
(Decrease)/increase in creditors	73,652	6,959
(Decrease) in defined benefit pension provision	(3,522)	(3,580)
	<hr/>	<hr/>
Cash provided by/(used in) operations	43,819	68,964
	-	
Cash flow from investing activities		
Interest income	6,527	1,678
	<hr/>	<hr/>
Cash provided by investing activities	6,527	1,678
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	50,346	70,642
Cash and cash equivalents at beginning of year	539,341	468,699
	<hr/>	<hr/>
Cash and cash equivalents at end of year	589,687	539,341
	<hr/> <hr/>	<hr/> <hr/>

Notes to the financial statements Year ended 31 March 2024

1. Accounting policies

Basis of preparation

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They have also been prepared under historical cost accounting rules. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

Going concern

Having reviewed the secured funding contracts and the free reserves of the charity the trustees consider it is appropriate to draw up the accounts on a going concern basis. The Board consider it appropriate to prepare the financial statements on a going concern basis of preparation for the reasons as set out in the Trustees' Report.

Company status

The charity is a private company limited by guarantee and incorporated in Scotland, with its registered address as set out on page 3. The members of the company include the directors named on page 3 and other interested parties. 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 charity constitutes a public benefit entity as defined by FRS 102.

Income

Income consists principally of grants, including government grants, and donations. Income is recognised when the charity has entitlement to the funds, when it is probable that the income will be received, and the amounts can be measured reliably. Income is deferred where there is insufficient evidence that the funding conditions are within the charity's control and therefore will be met. For legacies, entitlement is taken as the earlier of the date on which the charity is aware that confirmation or probate has been granted; the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made; or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified by the executor's intention to make a distribution.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure from restricted or designated funds is set against the appropriate fund. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of research and consultancies carried out for the third parties.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. This includes governance costs which comprise those costs associated with the governance of the charity. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Where possible, expenditure has been charged directly to charitable expenditure or governance costs. Where this is not possible the expenditure has been allocated on the time spent by staff on each activity. The organisation is not registered for Value Added Tax (VAT). All VAT on incurred costs is included in the attributable expenditure.

Notes to the financial statements (continued)
Year ended 31 March 2024

1. Accounting policies (continued)

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the charity's activities. These costs have been allocated to charitable activities.

Donated services

In accordance with the Charities SORP (FRS 102), the general volunteer time of the volunteers is not recognised.

Fixed assets and depreciation

Individual fixed assets costing £1,000 or more are capitalised. Where assets relate to a specific restricted fund these are expensed in the year of purchase.

Provision is made for the depreciation of fixed assets in order to write off the cost or valuation over their expected useful lives as follows:

Computer equipment	- 33% straight line
Office equipment	- 20% straight line

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

Cash

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

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 after allowing for any trade discounts due.

Operating leases

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

Pensions

Defined benefit pension scheme

The company participates in a defined benefit pension scheme, the assets of which are held separately from those of the company in independently administered funds and for which it is not possible to separately identify the assets and liabilities of participating employers. As required by FRS 102, it recognises a liability representing the net present value of the deficit reduction contributions payable under the existing deficit funding arrangements.

Defined contribution pension scheme

The charity also contributes to a pension scheme providing benefits based on contributions. Employer contributions charged to the statement of financial activities represents the contributions payable to the scheme in respect of the accounting period.

Notes to the financial statements (continued)
Year ended 31 March 2024

Taxation

The charitable company is registered with HMRC as a charity for tax purposes and is exempt from tax on income and gains falling within section 505(1) of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992, to the extent that these are applied to its charitable purpose. It is considered that no liability to corporation tax will arise as all income is applied to the charitable purposes of the charitable company.

Financial instruments

The charity only enters into basic financial instruments. Financial assets are initially measured at transaction price and subsequently held at cost, less any impairment. Financial liabilities are initially measured at transaction price and subsequently held at amortised cost.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Pension and other post-employment benefits

The cost of defined benefit pension plans is determined using actuarial valuations and recognising the net present value of the deficit funding arrangement the company has agreed to. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

Funds

The General Fund is an unrestricted fund which is available for use, at the discretion of the directors, in furtherance of the general objectives of the charity and which has not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Directors for a particular purpose. Restricted funds are funds to be used in accordance with specific restrictions imposed by donors.

Notes to the financial statements (continued)
Year ended 31 March 2024

2. Analysis of income

	Restricted	Unrestricted	Total	Total
	2024	2024	2024	2023
	£	£	£	£
<i>Donations and legacies:</i>				
Hugh and Mary Miller bequest	-	-	-	3,850
Tesco	1,000	-	1,000	
Alexander Moncur Trust	5,000	-	5,000	
Sir Jules Thorn Trust	-	3,000	3,000	-
Walter Craig	-	-	-	1,000
One Stop Community	-	-	-	1,000
Inchyre Trust	-	-	-	1,000
Nimar	-	-	-	3,000
Movement for Good	-	-	-	1,000
Garfield Weston	-	-	-	10,000
Meikle Foundation	-	-	-	2,000
Other smaller donations	-	1,069	1,069	1,027
	<hr/>	<hr/>	<hr/>	<hr/>
Total voluntary income	6,000	4,069	10,069	23,877
Consultancy Income	-	1,800	1,800	300
Bank interest	-	6,527	6,527	1,678
	<hr/>	<hr/>	<hr/>	<hr/>
Total	6,000	12,396	18,396	25,855
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	Restricted	Unrestricted	Total
	2023	2023	2023
	£	£	£
Donations and legacies	8,000	15,877	23,877
Other trading activities	-	300	300
Bank interest	-	1,678	1,678
	<hr/>	<hr/>	<hr/>
Total 2023	8,000	17,855	25,855
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes to the financial statements (continued)
Year ended 31 March 2024

3. Income from charitable activities

	Restricted £	Unrestricted £	Total 2024 £	Total 2023 £
<i>Income from Scottish Government</i>				
Core grant	149,625	-	149,625	149,625
Cyber Resilience Project	65,349	-	65,349	64,977
	<hr/>	<hr/>	<hr/>	<hr/>
Total	214,974	-	214,974	214,602
<i>Income from local authorities</i>				
Aberdeenshire Council	99,125	-	99,125	90,419
Highlife Highland	-	-	-	10,000
Dundee Council	64,134	-	64,134	30,396
North Lanarkshire Council	24,051	-	24,051	24,294
Fife Council	208,459	-	208,459	184,789
Perth Council	81,500	-	81,500	94,000
Highland Council	42,568	-	42,568	-
Moray Council	43,927	-	43,927	-
East Lothian Council	36,008	-	6,008	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total	599,772	-	599,772	433,899
<i>Income from others</i>				
Tides Foundation	-	-	-	2,534
SCVO	-	-	-	2,451
Bank of Scotland	-	-	-	22,237
Dundee Carers	-	-	-	7,424
	<hr/>	<hr/>	<hr/>	<hr/>
Total	-	-	-	34,646
	<hr/>	<hr/>	<hr/>	<hr/>
Total income from charitable activities	814,746	-	814,746	683,147
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes to the financial statements (continued)
Year ended 31 March 2024

4. Staff costs

	2024	2023
	£	£
Salaries (including temporary staff)	627,351	483,136
Employer's NIC	43,196	36,109
Pension Contributions	26,841	20,617
	<u>697,388</u>	<u>539,862</u>

No employees received emoluments in excess of £60,000 (2023: None). Average staff numbers during the year were 27 (2023: 21).

Key management personnel

The remuneration and benefits paid (including employer's NI and employer's pension contributions) to the senior management team, consisting of the Chief Executive Officer, Business Development Manager and Depute CEO and Finance & Operations Manager were £142,906 (2023: £138,721). Pay is set in line with Scottish Joint Council pay scales and is agreed by the Board of Directors.

5. Trustees remuneration and expenses

During the year travel expenses of £nil (2023: £nil) were reimbursed to no directors (2023: nil). The directors received no remuneration in the current or previous year. Trustee indemnity insurance is provided as part of the overall insurance policy for the organisation.

6. Charitable activities

	Restricted	Designated	Unrestricted	Total 2024	Total 2023
	£	£	£	£	£
Wages & salaries	697,388	-	-	697,388	539,862
Other staff costs	36,361	-	-	36,361	19,754
Property costs	11,874	-	-	11,874	10,515
Administration costs	37,037	-	(3,524)	33,513	25,142
Professional costs	14,145	-	-	14,145	-
Meeting costs	860	-	-	860	84
Subscriptions	1,402	-	-	1,402	1,748
Learner costs	31,438	-	-	31,438	23,603
Governance costs (note 7)	8,549	-	-	8,549	7,920
Total 2024	<u>839,054</u>	<u>-</u>	<u>(3,524)</u>	<u>835,530</u>	<u>628,628</u>
Total 2023	<u>632,208</u>	<u>-</u>	<u>(3,580)</u>		<u>628,628</u>

Included in charitable activities are support costs of £85,429 (2023: £74,592).

* Negative expenditure allocated to unrestricted funds is due to the movement in the provision for pension deficit contributions payable.

Notes to the financial statements (continued)
Year ended 31 March 2024

7. Governance costs

	2024 £	2023 £
Board/finance committee costs	1,229	600
Audit fees	7,320	7,320
	<u>8,549</u>	<u>7,920</u>

8. Auditor's Remuneration

	2024 £	2023 £
Fees payable for the audit of the financial statements	<u>7,320</u>	<u>7,320</u>

9. Fixed assets

	Computer Equipment £	Office Equipment £	Total £
Cost			
At beginning of year	<u>3,343</u>	<u>2,737</u>	<u>6,080</u>
At end of year	<u>3,343</u>	<u>2,737</u>	<u>6,080</u>
Depreciation			
At beginning of year	<u>3,343</u>	<u>2,737</u>	<u>6,080</u>
At end of year	<u>3,343</u>	<u>2,737</u>	<u>6,080</u>
Net book value			
At 31 March 2024	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2023	<u>-</u>	<u>-</u>	<u>-</u>

10. Debtors

	2024 £	2023 £
Trade debtors	44,899	27,848
Prepayments	4,270	3,925
	<u>49,169</u>	<u>31,773</u>

Notes to the financial statements (continued)

Year ended 31 March 2024

11. Creditors

	2024	2023
	£	£
Trade creditors	32,282	18,979
Tax & Social Security	13,310	10,324
Accruals	9,114	9,114
Deferred income	79,025	21,659
	<u>133,731</u>	<u>60,077</u>

12. Deferred income

	2024	2023
	£	£
Balance as at 1 April 2023	21,659	-
Released to income	21,659	-
Added to deferred income	79,025	21,659
	<u>79,025</u>	<u>21,659</u>
Balance as at 31 March 2024	<u>79,025</u>	<u>21,659</u>

Deferred income relates to grant funding for the year to 31 March 2025.

13. Unrestricted reserves

	Opening funds £	Incoming resources £	Outgoing resources £	Transfers £	Other recognised gains £	Closing funds £
General fund	275,666	12,396	3,524	9,403	(2)	300,987
Dr Ethel Gray fund	9,403	-	-	(9,403)	-	-
	<u>285,069</u>	<u>12,396</u>	<u>3,524</u>	<u>(-)</u>	<u>(2)</u>	<u>300,987</u>
	<u>285,069</u>	<u>12,396</u>	<u>3,524</u>	<u>(-)</u>	<u>(2)</u>	<u>300,987</u>

	Opening funds £	Incoming resources £	Outgoing resources £	Transfers £	Other recognised Gains £	Closing funds £
General fund	254,353	17,855	3,580	(299)	177	275,666
Dr Ethel Gray fund	9,403	-	-	-	-	9,403
	<u>263,756</u>	<u>17,855</u>	<u>3,580</u>	<u>(299)</u>	<u>177</u>	<u>285,069</u>
	<u>263,756</u>	<u>17,855</u>	<u>3,580</u>	<u>(299)</u>	<u>177</u>	<u>285,069</u>

The Dr Ethel Gray fund is legacy from a former patron. This was designated to fund the Volunteer of the Year Award and expenditure has been lower than anticipated over several years. The Board took the decision to transfer this money to the general fund to increase the flexibility of how this income could be used.

Notes to the financial statements (continued)

Year ended 31 March 2024

14. Restricted reserves

	Opening funds £	Incoming resources £	Outgoing resources£	Transfers £	Closing funds £
Aberdeenshire AEA	3,622	44,946	(42,353)	-	6,215
ASCAL (was Agnes Hunter)	23,600	-	(23,594)	(6)	-
Aberdeenshire Multiply	-	10,861	(10,898)	37	-
CBAL Orkney	19	-	-	(19)	-
Core Funding (Head office)	-	149,625	(149,611)	(14)	-
Cyber Resilience 2022	634	-	-	(634)	-
Cyber 2023-24	-	65,349	(65,542)	636	443
Dundee	2,996	30,396	(32,376)	-	1,016
Dundee Multiply	-	33,738	(25,036)	-	8,702
East Lothian Multiply	-	36,008	(36,008)	-	-
Fife Adult Carers	9,173	31,640	(29,473)	-	11,340
Fife Adult Befriending	10,680	37,458	(39,960)	-	8,178
Fife Learning	4,260	20,527	(21,266)	-	3,521
Fife Multiply	13,097	36,693	(46,638)	-	3,152
Fife Young Carers 22-23	27,716	52,973	(45,046)	-	35,643
Fife Young Carers	10,894	29,167	(29,004)	-	11,057
Highlife Highland	8,138	-	(8,138)	-	-
Highland Multiply	-	42,568	(31,749)	-	10,819
Moray Multiply	-	43,927	(37,093)	-	6,834
North Lanarkshire	-	24,051	(17,665)	-	6,386
Perth & Kinross	27,805	44,000	(35,629)	-	36,176
Perth Digital	1,552	-	-	-	1,552
Perth Tenants Digital 22-23	9,529	-	(9,529)	-	-
Perth Tenants Digital 23-24	-	37,500	(33,036)	-	4,464
YPG Aberdeenshire	14,505	43,319	(42,044)	-	15,780
Restricted donations	51,139	6,000	(27,366)	-	29,773
Total 2024	219,359	820,746	(839,054)	-	201,051

Notes to the financial statements (continued)

Year ended 31 March 2024

14. Restricted reserves (continued)

	Opening funds £	Incoming resources £	Outgoing resources £	Transfers £	Closing funds £
Aberdeenshire AEA	2,155	40,740	(39,273)	-	3,622
ASCAL (was Agnes Hunter)	26,611	30,555	(33,566)	-	23,600
CBAL North Lanarkshire	225	-	-	(225)	-
CBAL Orkney	2,213	-	(2,194)	-	19
Core Funding (Head office)	-	149,625	(149,741)	116	-
Cyber Resilience 2022	634	-	-	-	634
Cyber Alternative Formats 22-23	-	64,977	(65,060)	83	-
Dundee	392	30,396	(27,792)	-	2,996
Dundee Carers	-	7,424	(7,424)	-	-
Fife Adult Carers 22-23	-	30,638	(21,465)	-	9,173
Fife Adult Befriending	7,226	36,272	(32,818)	-	10,680
Fife Learning	3,960	19,878	(19,578)	-	4,260
Fife Multiply	-	18,462	(5,365)	-	13,097
Fife Young Carers 22-23	-	51,296	(23,580)	-	27,716
Fife Young Carers	5,627	28,244	(22,977)	-	10,894
Highlife Highland	-	10,000	(1,862)	-	8,138
North Lanarkshire	2,023	24,294	(26,642)	325	-
Perth & Kinross	15,164	44,000	(31,359)	-	27,805
Perth Digital	1,552	-	-	-	1,552
Perth Tenants Digital	-	50,000	(40,471)	-	9,529
SCVO Digital	1,952	2,451	(4,403)	-	-
SPCC	24,674	-	(24,674)	-	-
YPG Aberdeenshire	3,047	43,895	(32,437)	-	14,505
Restricted donations	62,666	8,000	(19,527)	-	51,139
Totals 2023	<u>160,121</u>	<u>691,147</u>	<u>(632,208)</u>	<u>299</u>	<u>219,359</u>

Transfers

Transfers have been made from unrestricted funds where deficits have arisen on restricted funds. Transfers have been made to unrestricted funds where surpluses have arisen on fixed price contracts

Notes to the financial statements (continued)

Year ended 31 March 2024

Restricted Funds – detail of awards and restrictions on use

Aberdeenshire Council AEA – funding for an Employability Activity Agreement Project to support young people with learning and employability services, 16 to 19.

Aberdeenshire Council YPG – funding to aid the progression of young people in Aberdeenshire in their transition from school, via Aberdeenshire Employability Agreements

Aberdeenshire and City Adult Learning - Bank of Scotland REACH, Meikle Foundation, and BlackRock provided funding for this project in 2023/24.

Scottish Government Children and Young People Early Intervention, Adult Learning and Effective Communities Fund administered by the Corra Foundation provides our core funding.

Scottish Government Linking Cyber and Accessibility Project – funding to commission the production of cyber resilience messages in alternative formats, strategic work with partners, develop new courses and deliver a programme of learning opportunities and train the trainer sessions across Scotland.

Dundee Council – funding for the delivery of Lead’s Adult Learning services in Dundee.

Fife Council Health and Social Care Partnership - funding for the delivery of two Learning projects and two Befriending services in Fife serving disabled people and unpaid carers.

Fife Multiply (Multiply is a ringfenced element of the UK Shared Prosperity Fund) – funding for the delivery of numeracy learning services in Fife.

Highlife Highland – funding for the delivery of strategic work in Highland to support Adult Learning.

North Lanarkshire Council – funding for the delivery of Lead’s Adult Learning services in North Lanarkshire.

Perth & Kinross Council – funding for the delivery of Lead’s digital skills services in Perth & Kinross.

Perth & Kinross Council Tenants Project – funding for the delivery of a targeted digital skills service for disadvantaged Perth & Kinross Council tenants.

Supporting People Connecting Communities - anonymous donation funding for the delivery of a learning project in Moray.

East Lothian Multiply (Multiply is a ringfenced element of the UK Shared Prosperity Fund) – funding for the delivery of numeracy learning services in East Lothian.

Highland Multiply (Multiply is a ringfenced element of the UK Shared Prosperity Fund) – funding for the delivery of numeracy learning services in Highland.

Moray Multiply (Multiply is a ringfenced element of the UK Shared Prosperity Fund) – funding for the delivery of numeracy learning services in Moray.

Other Restricted Donations – Alexander Moncur Trust to restricted funding for our Dundee Project, TESCO restricted funding for our Helpline.

Notes to the financial statements (continued)
Year ended 31 March 2024

15. Analysis of net assets between funds

	Restricted £	Unrestricted £	2024 £
Balance at 31 March 2024 represented by;			
Tangible assets	-	-	-
Net current assets	201,051	304,074	505,125
Provisions for liabilities	-	(3,087)	(3,087)
	<u>201,051</u>	<u>300,987</u>	<u>502,038</u>
	<u><u>201,051</u></u>	<u><u>300,987</u></u>	<u><u>502,038</u></u>
	Restricted £	Unrestricted £	2023 £
Balance at 31 March 2023 represented by;			
Tangible assets	-	-	-
Net current assets	219,358	291,679	511,037
Provisions for liabilities	-	(6,609)	(6,609)
	<u>219,358</u>	<u>285,070</u>	<u>504,428</u>
	<u><u>219,358</u></u>	<u><u>285,070</u></u>	<u><u>504,428</u></u>

16. Leasing commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2024 Buildings £	2023 Building £
Not later than one year	<u>380</u>	<u>450</u>
Lease payments recognised as expense in year	<u>4,560</u>	<u>5,400</u>

Notes to the financial statements (continued)
Year ended 31 March 2024

17. Provisions for liabilities and charges

Defined benefits pension scheme net present value of deficit contributions payable:

	2024	2023
	£	£
Provision at start of period	6,609	10,366
Unwinding of the discount factor (interest expense)	253	197
Deficit contribution paid	(3,777)	(3,777)
Remeasurements – impact of any change in assumptions	2	(177)
Remeasurements - amendments to the contribution schedule	-	-
	<u>3,087</u>	<u>6,609</u>

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustees have asked the participating employers to pay additional contributions to the scheme as follows:

Notes to the financial statements (continued)
Year ended 31 March 2024

17. Provision for liabilities and charges (continued)

Deficit contributions

From 1 April 2023 to 31 January 2025:	£3,312,000 per annum	(payable monthly)
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Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies. Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:
Deficit contributions

From 1 April 2016 to 30 September 2025:	£11,243,000 per annum	(payable monthly and increasing by 3% each on 1st April)
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The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present values of provision

	31 March 2024 (£s)	31 March 2023 (£s)	31 March 2022 (£s)
Present value of provision	3,087	6,609	10,366

Income and expenditure impact	Period ending 31 March 2023 £	Period ending 31 March 2022 £
Interest expense	253	197
Remeasurements – impact of any change in assumptions	2	(177)
Remeasurements – amendments to the contribution schedule	-	-
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account*	*	*

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company.

Notes to the financial statements (continued)
Year ended 31 March 2024

17. Provision for liabilities and charges (continued)

	31 March 2024 % per annum	31 March 2023 % per annum	31 March 2022 % per annum
Rate of discount	5.31	5.52	2.35

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

Deficits contributions schedule

Year Ending	31 March 2024 (£s)	31 March 2023 (£s)	31 March 2022 (£s)
Year 1	3,147	3,777	3,777
Year 2	-	3,147	3,777
Year 3	-	-	3,147
Year 4	-	-	-
Year 5	-	-	-
Year 6	-	-	-
Year 7	-	-	-
Year 8	-	-	-
Year 9	-	-	-
Year 10	-	-	-

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme. As of 30 September 2020, the total deficit calculated on the buy-out basis was £140.7m.

Lead Scotland has been notified by TPT of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan, 30 September 2022. The estimated debt on withdrawal at 30 September 2022 is £50,518 (two thirds less than the estimate of £148,947.93 in September 2020).

At the year-end there were outstanding contributions to the Scheme of £Nil (2023: £Nil).

As a replacement to the above scheme the charity set up a group personal pension scheme administered by TPT in March 1988. Total employer contributions in the year are £26,840 (2023: £20,618) and at the year end there were outstanding contributions to the scheme of £Nil (2023 £Nil).