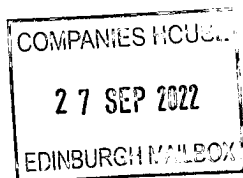
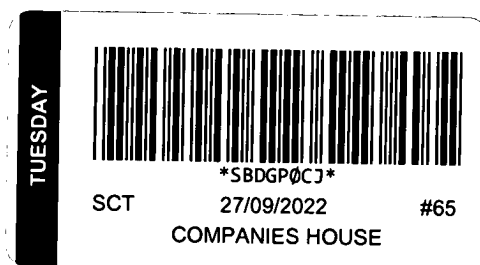




Company No. SC202687
Charity No. SC029757



Young Scot Enterprise
(company limited by guarantee)
Financial Statements
For the year ended 31 March 2022



YOUNG SCOT ENTERPRISE
FINANCIAL STATEMENTS
For the year ended 31 March 2022

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YOUNG SCOT ENTERPRISE DIRECTORS REPORT

The directors present their report and the financial statements for the year ended 31 March 2022.

Reference and Administration Information

Directors:	Chair	E Wallace OBE Chair	
	Vice Chair	C Sneddon	
	Vice Chair	A Wilson	Resigned 31 st March 2022
		A Bennett	Appointed 16 th December 2021
		I Campbell	
		M Coppack	
		M G Cuthbert OBE	Resigned 29 th June 2021
		E Dampney	
		J Dickinson	Appointed 29 th June 2021
		C Downie MBE	
		T Frew	
		T Lamont	
		S McGlinchey	Resigned 28 th September 2021
		W Orlicka	Resigned 16 th March 2022
		R Parker	Resigned 29 th June 2021
		M Reid	Appointed 29 th June 2021
		A Simmons	
		H Scott	
		M Williamson	
		E Craig	Appointed 5 th April 2022
Secretary:		B C Scott	
Chief Executive:		K Urquhart ML Macdonald OBE (Resigned 31 st May 2021)	
Registered Office:		Caledonian Exchange 19A Canning Street Edinburgh EH3 8EG	
External Auditor:		Chiene + Tait LLP Chartered Accountants and Statutory Auditor 61 Dublin Street Edinburgh EH3 6NL	
Internal Auditor:		TIAA Artillery House Fort Fareham Newgate Lane Fareham, Hants PO14 1AH	
	Solicitors:	Brodies LLP 15 Atholl Crescent Edinburgh EH3 8HA	
	Bankers:	Bank of Scotland Princes Exchange 3 Earl Grey Street Edinburgh EH3 9BN	
		Royal Bank of Scotland 142-144 Princes Street Edinburgh EH2 4EQ	

YOUNG SCOT ENTERPRISE | DIRECTORS' REPORT

For the year ended 31 March 2022

OBJECTIVES AND ACTIVITIES

Vision

Our vision, in our current Strategic Plan, is that by 2022 we have supported young people in Scotland with high quality, relevant and timely information. We will do this through a multi-platform approach, connecting young people to the services and opportunities they need, that will empower them to design and influence services, systems and policy and share power with decision-makers and service providers.

Mission

Our mission is to support young people to make **informed** decisions and choices, **connecting** them to opportunities and **empowering** them to share and hold power in the design of services and policy.

Values

The core values that underpin Young Scot's approach to realising this vision are:

- **Responsive:** - We have strong "customer" focus; we get the job done, committed to providing reliable quality at all times and placing young people at the heart of everything we do.
- **Passionate:** - We are positive and ambitious – for young people and for our organisation. We have a "can do" and "will do" attitude and demonstrate leadership in our thoughts and actions.
- **Inspirational:** - We are enthusiastic in our actions, welcoming of people and new opportunities. We communicate effectively with each other and with stakeholders, sharing our passion and integrity.
- **Innovative:** - We embrace and welcome change; enjoy meeting new challenges and opportunities head on and work hard to meet the continually evolving needs of young people.
- **Supportive:** - We value everyone, and we work as one flexible team. We nurture talent and celebrate success. We deliver everything that we do with integrity, and we are proud of our organisation and the work we do.

The principal activities of the Company are to provide young people in Scotland aged 11-26 with a combination of information, ideas and opportunities to:

- promote the development and provision of education and in particular social education and health education for young people.
- enable them to make informed decisions and choices about their lives.
- turn their ideas into action.
- take advantage of the opportunities available to them in Scotland and the rest of Europe.
- enable them to have the knowledge and confidence to become active citizens in their communities.

Young Scot is focussing our work on a vision where Scotland's young people can be:

- **Informed – via** a re-energised national youth information service providing a one-stop shop for young people in Scotland, aligning to European Youth Information Charter, empowering young people to make informed decisions and choices.
- **Connected – via** the transformation of the Young Scot National Entitlement Card (YSNEC) programme to give young people personalised enhanced entitlements, opportunities, incentives and services in a non-stigmatising way.

YOUNG SCOT ENTERPRISE | DIRECTORS' REPORT

For the year ended 31 March 2022

- **Empowered – with** an evolution of our empowerment approach to enable young people to participate more effectively in society; design services and policy and share power as Systems Changers and Influencers, locally, nationally and globally.

We use the strategic objectives of **Informed, Connected and Empowered** to support young people to learn and grow, live and thrive and work and achieve, with the ambition of supporting them to make meaning of their lives as they grow up and face transitions.

OUTCOMES

- **Informed** - young people have increased access to high quality, relevant and timely information. Young people have more opportunities to improve their ability to make informed decisions and choices.
- **Connected** - young people have increased access to entitlements, opportunities and services to support their wellbeing and realise their ambitions. Young people have greater choice and equity of access to entitlements, opportunities and services via YSNEC and the smartphone wallet app.
- **Empowered** - young people, and particularly those whose voices are seldom heard, have more opportunities to design services and policy and share power by becoming Systems Changers and Influencers. Young people have increased opportunities to participate in decision-making at the highest levels.

Principles for Delivery

In delivering the above impacts, our approach ensures equalities and inclusion are at the heart of what we do – we aim to remove barriers to access and participation and to give a voice to those who face greater disadvantage; not only in accessing Young Scot services but also in the delivery of quality public services in Scotland. Young Scot adopts a rights-based approach to our work, ensuring that young people's rights are at the forefront of our delivery, aligning to the UNCRC (United Nations Convention on The Rights of the Child) which is soon to be protected in Scots Law. Delivering our services within the framework of a model of universal entitlement is crucial, where:

1. Universal services are available to all Scotland's young people.
2. Targeted work is implemented to remove barriers and make those services relevant to particular groups.
3. Bespoke products and services are created to improve outcomes and tackle inequalities for young people.

The strategic objectives of the organisation are set out in more detail under the Achievements and Performance section which follows.

ACHIEVEMENTS AND PERFORMANCE FINANCIAL YEAR 2021/2022

This report covers the period of the final year of delivery for our Strategic Plan 2019-2022. During a further year of the COVID-19 pandemic, we continued to deliver our services and make a positive impact on the lives of the young people we support. We continued to refresh, evolve, and enhance our products and services to expand our digital delivery, but also prioritised providing support and information to help young people navigate the pandemic and their everyday lives. We have outlined the key work undertaken within each strategic impact below.

YOUNG SCOT ENTERPRISE | DIRECTORS' REPORT

For the year ended 31 March 2022

STRATEGIC OBJECTIVE - INFORMED

Digital Information Channels

The European Youth Information Quality Label provides a visual sign that information is verified, true and unbiased, and we are proud to have been awarded this accreditation for Scotland as evidence of our quality standards around the provision of youth information. It builds on our work that embeds the European Youth Information Charter principles into our day-to-day work. What you might see on social media or our website as a single post or piece of information, has been through a process that ensures we're providing accurate, reliable and verified information to young people, and that behind every piece of content we create is a process involving several staff members, recording of verified sources, and a risk assessment.

We're excited that being awarded the European Youth Information Quality Label will enable us to award the label to other organisations that provide youth information services across Scotland – helping to show young people that the information they are consuming is trusted, verified and unbiased.

During 2021-2022 we achieved the following youth engagement via various digital channels:

Social Media

- 551,312 engagements on social media, an increase of 12% from 20/21.
- Total of 83,777 followers across our social media channels, an increase of 34% from 20/21.
- 38,088 engagements with dedicated youth coronavirus content.

Website

- 4,645,935 page views to young.scot, 142% increase since 20/21.
- 159,985 page views to coronavirus content, 16% increase since 20/21.

Information campaigns

- After we ran our #ThatsNotOK campaign on gender-based violence resources, 64% of young people said they were more informed about micro-aggressions due to seeing the campaign.
- Our #MakeTimeTo campaign encouraged young people to support their own emotional wellbeing and mental health. The campaign had a reach of 3,341,588.
- Nearly 950,000 social media engagements (compared to 513,342 in 2020/21 – an increase of 79%).
- Nearly 100,000 visits to young.scot/coronavirus – with over 146,000 social media engagements on COVID-19 content.
- Development and growth of TikTok for content dissemination and engagement with young people – with over 20,000 followers and nearly 400,000 likes.
- #YSHealth Panel of youth volunteers co-created content on a wide range of areas, including COVID-19 lateral flow testing, face-coverings, test and protect app testing, mental health, emotional wellbeing and Vitamin D information.

STRATEGIC OBJECTIVE – CONNECTED

Young Scot National Entitlement Card

- Young people can use their Young Scot NEC to maximise their income with in-person and online discounts at local and national outlets in Scotland and across Europe. They can also use their card to access Young Scot Membership, for free proof of age, concessionary travel, and lots of local services too.
- Free bus travel has now been launched for all under 22s and is currently being rolled out across Scotland. Already, young people have made more than a million journeys – helping them to travel to work, take part in learning, improve their wellbeing by making it easier to socialise and to meet with their friends and family. For others, it's helping them to explore opportunities that they would previously not have had the financial means or confidence to take part in.
- 741,362 young people are Young Scot NEC Holders, an 8% increase since 20/21. This represents 79% of eligible young people in Scotland.

YOUNG SCOT ENTERPRISE | DIRECTORS' REPORT

For the year ended 31 March 2022

Membership: Discounts, Entitlements and Rewards

- Once young people have signed up for free at [young.scot](https://www.young.scot), they can take part in lots of different types of activities and earn Young Scot Rewards points and exchange these for exciting rewards.
- 62,917 have now signed up to Membership, a 148% increase since 20/21.
- 52,067 activities were completed, and 10,449 rewards were redeemed.

In-person and Online Discounts

- We offered discounts with 370 partners in 1,109 in-store locations (with 303 online discounts) – and saw an 84% increase in the number of discount codes accessed by young people during the year.
- There are currently discounts for young people available at 1,109 in-store locations, an increase of 6% since 20/21.
- There are currently 303 discounts for young people available online, an increase of 8% since 20/21.

Young Carers Package #YSCarers

- The Young Carers Package #YSCarers is part of the Scottish Government's commitment to recognising the contributions of young carers. The package is a special bundle of treats available to all young carers to help them make the most of their free time and support them in their caring role.
- 1,692 young people have now signed up, an increase of 50% since 20/21.
- 3,205 activities were completed, and 13,555 rewards redeemed.

Bespoke Entitlement Packages

- **Attainment Challenge:** National Strategic Partnership #YSAttain. Over the past few years, we've supported Dundee, Falkirk, Highland, North Ayrshire, North Lanarkshire and Renfrewshire councils to use the Young Scot NEC in innovative ways to provide practical, local entitlements to young people living in our most deprived communities. This work is a partnership with the Scottish Government, Local Authorities, Transport Scotland, the Improvement Service and the National Entitlement Card Programme Office.
- **Young Scot Next #YSNext** is our 'next steps to employment' package for 16-25-year-olds who are not in employment or education. It's designed to support young people to develop new skills, make their everyday living easier, and promote good health and wellbeing through targeted support that's tailored to their needs. In response to feedback, we changed the way we promote the package and simplified the offer. The entire package can now be claimed at once by young people. This is providing them with greater access to employment and training support through the ENABLE Works employability fund.
- 210 young people have now signed up to #YSNext and #YSAttain, an increase of 45% since 20/21.
- 318 #YSNext activities completed and 527 #YSNext rewards redeemed.

European Youth Card Association (EYCA)

- We maximise opportunities for young people to live, learn and work abroad, as well as influencing change on a global scale through our position as the Scottish member of the European Youth Card Association. We currently also hold a position on the EYCA Board and as Vice President, leading on governance.
- The European Youth Card is packed with tens of thousands of discounts on travel, culture, accommodation, education, services and products in 36 countries across Europe – on offer to six million young people. Plus, in every country, there are hundreds of programmes and opportunities for volunteering, learning, employment, entrepreneurship and many other things that help young people along their way.

Proof of Age Standard Scheme (PASS)

- We are the accredited issuer of PASS (Proof of Age Standards Scheme) in Scotland, and all Young Scot NECs issued by local authorities display the PASS hologram. This allows young people to use their Young Scot NEC as a legal, voluntary proof of age, access the age-restricted services they are entitled to, and open basic bank accounts

YOUNG SCOT ENTERPRISE | DIRECTORS' REPORT

For the year ended 31 March 2022

Young Scot Schools

- Young Scot Schools is our programme for schools that helps to make sure learners have full access to the Young Scot National Entitlement Card (Young Scot NEC), alongside our digital information, discounts, volunteering opportunities and enhanced entitlements.
- The programme helps schools to create strong links with educational outcomes, policies and procedures. These include the National Performance Framework, Curriculum for Excellence and the United Nations Convention on the Rights of the Child.

Local Partnerships

- Working with our strategic Local Authority partners, we continue to be part of the transformation of the shared asset - the Young Scot National NEC programme - to give young people personalised enhanced entitlements, opportunities, incentives and services in a non-stigmatising way, supporting digital public service strategies.
- We supported three participatory budgeting and online voting projects, alongside this year's Scottish Youth Parliament elections. Aberdeenshire Council carried out their first round of Participatory Budgeting, basing applications around their 17 high schools and generating more than 1,000 votes.
- Renfrewshire Council delivered another round of the 'Celebration Renfrewshire' – with 850 voters. North Ayrshire Council delivered their 'Shaping North Ayrshire' vote, alongside the Scottish Youth Parliament elections, and achieved over 4,600 votes.
- For the Scottish Youth Parliament elections, 19 local councils used our Young Scot E-Voting platform, with a further five that would have used it if they had a contested election. Over 22,000 young people voted using the Young Scot platform.
- We also started work with Zudu, our partner for developing the new online voting platform. We are on schedule to have a test site ready in January.

STRATEGIC OBJECTIVE - EMPOWERED

Co-Design/Service Design

- Young Scot Hive #YSHive service design offer collaborated with 15 partner organisations during the last year. A range of reports can be found on the Young Scot Observatory. This allowed us to work with 659 young people who volunteered 6,363 hours as part of 16 projects and 4 one-off events. This includes the work our #YSVision youth volunteers carried out in co-creating our upcoming Strategy 2022-2025.
- Volunteer Demographics: We continually monitor our demographics of our young people to support DEI approaches. In the last year, a proportion of our young people identified as: -
 - 69 identified as BAME
 - 64 had a long-term illness or disability
 - 72 were from SIMD20 Quintiles 1 or 2
 - 10 young people were care experienced
 - 11 young people were young carers

Volunteer Support:

- We benefit from the work of volunteers across the organisation. To better reflect the nature of our volunteering between direct volunteering with Young Scot and other volunteering opportunities that we promote and support, we have amended how we report volunteers' hours and are now only reporting on direct volunteering with Young Scot. We continue to work with a wide variety of stakeholders and youth projects to promote wider volunteering opportunities to young people across Scotland.
- During 2021/22 young people provided 895 hours of support through volunteering at an operational level (2020/21 1,602 hours). Young Scot received a further 559 voluntary hours (2020/21 452 hours) at a strategic level from the Young Scot Board and Advisory Council.

YOUNG SCOT ENTERPRISE | DIRECTORS' REPORT

For the year ended 31 March 2022

External Relations: Young Scot Awards

- The Sunday Mail Young Scot Awards took place online on 22nd April. The event was hosted by celebrity presenter Jean Johansson, and included contributions from Gemma Cairney, Alesha Dixon and Nathan Evans. The ceremony was viewed over 1,000 times on event night across YouTube and within the interactive platform, Awards Room. To date, the view count stands at 1,085. The event received 270,000 impressions on Twitter and #YSAwards trended at number seven in the UK. The ceremony and finalists appeared in 56 pieces of coverage across local and national press

Support Services

- We continued to work at home for nine months of this year – with minimal service interruption. All staff received full access to appropriate equipment and technology, including a fully comprehensive Wellbeing Programme and Health & Safety Assessments. We have now opened our new office in Caledonian Exchange and have moved to a hybrid working approach. This will allow staff to design their working environment in a way that best suits them and the business.
- We continued our work to enhance our equalities approach, with a shift to becoming an explicitly anti-racist organisation. A refreshed and revised Diversity Equity and Inclusion Strategy was created, and we are working to fully embed it into all systems and policies across Young Scot.

FINANCIAL REVIEW 2021/2022

The past financial year has seen Young Scot further enhance its services through project funding and the continued support of the Scottish Government departments, Local Authorities and other cross-sector partners. Young Scot was also able to secure additional funding to run specific Covid 19 information campaigns. The company's activities have been maintained by grants received of £ 1,748,479 (2021: £1,899,891) per note 4 in the financial statements, income from services provided of £ 1,728,296 (2021: £1,344,653) and investment income of £146 (2021: £693). This resulted in total income of £ 3,476,921 (2021: £3,245,237).

Young Scot has worked to maintain and develop its funding and stakeholder relationships during the year. We review and monitor the external environmental impacts on our two key funders Scottish Government and Local Authorities.

Appreciation is recorded for the support received during the year from Scottish Government Public Health/Fairer Health Directorate and Children's Rights and Participation Directorates. In addition, we would like to record our thanks to partners including Children in Scotland, Money and Pension Service, Co-operative Foundation, CORRA Foundation, COSLA, Esemee Fairbairn, Paul Hamlyn Foundation, Police Scotland, SportScotland, Nature Scot, Scottish Youth Parliament, YouthLink Scotland, and Scottish Local Authorities and gratefully acknowledge the support from other organisations across Scotland towards our activities.

Income from all sources for the year to 31 March 2022 was £3,476,921 (2021: £3,245,237) and operating expenses totalled £ 3,165,124 (2021: £2,994,294).

We currently have a defined benefit pension scheme and further details of the pension scheme are explained in note 8 of the financial statements. Although any valuation is only an indication at a particular point in time, we would highlight the position has improved from a deficit of £351,000 at 31 March 2021 to a surplus of £147,000 at 31 March 2022.

In line with accounting requirements however, Young Scot Enterprise's share of the overall scheme surplus at 31 March 2022 has not been recognised in the financial statements. This movement has arisen due to changes in the underlying assumptions used by the actuary to calculate the assets and liabilities particularly in relation to salary assumptions, discount rates and lifetimes of members which has led to the scheme showing a surplus. The Directors are satisfied that while the pension scheme fluctuates year on year, the full liability on the fund on the buy-out basis will not crystallise in the immediate short term but the Board is putting plans in place to mitigate this in the longer term.

YOUNG SCOT ENTERPRISE | DIRECTORS' REPORT

For the year ended 31 March 2022

The cash and bank balances on 31 March 2022 were £1,593,185 (2021: £1,538,820).

INVESTMENT POWERS AND POLICY

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the Directors advise. The Directors, having regard to the liquidity requirements of operating the charity and to the reserves policy, have operated a policy of keeping available funds in an interest-bearing deposit account and seek to achieve a rate of interest which is the best available.

RESERVES

General funds are available for use at the discretion of the Directors in furtherance of the general objectives of the charity. The general reserves are increased year on year with the aim to be at a level of at least three months operating expenditure to ensure that the company can effectively meet its charitable objectives. Unrestricted reserves before considering any surplus or deficit on the defined benefit pension scheme are £975,436 at 31 March 2022, which represents 4.9 months of operating expenditure. The Directors aim to maintain the target level in future years while also increasing general reserves above the target to allow us to mitigate our Lothian Pension Fund liability. Each year we propose to add to general reserves to support this requirement.

Designated reserves are funds that the company has set aside for a specific purpose, which will be utilised during future financial years. Young Scot currently has two designated reserves, created to allow for asset replacements and our pension liability, as detailed in Note 16 of the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund are set out in Note 18 of the Financial Statements. As at 31 March 2022, all restricted funds had been fully expended.

KEY RISKS FOR THE ORGANISATION

Principal risks and uncertainties The Directors confirm that the major risks to which the charity is exposed have been considered and reviewed. The Risk Management process includes consideration not only of financial risks but strategic, operational, environmental and regulatory ones.

Risk Management Process

- We hold an annual session with Young Scot Board and Senior Management to review the risks associated with the organisation.
- Finance and Audit Committee have delegated authority from the Young Scot Board to review and monitor our risks on a quarterly basis
- The Finance and Audit Committee provide a quarterly update to the Young Scot Board.
- A risk analysis has been used to identify the risks for the organisation.
- The level and significance of the charity's exposure to these risks has been outlined within a formal Risk Management Report, together with any systems which have been put in place and those which are planned to be implemented to reduce these risks to the Company.
- We have updated the risk register to reflect the continued impact of COVID-19 and now as we move into the endemic.

YOUNG SCOT ENTERPRISE | DIRECTORS' REPORT

For the year ended 31 March 2022

Overall, this work has identified that the following key risks could have a potential major impact on the charity, and we have put mitigation measures in place:

- Financial Sustainability
- Delivery and access to our products and services by young people
- Quality of products and services to young people
- Maintaining and recruiting staffing resources
- Maintaining and developing partnerships

The measures put in place to mitigate the above risks are as follows:

- Annual development of our Budget to Delivery Plan with monthly reviews of budget.
- Annual review of key policies and procedures in place to ensure we deliver accessible and high-quality products and services.
- A three year Our People Strategy to plan for current and future staffing requirements and managing existing staff effectively.
- Senior Management regularly communicates with new and existing partners to maintain and develop relationships.

PLANS FOR FUTURE PERIODS - FINANCIAL YEAR 2022/2023

In collaboration with young people, we have created our new Strategic Plan for 2022-2025. Our key objective is to support young people in Scotland to thrive and make the most of their lives as they grow up, building their confidence and resilience, and having fun. We have updated our Strategic Objectives to reflect this aim - **Be Informed, Be Connected and Be Empowered**. For the period April 2022-March 2023 our delivery commitments for each strategic objective, using a hybrid delivery programme model are:

BE INFORMED Young people make informed decisions and challenge misinformation:

Young people have increased access to high-quality and targeted information by providing quality assured, accessible, and relevant information to young people on the topics that are important to them and impact their life:

- Establish strategic information partnerships with quality-assured information partners and leading sector experts, related to key themes identified by young people.
- Develop our digital marketing service to reach more young people across Scotland.
- Explore opportunities and funding to create a young people's fact checking service in Scotland.
- Provide quality-assured youth information in line with the European Quality Label and raise awareness of the label with young people and stakeholders.

YOUNG SCOT ENTERPRISE | DIRECTORS' REPORT

For the year ended 31 March 2022

Young people have more opportunities to be content creators and to develop and produce information by including young people's voices and feedback in the development of information campaigns:

- Further develop existing and explore new content approaches for the delivery of youth information, including new platforms, working with content creators and reaching young people who are digitally excluded.
- Expand our #AyeFeel offer (subject to funding) across young.scot and social media.
- Explore how we might develop offline information provision, including targeted/bespoke magazine as part of Young Scot enhanced entitlement packages.
- Enhance Gaelic youth information provision through collaborative information content on young.scot and digital/social platforms, and connecting young people to the information, support, signposting and guidance they need.
- Provide opportunities for young people to feature in and create content for our channels.
- Provide opportunities for young people to contribute to and inform our information content – through digital platforms and working with our panels to ensure information is relevant to their lives.
- Provide opportunities for young people to feedback on the impact of our campaigns and embed feedback in future campaigns.
- Work with our Content Collaborators Panel to co-design and run a youth insights survey and share the results.

Young people have more opportunities to develop digital information literacy skills and to challenge misinformation by providing young people with digital information literacy skills development and misinformation training:

- Work with our Content Collaborators Panel to develop an information campaign on misinformation and literacy skills development.
- Deliver thought-leadership and training activities, to share our knowledge and learn from others.

BE CONNECTED Young people maximise our opportunities, discounts and entitlements to support their wellbeing and improve equity.

Young people have increased awareness of local and national opportunities, discounts and entitlements by providing young people with a programme of universal opportunities and entitlements:

- Further increase the diversity of our Connect Panel of young people, and support them to improve, challenge and co-design our Membership Services and other Young Scot National
- Work with National Entitlement Card partners to deliver our Young Scot National Entitlement Card universal services, and work with stakeholders (including young people) to explore digital offerings such as the potential of a smartphone wallet/app.
- Ensure ongoing Proof of Age Standards Scheme (PASS) compliance and increase promotion of PASS in Scotland – gathering insight from young people to analyse the impact of the scheme.
- Develop and enhance new and existing Rewards partnerships to expand local and national Rewards available for young people and improve awareness of the Rewards programme.
- Develop and implement a new communications plan to raise awareness of the Young Scot National Entitlement Card and Membership – and improve our reach with young people.
- Entitlement Card (Young Scot NEC) services.

YOUNG SCOT ENTERPRISE | DIRECTORS' REPORT

For the year ended 31 March 2022

Young people have access to an expanded, improved and accessible range of universal opportunities, discounts and entitlements by providing young people with local national, and European discounts:

- Retain and enhance existing discount partners, and develop new national discount partners, underpinned by insight from young people.
- Develop an effective and responsible process to guide our business engagement, including identifying the most meaningful businesses for young people and diversifying our means to reach decision-makers.
- Expand our range of discounts available locally that support young people's health and wellbeing, social connections and fun.
- Ensure effective communications with young people and develop content to raise awareness of discounts available.
- Maximise the benefit of membership to the European Youth Card Association to support youth mobility within Scotland and across Europe, including increased reciprocal discounts.

Young people have increased access to improved targeted entitlements by developing responsive and targeted opportunities and entitlements engagement programmes for young people:

- Leverage the collective asset of the Young Scot National Entitlement Card infrastructure and Membership services, to create and enhance entitlement packages that support targeted intervention and cost efficiencies (at a local and national level).
- Further develop and implement smart-tech models and innovative ways to support local partners to deliver enhanced entitlements using Young Scot National Entitlement Card and Membership Services, to improve health and wellbeing, challenging child poverty, rural poverty and other inequalities.
- Ensure the Diversity, Equity and Inclusion Strategy Champions Panel represents a variety of seldom heard groups and directs and challenges our work to be an explicitly anti-racist organisation and to #KeepThePromise.

BE EMPOWERED Young people are empowered to exercise their rights as system changers, influence decision-making, and share power both locally and nationally.

Young people have improved access to support and training to become system changers and to connect them to opportunities by providing young people with support and training to grow their skills and confidence as system changers:

- Embed enhanced training and skills development opportunities across all #YSHive activity.
- Work with #YSHive volunteers to review, develop and improve delivery of our #YSHive offer.
- Establish and maintain partnerships with organisations engaging with underrepresented groups, to provide opportunities for diverse representation in #YSHive programmes, and for our enhanced offer to support partner organisations.
- Embed new quality assurance, monitoring and evaluation for #YSHive to demonstrate impact and maps skills development of volunteers.

Young people have increased opportunities to express their views and participate in decision-making processes, locally and nationally by connecting young people to opportunities to use their skills as system changers to influence decision-making and share power:

YOUNG SCOT ENTERPRISE | DIRECTORS' REPORT]

For the year ended 31 March 2022

- Providing young people with opportunities to express their views and participate in decision-making at a local and national level.
- Provide opportunities for young people to engage directly with Young Scot Board and Advisory Council, including opportunities to become Young Scot Board Members.
- Establish a Young Scot Volunteer Experience programme, to provide opportunities for our volunteers to inform and influence decision-making within the organisation.
- Identify roles for #YSHive volunteers to sit on and contribute towards national groups and boards to ensure young people's voices are heard at the highest levels of decision-making in Scotland.

Young people are more confident about being system changers, influencing decision-making and sharing power by providing young people with opportunities to express their views and participate in decision-making at a local and national level:

- Identify, establish and deliver #YSHive co-design/service design projects with external organisations related to local and national priorities and issues affecting young people and communities in Scotland.
- Explore and adopt innovative ways of delivering participation and engagement activity with young people, including online, in-person and hybrid methodologies.
- Develop data and insights approach including local and national consultation activity to gather insights, publish and share the results.
- Implement the 'Place Principle' in our place-based working approach to reimagining our local offer – aligning this with local authority priorities (and with the lens of recovery and renewal from the perspective of young people).
- Use the enhanced technical infrastructure of the e-voting system, young.scot alongside a communications plan to assist our local and national partners with their democratic ambitions, by increasing the number and range of e-voting and participatory budgeting opportunities available to young people
- Promote and enhance #YSSchools by building connections and developing resources, supporting learners to have access to all Young Scot National Entitlement Card services and opportunities.

SUPPORT SERVICES

We continuously invest in our dedicated Board and staff team to enable them to effectively support young people in Scotland. From training and development opportunities to providing the right tools to get the job done, we are committed to delivering on the aims of Our People strategy.

Providing robust, ethical, and sustainable organisational infrastructure to maximise impact on young people:

- Delivery of our ethical and robust governance programme with continued development of our Board of Directors in diversity and skillset.
- Delivery of Our People Strategy with a continued focus on diversity, equity and inclusion and our anti-racism pillar action plan.
- Delivery of a robust and ethical financial function.
- Delivery of robust and ethical sustainability strategy across all delivery and support services.
- Delivery of effective hybrid infrastructure for Young Scot.
- Deliver the strategic external stakeholder relations strategy for Young Scot, including a strategic review of the annual #YSAwards.

YOUNG SCOT ENTERPRISE | DIRECTORS' REPORT

For the year ended 31 March 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Young Scot Enterprise is a company limited by guarantee, registered in Scotland No SC202687 and is a recognised Scottish Charity, No SC029757. The company is governed by its Memorandum and Articles of Association.

Appointment of Directors

The Directors of the company during the year are listed at page one. The Board composition seeks to reflect the varied interests of stakeholders and the environment in which Young Scot operates. Young Scot therefore appoints Directors based on the skills they can bring to the organisation whilst maintaining this cross representation of the Board. Directors are appointed and ratified by the Board following nomination by the officers of the company or other Directors. Young Scot has committed to having 25% of its Board represented by young people and one will be the vice chair. We have implemented an updated recruitment process in 2021 and we used two pathways for recruitment to the Board for young people and other adults. This allowed us to appoint a young person from our internal #YSHive programme and two adult members from an external recruitment campaign.

Directors Induction and Training

We currently issue new Board Members with an induction pack, which details the roles and responsibilities of a new Director. All new Directors meet the Chairperson and Chief Executive and are taken through the role of Director and the main activities of the charity. Any new Directors are also assessed for any initial training needs prior to taking up the role. As part of our three-year board self-assessment, we continue to monitor any further training needs of the Board Members.

Organisational Structure

Young Scot's Board of Directors, following advice from the Senior Management Team (SMT) and #VisionMakers, decides on the strategic aims and objectives of the organisation.

The Senior Management Team then applies the strategic objectives and sets out the operational plan. The company continues to place a considerable emphasis on staff consultation on matters affecting them and on various factors affecting responsibilities, activities and performance of the company.

Key Management Personnel and Remuneration

In addition to the Board, the Directors consider the Chief Executive and the four directors who together comprise the Senior Management Team, as being the key management personnel in charge of directing and controlling the Charity and running and operating Young Scot.

All Board Directors give of their time freely and no Board Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in notes 7 and 17 to the financial statements. The pay of the senior staff is reviewed annually and is normally increased in accordance with the Job Family classification assigned to their role.

Employment Policies

Young Scot's employment policies provide equal opportunity, irrespective of age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race, colour, nationality, ethnic or national origin, religion or belief, sex or sexual orientation (the "**Protected Characteristics**" under the Equality Act 2010).

YOUNG SCOT ENTERPRISE | DIRECTORS' REPORT

For the year ended 31 March 2022

It is the object of this policy that all applicants for employment and employees should have equal opportunities for employment and advancement based on their relevant merits and abilities alone.

As part of our commitment to inclusion and equality, we have redeveloped our Equality Scheme. The aim of this is to provide a coordinated framework of robust actions and meaningful considerations that will ensure the delivery of an inclusive and universal service and a fair place of work. The scheme endorses inclusive practice and aims to increase our knowledge of equalities ensuring it is right every time.

Reference and administrative details

These details, including Board Directors who served in the year, are set out on page 1.

External Auditor

A resolution to reappoint Chiene + Tait LLP as auditor will be put to the members at the Annual General Meeting on 29th June 2022.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition October 2019) - (Charities SORP (FRS 102)).

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors (who are also Trustees of Young Scot Enterprise for the purposes of charity law) are responsible for preparing the Directors' 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for the year. In preparing the financial statements the directors are required to:

- select suitable accounting policies and apply them consistently.
- observe the methods and principles in the Charities Statement of Recommended Practice (FRS102)
- 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; and
- 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

YOUNG SCOT ENTERPRISE | DIRECTORS' REPORT
For the year ended 31 March 2022

The Directors 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.

Disclosure of Information to Auditor

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signatory: Elizabeth Wallace OBE | Chair of Board

Elizabeth Wallace

29 June 2022

Date:

Caledonian Exchange 19A Canning Street Edinburgh EH3 8EG

**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS OF
YOUNG SCOT ENTERPRISE (continued)
For the year ended 31 March 2022**

Opinion on financial statements

We have audited the financial statements of Young Scot Enterprise for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022, 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; and
- have been prepared in accordance with 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Directors' Report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the Directors' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS OF
YOUNG SCOT ENTERPRISE (continued)
For the year ended 31 March 2022**

Other information (continued)

We have nothing to report in this regard.

Opinion 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' 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.

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

- the charitable company has not kept proper and adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the statement of Directors' responsibilities set out on page 14 the Directors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 Directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the charitable company 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 auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under those Acts.

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.

**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS OF
YOUNG SCOT ENTERPRISE (continued)
For the year ended 31 March 2022**

Auditor's responsibilities for the audit of the financial statements (continued)

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:

We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates and considered the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud. This included but was not limited to the Charities and Trustee Investment (Scotland) Act 2005, and The Charities Accounts (Scotland) Regulations 2006.

We focused on laws and regulations that could give rise to a material misstatement in the charity's financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of the Directors;
- review of minutes of board meetings throughout the period; and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Directors, 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 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's Directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members as a body, and its Directors as a body, for our audit work, for this report, or for the opinions we have formed.

Malcolm R Beveridge
Malcolm Beveridge CA (Senior Statutory Auditor)
For and on behalf of
CHIENE + TAIT LLP
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh, EH3 6NL
Date: 29 June 2022.....

Chiene + Tait LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

YOUNG SCOT ENTERPRISE**STATEMENT OF FINANCIAL ACTIVITIES****For the year ended 31 March 2022**

	Note	Unrestricted General Fund £	Unrestricted Designated Fund £	Restricted Fund £	2022 Total Funds £	2021 Total Funds £
Income from:						
Charitable activities	4	2,703,296	-	773,479	3,476,775	3,244,544
Investments	3	146	-	-	146	693
Total income		2,703,442	-	773,479	3,476,921	3,245,237
Expenditure on						
Charitable activities	5	2,391,644	-	773,479	3,165,123	2,994,294
Total expenditure		2,391,644	-	773,479	3,165,123	2,994,294
Net income		311,798	-	-	311,798	250,943
Transfers between funds	15,16	(477,799)	477,799	-	-	-
		(166,001)	477,799	-	311,798	250,943
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	8	199,000	-	-	199,000	(489,000)
Net movement in funds		32,999	477,799	-	510,798	(238,057)
Funds reconciliation						
Total funds at 1 April 2021	15,16,18	305,913	158,725	-	464,638	702,695
Fund balance carried forward at 31st March 2022	15,16,18	338,912	636,524	-	975,436	464,638

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 21 – 35 form part of these financial statements.

YOUNG SCOT ENTERPRISE**BALANCE SHEET****For the year ended 31 March 2022**

	Note	Year ended 31-Mar 2022 £	Year ended 31-Mar 2021 £
Fixed assets			
Tangible assets	10	26,184	30,445
Current assets			
Debtors	11	365,824	267,260
Cash at bank and in hand		1,593,185	1,538,820
Total current assets		1,959,009	1,806,080
Creditors			
Amounts falling due within one year	12	(1,009,757)	(1,017,479)
Net current assets		949,253	788,601
Total assets less current liabilities		975,436	819,046
Creditors: Amounts falling due after more than one year	21	-	(3,408)
Defined benefit pension scheme liability	8	-	(351,000)
Net assets		975,436	464,638
The funds of the charity			
Unrestricted general fund	14	338,912	656,913
Unrestricted designated funds	15	636,524	158,725
Pension reserve	8,14	-	(351,000)
Total charity funds		975,436	464,638

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The audited financial statements on pages 21 to 35 were approved and authorised for issue by the board of directors on and signed on its behalf by:

Elizabeth Wallace

Mrs Elizabeth Wallace
Director

29 June 2022

Date:.....

Company No. SC202687

The notes on pages 21 – 35 form part of these financial statements.

YOUNG SCOT ENTERPRISE**STATEMENT of CASH FLOWS****For the year ending 31 March 2022**

	Note	Total Funds 2022 £	Total Funds 2021 £
Net cash provided by operating activities	22	51,158	676,198
Cash flows from investing activities:			
Interest income		146	693
Purchase of furniture, equipment, computer equipment and motor vehicles		(9,140)	(36,625)
Proceeds from sale of furniture, equipment, computer equipment and motor vehicles		12,201	-
Net cash provided by investing activities		3,207	(35,932)
Change in cash and cash equivalents in the year		54,365	640,266
Cash and cash equivalents brought forward		1,538,820	898,554
Cash and cash equivalents carried forward		1,593,185	1,538,820

Analysis of Changes in Net Debt

Analysis of Changes in Net Debt	2021 £	Cash flows £	2022 £
Cash and cash equivalents	1,538,820	54,365	1,593,185
Total net debt	1,538,820	54,365	1,593,185

The notes on pages 21 – 35 form part of these financial statements.

YOUNG SCOT ENTERPRISE**NOTES ON FINANCIAL STATEMENTS****For the year ending 31 March 2022****1. Company information**

Young Scot Enterprise is a company limited by guarantee incorporated and domiciled in Scotland with registered company number SC202687. The member's liability is limited to £1 on the winding up of the company. The registered office and principal place of business is Rosebery House, Haymarket Terrace, Edinburgh, EH12 5EZ. The financial statements have been presented in Pounds Sterling as this is the functional and presentational currency of the company.

2. Accounting Policies**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules and in accordance with the Companies Act 2006, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition - October 2019 - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

Young Scot Enterprise meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Going concern

The directors consider that there are no material uncertainties about the Company's ability to continue as a going concern. The most significant area of uncertainty is in respect of future funding of activities. The directors have prepared budgets and forecasts for 2022/23 based upon reasonable assumptions regarding the level of future funding. These forecasts indicate that the Company has sufficient resources to continue in operational existence for the foreseeable future and thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

Significant judgements and estimation uncertainty

In the application of the charitable company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. As the estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for carrying amounts of tangible assets.

YOUNG SCOT ENTERPRISE**NOTES ON FINANCIAL STATEMENTS****For the year ending 31 March 2022**

2. Accounting Policies (Continued)**Income**

All income is included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income, it is probable the income will be received and the amount can be quantified with reasonable accuracy. Income is deferred when the charity does not have entitlement to these resources until the goods and services have been provided or relevant milestones have not been met.

Donations, legacies and similar income

Donations, legacies and similar income is included in the year in which it is receivable, which is when the charity becomes entitled to the income, it is probable that it will be received, and the amount can be measured reliably.

Donated facilities are included at the value to the charity where this can be quantified, and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers as amounts cannot be reliably quantified.

Investment income

Interest income is included in the year in which it is receivable.

Grants receivable

Grants received are reflected in the Statement of Financial Activities when relevant conditions for entitlement have been met, it is probable they will be received, and the amounts can be quantified with sufficient reliability. Where donors specify that grants are for particular purposes, this income is included in incoming resources within restricted funds when receivable. Grants of a revenue nature are credited to the SoFA in the period to which they relate. Grant income with specific restrictions on utilisation in terms of timing or service provision are deferred in accordance with the terms provided by the donor as appropriate.

Government grants

Government grants on capital expenditure are recognised in the SoFA and transferred to a restricted reserve and subsequently released annually over the expected life of the relevant asset by equal instalments.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. 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.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

YOUNG SCOT ENTERPRISE**NOTES ON FINANCIAL STATEMENTS****For the year ending 31 March 2022****2. Accounting Policies (Continued)****Expenditure (Continued)**

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 and payroll costs which support the charitable activities.

Within support costs are governance costs which 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.

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular project are allocated directly, others are apportioned on an appropriate basis i.e. estimated project usage.

Grants payable are payments made to third parties in furtherance of the charitable objectives of the charity.

Irrecoverable VAT

All expenditure is classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Operating leases

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

Tangible fixed assets and depreciation

Tangible fixed assets are capitalised at cost over £500. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, on a straight-line basis over their expected useful economic lives as follows:

Computer equipment	over 3 years
Furniture and Office equipment	over 5 years
Vehicles	over 3 years

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any discounts due.

Cash at bank and in hand

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

Creditors

Creditors are recognised where the company 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

YOUNG SCOT ENTERPRISE**NOTES ON FINANCIAL STATEMENTS****For the year ending 31 March 2022****2. Accounting Policies (Continued)****Financial instruments**

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Recognition of liabilities

Young Scot endeavours to make provisions for any potential liabilities that the organisation may be open to and to incorporate these into the company's financial statements as and when they are deemed to be tangible.

Pension costs and defined benefit scheme surplus or deficit

The charity participates in a defined benefit scheme and a stakeholder scheme. Pension costs for the defined benefit scheme are assessed in accordance with actuarial advice and based on the most recent actuarial valuation of the scheme. These costs are accounted for over the estimated working lives of the employees. Scheme deficits are recognised in full as liabilities. As the charity is not able to recover any asset through reduced contributions or refunds, in accordance with the Charities SORP (FRS 102), no asset is recognised on the balance sheet. The charity operates two stakeholder schemes, one with Friends Life and the second a contractual/auto enrolment scheme with Peoples Pension, which is available to all eligible employees. The costs for these schemes for the year are included within outgoing resources in the year in which they are incurred.

Fund accounting

General funds: are unrestricted funds which are available for use at the discretion of the directors in furtherance of the general objectives of the charity which have not been designated for any other purpose.

Designated funds: comprise unrestricted funds that have been set aside by the directors for particular purposes. The aim and use of each designated fund is set out in note 16 to the financial statements.

Restricted funds: are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in note 18 to the financial statements.

	Year ended 31st March 2022	Year ended 31st March 2021
3 Investment Income	£	£
Bank interest receivable	146	693
Total Investment Income	146	693

All the company's investment income arises from an interest bearing deposit account and relates to unrestricted funds in 2022 and 2021.

YOUNG SCOT ENTERPRISE**NOTES ON FINANCIAL STATEMENTS****For the year ending 31 March 2022**

4 Charitable activities	Unrestricted Income £	Restricted Income £	2022 Total £	2021 Total £
Grants	975,000	636,847	1,611,847	1,972,478
Opening deferred income Grants	-	232,616	232,616	160,029
Closing deferred income Grants	-	(95,984)	(95,984)	(232,616)
Total Grant Income	975,000	773,479	1,748,479	1,899,891
Income generated from services provided	1,652,218	-	1,652,218	1,618,667
Opening deferred income from Services Provided	585,747	-	585,747	311,733
Closing deferred income from Services Provided	(509,669)	-	(509,669)	(585,747)
Total Income From Services Provided	1,728,296	-	1,728,296	1,344,653
Total Income	2,703,296	773,479	3,476,775	3,244,544

In 2022, of the income from Grants of £1,748,479 (2021: £1,899,891), £975,000 was unrestricted (2021: £975,000) and £773,479 was restricted (2021: £924,891). The income from Services Provided was all unrestricted in both 2022 and 2021.

Details of government grants received are shown in note 18.

5 Charitable expenditure	Unrestricted Products & Services £	Restricted Products & Services £	2022 Total £	2021 Total £
Printing and design expenses	6,063	1,063	7,126	15,655
Postage and courier costs	4,565	557	5,122	4,064
Conference fees	91,890	90,283	182,173	66,220
Fees and commissions	355,128	147,689	502,818	449,220
General expenses	70,502	27	70,529	85,585
Marketing expenses	303,006	270,203	573,209	630,742
Wages and salaries (note 7)	1,318,643	243,692	1,562,335	1,415,684
Other staff costs (note 7)	41,941	147	42,089	54,660
Stationery and telephone	15,563	276	15,839	24,992
Subscriptions	306	-	306	4,926
Financial costs	56,669	-	56,669	103,393
Establishment costs	113,429	19,542	132,970	129,880
Governance costs (see note 6)	13,939	-	13,939	8,843
	2,391,644	773,479	3,165,123	2,994,294

In 2022, of the expenditure on charitable activities of £3,316,124 (2021: £2,994,294), £2,391,645 (2021: £2,069,403) was expenditure from unrestricted funds and £773,479 (2021: £924,891) was expenditure from restricted funds.

YOUNG SCOT ENTERPRISE
NOTES ON FINANCIAL STATEMENTS

For the year ending 31 March 2022

5 Charitable expenditure (Continued)

Impact activity	Year ended 31st March 2022 £	Year ended 31st March 2021 £
Overheads and Support Services	618,452	637,055
Informed	590,001	568,365
Connected	927,254	1,012,134
Empowered	1,029,416	776,740
Total	3,165,123	2,994,294

Charitable expenditure has also been summarised below on the basis of costs applicable to each key activity in line with the charity's "Impacts" as set out in the Directors' Report:

6 Governance costs	Year ended 31st March 2022 £	Year ended 31st March 2021 £
External auditor's remuneration	5,350	5,150
Internal auditor's remuneration	3,851	3,473
Board expenses	4,738	220
	13,939	8,843

7 Analysis of staff costs and remuneration of key management personnel	Year ended 31st March 2022 £	Year ended 31st March 2021 £
Wages and salaries	1,291,889	1,157,742
Social security costs	111,981	101,875
Other staff costs	42,089	54,660
Pension costs	310,465	285,067
Pension costs adjustments (see note 8)	(152,000)	(129,000)
	1,604,424	1,470,344

**YOUNG SCOT ENTERPRISE
NOTES ON FINANCIAL STATEMENTS**

For the year ending 31 March 2022

7 Analysis of staff costs and remuneration of key management personnel (Continued)

During the year there was two employee whose emoluments (excluding pension contributions) were between £70,000 and £79,999 (2021: one employee). One of the members of staff accrued benefits under a defined benefit pension scheme. No Director received remuneration from the charity during the year.

Included within wages and salaries was nil (2021: £22,843) relating to termination payments made in connection with a staff settlement.

The key management personnel of the charity comprise the Directors and Senior Management Team. The total remuneration and employee benefits of the key management personnel of the charity during the year were £393,604 (2021: £447,907).

8. Pension scheme

Young Scot Enterprise is a member of Lothian Pension Fund, an approved scheme providing final salary benefits. The total contribution made for the year ended 31 March 2022 was £192,450 (2021: £173,905) which represented employers' contributions only, and contributions outstanding at the year-end amounted to £Nil (2021: £Nil).

The charity pays into a contractual/auto enrolment scheme with Peoples Pension, which is available to all eligible employees. Employer contributions during the year amounting to £ 118,015 (2021: £111,162) Contributions outstanding at the year-end amounted to £Nil (2021: £Nil).

FRS 102

The performance of the final salary scheme has been reported under FRS 102 as amended. The following information is based upon a full actuarial valuation of the Fund at 31 March 2020 updated to 31 March 2022 by a qualified independent actuary. The current employer contribution rates for this year were 54.3% to March 2022 and then 54.3% to March 2023 for employers and tiered based contribution on actual salary for employees.

YOUNG SCOT ENTERPRISE
NOTES ON FINANCIAL STATEMENTS

For the year ending 31 March 2022

	Assets	Obligations	Year ended 31st March 2022	Year ended 31st March 2021
	£000	£000	Net liability £000	Net liability £000
Fair value of employer assets	3,118		3,118	2,848
Present value of funded liabilities		3,469	(3,469)	(2,544)
Opening Position as at 31 March 2021	3,118	3,469	(351)	304
Service cost				
Current service cost	-	35	(35)	(57)
Past service cost (including curtailments)	-	-	-	-
Total Service Cost	-	35	(35)	(57)
Net Interest				
Interest income on plan assets	66	-	66	71
Interest cost on defined benefit obligation	-	71	(71)	(62)
Total net interest	66	71	(5)	9
Total defined benefit cost recognised in income and expenditure	66	106	(40)	(48)
Cashflows				
Plan participants contributions	6	6	-	-
Employer contributions	192	-	192	186
Benefits paid	(12)	(12)	-	-
Expected closing position	3,370	3,569	(199)	442
Re-measurements (actuarial gains/(losses))				
Changes in demographic assumptions	-	(140)	140	135
Changes in financial assumptions	-	(19)	19	(900)
Other experience	-	8	(8)	(19)
Return on assets excluding amounts included in net interest	195	-	195	(9)
Less amount not recognised in balance sheet	(147)	-	(147)	-
Total re-measurements recognised in Statement of Financial Activities	48	(151)	199	(793)
Fair value of employer assets	3,565		3,565	3,118
Present value of funded liabilities		3,565	(3,565)	3,469
Closing position as at 31 March 2022	3,565	3,565	-	(351)

YOUNG SCOT ENTERPRISE
NOTES ON FINANCIAL STATEMENTS
For the year ending 31 March 2022
8. Pension scheme (Continued)

As the scheme is part of Lothian Pension Fund, which is a multi-employer scheme, the Directors do not consider that they have significant control over the refunds of contributions or reduction in future contributions where a surplus exists. Accordingly, Young Scot Enterprise's share of the overall scheme asset has not been recognised.

The company expects to contribute £193,704 to its defined benefit pension plan in 2022/2023

The amounts recognised in the statement of financial activities are as follows:

	Year ended 31st March 2022	Year ended 31st March 2021
	£	£
Current service cost	35,000	57,000
Interest on obligations	71,000	62,000
Interest income on employer assets	(66,000)	(71,000)
Total	40,000	48,000

	Year ended 31st March 2022	Year ended 31st March 2021
	£	£
Defined benefit obligations – actuarial (losses)/gains	151,000	(804,000)
Fair value of plan assets – returns	195,000	11,000
Actuarial (losses)/gains	346,000	(793,000)
Opening asset not recognised	-	304,000
Closing asset not recognised	(147,000)	-
Recognised actuarial (losses)/gains	199,000	(489,000)

	Year ended 31st March 2022	Year ended 31st March 2021
	%	%
Equities	-	-
Bonds	99	96
Property	-	-
Cash	1	4
	100	100

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	Year ended 31st March 2022	Year ended 31st March 2021
Pension increase rate	3.15%	2.70%
Future salary increases	3.65%	2.63%
Discount rate at 31 March	2.75%	2.05%

YOUNG SCOT ENTERPRISE
NOTES ON FINANCIAL STATEMENTS

For the year ending 31 March 2022

9 Net income for the year

	Year ended 31st March 2022	Year ended 31st March 2021
	£	£
The net income for the year is stated after charging/(crediting):		
Depreciation	13,402	13,841
Gain on sale of fixed assets	12,201	-
Audit fee – external audit	5,350	5,150
Operating lease payments	65,421	103,206

10 Fixed Assets

	Furniture & Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost				
At 1 April 2021	34,797	201,581	21,105	257,483
Additions	-	9,140	-	9,140
Disposal	(31,322)	(153,308)	(21,105)	(205,735)
At 31 March 2022	3,475	57,413	-	60,888
Depreciation				
At 1 April 2021	34,797	171,136	21,105	227,038
Charge for the year	-	13,401	-	13,401
Disposal	(31,322)	(153,308)	(21,105)	(205,735)
At 31 March 2022	3,475	31,229	-	34,704
Net Book Value				
At 31 March 2022	-	26,184	-	26,184
At 31 March 2021	-	30,445	-	30,445

11 Debtors

	Year ended 31st March 2022	Year ended 31st March 2021
	£	£
Trade debtors	297,548	165,575
Other debtors and prepayments	68,276	101,685
	365,824	267,260

12 Creditors – due within one year

	Year ended 31st March 2022	Year ended 31st March 2021
	£	£
Trade creditors	174,330	76,392
Accruals	163,270	47,825
Deferred income (see note 4)	611,063	818,363
Other taxes and social security costs	61,094	74,899
	1,009,757	1,017,479

YOUNG SCOT ENTERPRISE
NOTES ON FINANCIAL STATEMENTS

For the year ending 31 March 2022

13. Taxation

The company has obtained charitable status for taxation purposes and the directors are of the opinion that no provision is required for taxation.

14 Financial Instruments

The carrying amount for each category of financial instrument is as follows:

	2022	2021
	£	£
Financial assets		
Financial assets that are debt instruments measured at amortised cost	297,548	165,575
Financial liabilities		
Financial liabilities measured at amortised cost	174,330	76,392

15 Unrestricted Fund	At 1 April 2021	Net incoming resources	Transfers (to) / from designated funds	At 31 March 2022
	£	£	£	£
General Funds	656,913	159,797	(477,799)	338,911
Pension Reserves	(351,000)	351,000	-	-
	<u>305,913</u>	<u>510,797</u>	<u>(477,799)</u>	<u>338,911</u>

Unrestricted Fund	At 1 April 2020	Net incoming resources	Transfers (to) / from designated funds	At 31 March 2021
	£	£	£	£
General Funds	664,970	112,943	(121,000)	656,913
Pension Reserves	-	(351,000)	-	(351,000)
	<u>664,970</u>	<u>(238,057)</u>	<u>(121,000)</u>	<u>305,913</u>

YOUNG SCOT ENTERPRISE
NOTES ON FINANCIAL STATEMENTS

For the year ending 31 March 2022

16	Designated Funds	At 1 April 2021	Transfers between funds	Transfers (to)/from general funds	At 31 March 2022
		£	£	£	£
	Asset replacements	59,725	-	26,799	86,524
	Pension reserve	99,000	-	451,000	550,000
		<u>158,725</u>	<u>-</u>	<u>477,799</u>	<u>636,525</u>

	Designated Funds	At 31 March 2020	Transfers between funds	Transfers (to)/from general funds	At 31 March 2021
		£	£	£	£
	Asset replacements	37,725	-	22,000	59,725
	Pension reserve	-	-	99,000	99,000
		<u>37,725</u>	<u>-</u>	<u>121,000</u>	<u>158,725</u>

We now have two designated reserves. The Asset Replacement Fund £86,524 has been created to provide against the expected cost of replacing the information technology of the organisation. We have created our three-year ICT strategy, and this will be funded from this reserve. The second designated reserve is for our Lothian Pension Fund Liability of £550,000 and is part of our strategy around mitigating this projected liability.

17. Related Party Transactions

Certain Directors and the Chief Executive are also on the board of, or hold senior positions with, other organisations with whom the charity shares limited amounts of costs, or to whom services are provided. These transactions are all accounted for at standard commercial rates and there is not considered to be any common control.

During the year the charity paid Brodies LLP £15,078 (2021: £31,302) for legal advice at normal commercial rates. The balance outstanding at the year-end amounted to £8,134 (2021: £2,340). The Company Secretary is a partner at Brodies LLP but was not involved in the provision of these services.

YOUNG SCOT ENTERPRISE
NOTES ON FINANCIAL STATEMENTS

For the year ending 31 March 2022

18 Restricted Funds

	At 1 April 2021	Incoming Resources	Outgoing Resources	Transfers to/ from general	At 31 March 2022
	£	£	£	£	£
Creative Scotland	-	45,156	45,156	-	-
Scottish Government Attainment Project	-	166,588	166,588	-	-
Scottish Government Young Carers Project	-	309,259	309,259	-	-
Scottish Government Police Scotland National Partnership	-	83,467	83,467	-	-
Young People Forest	-	124,009	124,009	-	-
Scottish Government PASS	-	45,000	45,000	-	-
Restricted Funds	-	773,479	773,479	-	-

	At 1 April 2020	Incoming Resources	Outgoing Resources	Transfers to/ from general	At 31 March 2021
	£	£	£	£	£
Creative Scotland	-	74,395	74,395	-	-
Wellbeing Fund	-	85,767	85,767	-	-
Scottish Government Attainment Project	-	99,163	99,163	-	-
Scottish Government Young Carers Project	-	568,110	568,110	-	-
Scottish Government Police Scotland National Partnership	-	51,244	51,244	-	-
Young People Forest	-	46,212	46,212	-	-
Restricted Funds	-	924,891	924,891	-	-

YOUNG SCOT ENTERPRISE NOTES ON FINANCIAL STATEMENTS

For the year ending 31 March 2022

18 Restricted Funds

Creative Scotland Time to Shine - To create an advisory panel to review and promote the Time to shine strategy and to create a Nurturing Talent Grant Fund to give out to young people.

Wellness Fund -To support young people, aged 12-18, who experience overlapping inequalities, discrimination and additional barriers, to facilitate access to digital services, signpost to information and advice and improve wellbeing by providing accessible and sustainable access to mobile data for the young people across Scotland who need it most

Scottish Government Attainment Project – This project will look at the use of smart-technology to add entitlements to the Young Scot NEC Card to support young people in the key Scottish Government identified attainment areas.

Scottish Government Young Carers Project -We have been developing a targeted Young Carers enhanced entitlement package linked to Young Scot National Entitlement Card and Young Scot Rewards which was been delivered for a second year and with additional funding due to COVID-19.

Scottish Government Police Scotland National Partnership - Funding to continue the support for the Police Scotland Volunteer Programme.

Young Peoples Forest – This project is funded by Scottish Enterprise, Wood Foundation, Corra Foundation, Pears Foundation and Nature Scot to create a forest as a legacy to COP26

Scottish Government PASS This project supports the proof of age standards scheme and is contributing to the overall costs associated with having the PASS hologram on the Young Scot National Entitlement Card.

19	Analysis of net assets between funds	Fixed assets	Net Current assets less long term liabilities	Total
	2022	£	£	£
	Unrestricted General Funds	14,211	324,700	338,911
	Designated Funds	11,973	624,552	636,525
		<u>26,184</u>	<u>949,252</u>	<u>975,436</u>
	Analysis of net assets between funds	Fixed assets	Net Current assets less long term liabilities	Total
	2021	£	£	£
	Unrestricted General Funds	11,419	294,494	305,913
	Designated Funds	19,026	148,325	158,725
		<u>30,445</u>	<u>442,819</u>	<u>464,638</u>

YOUNG SCOT ENTERPRISE
NOTES ON FINANCIAL STATEMENTS

For the year ending 31 March 2022

20	Total future minimum lease payments under non-cancellable operating leases	Year ended	Year ended
		31st March 2022	31st March 2021
		£	£
	Within 1 year	71,421	118,635
	Within 2 to 5 years	275,702	269,234
	After more than 5 years	17,231	16,438
		<u>364,354</u>	<u>404,307</u>
21	Creditors: amounts falling due after more than one year	Year ended	Year ended
		31st March 2022	31st March 2021
		£	£
	Lease incentive accounting accrual	-	3,408
22	Reconciliation of net income to cash flow from operating activities	Year ended	Year ended
		31st March 2022	31st March 2021
		£	£
	Net income for the year	510,798	250,943
	Adjustments for:		
	Defined benefit pension scheme adjustments	(351,000)	(138,000)
	Depreciation charges	13,401	13,841
	Gain on sale of furniture, equipment, computer equipment and motor vehicles	(12,201)	-
	Deduct interest income shown in investing activities	(146)	(693)
	(Increase)/decrease in debtors	(98,564)	155,949
	(Decrease)/increase in creditors	(11,130)	394,158
	Net cash provided by operating activities	<u>51,158</u>	<u>676,198</u>