

CHARITY NO: SC035197

COMPANY NO: SC295004

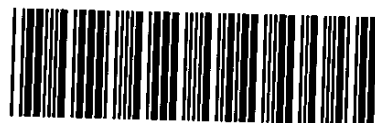
PROJECT 81 YOUTH AND COMMUNITY ENTERPRISE LTD

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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PROJECT 81 YOUTH AND COMMUNITY ENTERPRISE LTD
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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PROJECT 81 YOUTH AND COMMUNITY ENTERPRISE LTD
(A company limited by guarantee)

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2022

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Name: Project 81 Youth & Community Enterprise Ltd

**Registered Office
and Operational Address:** Centre 81 Old School Road
Garelochhead
Helensburgh
G84 0AT

Charity Registration Number: SC035197

Company Registration Number: SC295004

Directors Maurice Steuart-Corry Provost-Councillor
(Chair)
Jill Lee (Vice Chair)
Christopher Jones (Director) (resigned
01.12.2022)
Martin Croft (Director) (appointed 01.12.2023)
Nicholas Beevers
Paula Darbyshire
Lesley Fitton
Rev Christine Murdoch
Judith Olver

Independent Examiners: Wylie & Bisset LLP
168 Bath Street
Glasgow
G2 4TP

Bankers: The Royal Bank of Scotland
Helensburgh Branch
2 Colquhon Square
Helensburgh
G84 8SJ

PROJECT 81 YOUTH AND COMMUNITY ENTERPRISE LTD
(A company limited by guarantee)

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors are pleased to present their report together with the financial statements of the charity for the year ended 31 December 2022. The Directors of Project 81 Youth and Community Enterprise Ltd are also the charity's Trustees however will be referred to as Directors throughout the financial statements.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The legal and administrative information on page one forms part of this report.

Structure, governance and management

Governing Document

Project 81 Youth and Community Enterprise Ltd is a Company Limited by Guarantee and is administered in accordance with its Memorandum and Articles of Association together with its Standing Orders.

Recruitment and Appointment of Directors

Directors may be appointed at any time on a proposal from one of the existing Directors and with the concurrence of the other Directors as and when a vacancy exists or as a result of a shared decision to increase the number of Directors. New Directors who are invited to join the Board of Directors have normally been associated with the project beforehand as volunteers, staff members or gym members and have then been invited to attend several Board meetings as a guest of the Board and have thereby demonstrated their interest in and commitment to the values and activities of the project.

Directors with direct personal involvement with the youth work team and the young or vulnerable adults require to have Protection of Vulnerable Groups Clearance.

Organisational Structure

Responsibility for the direct running of the Project is shared between three principal groups:

1. The Board of Directors
2. The Centre staff
3. The Route 81 staff, senior and junior volunteers

The Board of Directors is the top tier of the managerial structure and meets on a roughly monthly basis, the aim at each meeting being to have as many Directors as possible present and thus to keep all senior management fully briefed and able to discuss current issues and all other matters pertaining to the project. The Board is responsible for all policy decisions, for all legal compliance, for all funding and finance issues, for selection, recruitment, training and management of all staff and volunteers.

PROJECT 81 YOUTH AND COMMUNITY ENTERPRISE LTD
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REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2022

Organisational Structure (continued)

The Youth Work Manager has responsibility primarily for the programme of events and activities which the project provides for its members. From the financial restructuring in September 2016 onwards the Centre 81 office had been staffed on a volunteer-led basis with day-to-day assistance from a part-time Hostel Manager and the Youth Work Team as required. This changed when Nicholas Beevers became manager and then Katie Mackay was appointed in September 2021.

Until August 2021, The Route 81 team was made up of the Youth Work Manager, a second Youth Worker and both senior and junior volunteers who meet on a regular basis to review and plan a programme of activities. In August 2021 our second Youth Worker resigned and the decision was taken not to replace this post at this time.

The Youth Work Manager reports directly to the Board of Directors and attends the Director's meetings when appropriate.

Objectives and Activities

The Youth Project exists to provide positive and supportive leadership, dynamic opportunities for personal development and a fully resourced and dedicated facility for all young people aged 11-18 living in the local area, in order that they may reach their full potential mentally, physically and emotionally, as individuals and members of society. The catchment area includes Garelochhead, Portincaple, the Rosneath peninsula, Rhu & Shandon and Helensburgh and exactly matches the catchment area of Hermitage Academy, Helensburgh, the local secondary school.

The Route 81 Youth Project is a dedicated youth facility that is used to deliver an innovative range of youth related activity for young people aged between 11 and 18 years. The activities are shaped to provide a balance between recreation, stimulation and personal growth, and team building for young people. The Youth Project's programme is kept under constant review and involves the young people in the planning and development of all activities. A typical programme includes the following elements: structured activities within "The Hub" and Centre 81, outdoor activities, health and well-being initiatives, skills development, leadership and volunteering and residential experience.

The Centre hosts an array of facilities including a large hall, gym, cafe area, meeting room, a small office/treatment room for hire, a large commercial standard kitchen and the hostel accommodation. The hall can, and does, accommodate up to 150 people and until COVID-19 restrictions were introduced, was regularly used for functions and party hire, including family fun days, birthday parties, assorted public events, meetings and dinners, discos, receptions, and the occasional large funeral. The hostel accommodation can cater for up to 34 people and the cafe area provides a friendly warm environment for people attending scheduled events and activities within the Centre.

All income generated by Centre 81 activities are used to support the sustainability of Project 81 Youth and Community Enterprise and the Route 81 Youth Project.

2022 was a transformative year for Project 81 Youth and Community Enterprise particularly in all aspects of Centre 81. From the building and outdoor space to a significant change in the approach to funding, creating provision and partnership working. It has also been a time where Centre 81 and Route 81 have become more integrated to the benefit of both.

PROJECT 81 YOUTH AND COMMUNITY ENTERPRISE LTD
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REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2022

Objectives and Activities (continued)

Throughout the year funding was successfully gained from the Communities Mental Health and Wellbeing Fund, Supporting Communities, Scottish Government Ventilation Fund and Community Based Adult Learning Funding. This has allowed us to create a programme of community provision including boccia sessions with lunch provided, a community café, café n' play, yoga, a recovery cafe and sound baths. We were also fortunate to be involved in the Unexpected Garden programme through our work with Cove Park and Dandelion. This enabled us to create a community garden in an unused area of the car park and also provided a number of events and workshops. The development of the garden will continue in 2023.

We also piloted a new project for adults with additional support needs using the CBAL funding. This project was immensely positive and we managed to continue to provide provision at the end of the initial pilot as the participants told us how vital it was to their wellbeing.

In late 2021 Centre 81 was involved in discussions and meetings for a new pre-employability programme from Inspiralba. This involvement led to Centre 81 becoming the delivery partner for the Spark Your Purpose programme in Helensburgh and Lomond. The introduction of this provision in our community has proven invaluable for numerous individuals. In 2022 we had 26 participants in this programme and are delivering this in partnership with Route 81. A number of people who participated but were not ready for unsupported employment benefitted from the TSI Positive Destination Programme which Centre 81 also introduced in 2022. Again, we are now working in partnership with Route 81 to provide opportunities for people to take part in six months of volunteering placements with a weekly allowance and mentoring. Two people who had participated in Spark Your Purpose then began working in Centre 81 as part of the ILM scheme. Partnerships with both Inspiralba and TSI have provided incredibly positive opportunities for our community.

In addition to creating and delivering provision for our community we have Garelochhead Station Trust based in the Centre and this provides a number of additional activities and groups within the centre. In 2022 Helensburgh and Lomond Carers also began weekly outreach sessions based in the Centre with Carers offered holistic therapies, 1:2:1 sessions and a drop in. There have also been Young Carers sessions within the Hub and the partnership with Route 81 and the Young Carers has developed.

With all overheads and costs rising drastically in 2022 we have had to focus on trying to stabilise our charity after a precarious period and also try to operate in as efficient and sustainable way as possible.

Achievements and Performance

Route 81 Youth Work 2022

Route 81 Youth Project continued its journey of developing and providing a varied post-pandemic youth programme, whilst adapting to Covid-19 restrictions and the impact of local Covid-19 outbreaks. There was a strong focus to complete the ventilation upgrade of the Youth Hub, based in Centre 81, to permit the varied, youth-led programme of activities have a safe base to work from once again.

PROJECT 81 YOUTH AND COMMUNITY ENTERPRISE LTD
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REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and Performance (continued)

Route 81 Youth Project provides a 'youth-led and person centered' approach to its work with local young people aged 11-17 living within the catchment area of the local Secondary School Hermitage Academy. A membership is required and is free as are most activities and when they are not, financial support is available to ensure there are no financial barriers to participation.

On return after being closed for a lengthy period due to the Pandemic in 2021, Route 81 restarted its membership from zero. At the end of 2022, 94 young people had a membership at Route 81.

Volunteering

With only one employed Youth Worker, volunteers have been essential throughout 2022.

Weekly Youth Team meetings have enabled a strong team of 10 Adult Volunteers and 9 Senior Volunteers age (16-17) to run a popular youth programme and have the opportunity to participate in Volunteer Award Schemes and Training.

Volunteering Opportunities have also been created for younger members, with senior volunteers gaining the opportunity to mentor. Examples of these have been 'Slanj' and 'Halloween Rocks'.

Young adults on our Pre-employability and Positive Destinations Programme have also had the opportunity to volunteer, including painting the Route 81 Youth Hub, deep cleaning Centre 81 and volunteering 'taster' sessions at Youth Work activities.

Route 81 participates in the Saltire Volunteer Award Scheme in partnership with Argyll and Bute Third Sector Interface. In 2022, 41 young people contributed a total of 887 Volunteering hours to our organisation.

Some of these young people are involved with other organisations and have used Route 81 to gain volunteering hours for their Duke of Edinburgh Award and Army Cadet Community Volunteering Recognition.

A joint Volunteer Awards Evening was re-introduced in partnership with Centre 81 in June 2022 to celebrate the work of all of Project 81's volunteers.

Training

All volunteer have access to our 6 week in-house youth training programme to equip them with basic Youth Work skills and knowledge, ensuring a safe youth programme is provided with a confident team of volunteers.

As well as this training, 11 volunteers achieved their Emergency First Aid At Work Qualification, 7 their Elementary Food Hygiene Certificate and 4 participated in training with Evaluation Scotland.

PROJECT 81 YOUTH AND COMMUNITY ENTERPRISE LTD
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REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and Performance (continued)

Pre-Employability Schemes

Our commitment to employing young people and developing employability skills whilst supporting them on their journey to a positive destination has continued in 2022.

A further two programmes have developed as well as our ongoing participation in the Community Job Scotland Scheme (which ended in March 2022).

- Community Job Scotland – one participant completed this training scheme in 2022. The young adult focused on and developed a good knowledge of youth work and was able to support our Youth Worker at Route 81 and support the development of community events.
- Spark Your Purpose (Inspiralba) – In partnership with Centre 81, Route 81 supported 10 young adults on this scheme. This is a highly successful programme, focusing on individual's passions and strengths as well as providing them with the support and opportunities to move one step closer to employment. Participants have had the opportunity to learn DJ skills, gain an accredited certificate in Massage, have horse riding lessons, counselling, driving lessons, gym memberships etc to improve health and well-being and individual 1-2-1 support to tackle any barriers/issues holding them back from employment.
- Positive Destinations (Argyll and Bute Third Sector Interface) – both Centre 81 and Route 81 work in partnership with young adults accessing this scheme and volunteering opportunities. Whilst primarily Centre 81 has taken the lead in this programme, Route 81 is now also accessing the scheme for young adults age 16+.

Youth Activity Programme

The Youth Team used their creativity to develop a young person led youth programme from January to May 2022 until the Route 81 Hub was fit to use with appropriate ventilation. From June 2022. The programme has been vibrant and included:

- Weekly Wednesday Planning Meetings including training and personal development.
- Two weekly Friday night Youth sessions (splitting age groups), promoting social interaction, relationship building and volunteering opportunities. Friday nights have included sports, arts and crafts, pool competitions, karaoke nights, quiz nights, music session, themed sessions etc.
- The all-new Thursday night sessions, focussing on small group work. These were introduced in recognition of the benefits of small group work when restrictions were in place during the Pandemic. These have been very successful, in particular a partnership project with Hermitage Park (Helensburgh) to produce a comic story book led by Magic Torch Comics and 'Slanj' (Random Acts of Kindness) project creating Christmas gifts for members of the community. This project was acknowledged by MSP Jackie Baillie who raised a motion about it in the Scottish Parliament.
- Youth Achievement Awards Scheme.
- Yoga – integrating older youth members into a Centre 81 Activity promoting mental health and well-being.

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REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and Performance (continued)

- Transitional Programme for Primary 7's in partnership with Live Argyll, Helensburgh and Lomond Young Carers.
- Unexpected Gardens Focus Group and creative sessions in partnership with Centre 81 and Cove Park.
- Easter, Summer and October Holiday Programmes which have included canoeing (10 young people received British Canoeing Association Paddle Start Awards), annual joint trip with Helensburgh and Lomond Young Carers to YouthBeatz, go-karting, boat and water safety, Escape Rooms , Lasertag and Airsoft.

Route 81's Community Work

Inter-generational work and providing opportunities for young people to volunteer and have better connections with their community have also been a focus. Activities and projects have included:

- Ukrainian Appeal a 2x day event organised in partnership with Centre 81 and Royal Bank of Scotland.
- Route 81 Community Café – a 3-week pilot project developed by our Community Job Scotland Trainee, offering a fun activity for the local community.
- 2 x Route 81 Hub Open Days for the Community to promote the Youth Hub and provide the opportunity to paint Rocks for the forthcoming Halloween Rocks Community Event.
- Halloween Rocks – this Halloween 'Stone Hunt' event grew by over 100% in its second year, attracting over 200 people from the community. Many local shops and partner agencies got involved and the young volunteers committed many hours to ensure its success.
- Ready Steady Soup – a 6-week volunteering project for young people to learn to make soup and create lunches for their local community during the summer holidays.

1-2-1 Support

Relationship building and having a person centred approach continues to be a key component of Route 81's work with young people.

12 young people received regular 1-2-1 support during 2022, with a total of 67 sessions taking place.

Partnership Work

Partnership work is essential to the success of Route 81. In 2022, stronger links were forged with Centre 81 in the joint provision of pre-employability schemes and working towards a more sustainable future.

Many other organisations have also contributed to the wealth of opportunities offered to local young people. These have included : Third Sector Interface; Helensburgh and Lomond Young Carers; Skills Development Scotland; Skapade; Live Argyll; Magictorch workshop; Garelochhead Station Trust; Inspiralba; Three Loch's' churches Family Worker, local Primary Schools and Hermitage Academy the local Secondary School

PROJECT 81 YOUTH AND COMMUNITY ENTERPRISE LTD
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REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2022

Financial Review

The statement of financial activities on page 11 shows incoming resources for the year of £211,373 (2021: £70,700), resources expended of £160,515 (2021: £110,915) and a surplus of £50,858 (2021: deficit £40,215). This was split between a surplus of £5,428 on the unrestricted funds and a surplus of £45,430 on the restricted funds.

Reserves Policy

The Director's stated policy is to hold an unrestricted reserve of three months' staff, office and activity costs in a readily realisable form as a cushion against contingencies and short term funding gaps. This figure on the current cost structure amounts to approximately £40,129 (2021: £27,729). At 31 December 2022 the charity had £20,295 (2021: £14,867) of unrestricted funds not tied up in fixed assets and therefore was below the target level.

Future of Youth and Community Work

Our goal over the next year is to seek further funding to increase our team of employed youth workers to work alongside volunteers, building more resilience and increase the capacity of our work with local young people.

Trustees Responsibilities

The trustees (who are also directors of Project 81 Youth and Community Enterprise Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 business.

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

PROJECT 81 YOUTH AND COMMUNITY ENTERPRISE LTD
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REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees 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.

This report has been prepared in accordance with the Statement of Recommended Practice: applicable to charities preparing their accounts in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the directors and signed on their behalf by:

DocuSigned by:

C41E7AF18D18448
Name: Maurice Corry

Date: 26 September 2023

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF PROJECT 81 YOUTH AND COMMUNITY ENTERPRISE LTD FOR THE YEAR ENDED 31 DECEMBER 2022

I report on the accounts of the charity for the year ended 31 December 2022, which are set out on pages 11 to 23.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

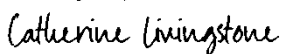
In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respects the requirements:

- to keep accounting records in accordance with Section 44 (1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

DocuSigned by:

DE20F2D1B2E544A
Catherine Livingstone BA (Hons) CA
Wyllie & Bisset LLP
168 Bath Street
Glasgow
G2 4TP

Date: 26 September 2023

PROJECT 81 YOUTH AND COMMUNITY ENTERPRISE LTD
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 DECEMBER 2022
(Including Income and Expenditure Account)

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Income and endowments from:							
Donations and legacies	3	6,978	-	6,978	5,550	-	5,550
Charitable activities	4	98,262	88,414	186,676	30,155	20,234	50,389
Investments	5	6,366	-	6,366	5,477	-	5,477
Other incoming resources	6	11,353	-	11,353	-	9,284	9,284
Total Income		122,959	88,414	211,373	41,182	29,518	70,700
Expenditure on:							
Raising funds							
Raising donations & legacies	7	3,773	-	3,773	2,734	-	2,734
Charitable activities	8	113,758	42,984	156,742	65,765	42,416	108,181
Total Expenditure		117,531	42,984	160,515	68,499	42,416	110,915
Net income/(expenditure)		5,428	45,430	50,858	(27,317)	(12,898)	(40,215)
Transfers between funds		-	-	-	-	-	-
Net movement in funds		5,428	45,430	50,858	(27,317)	(12,898)	(40,215)
Funds reconciliation							
Total Funds brought forward	16	617,190	728,219	1,345,409	644,507	741,117	1,385,624
Total Funds carried forward	16	622,618	773,649	1,396,267	617,190	728,219	1,345,409

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

All incoming resources and resources expended derive from continuing activities.

PROJECT 81 YOUTH AND COMMUNITY ENTERPRISE LTD
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BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	Total Funds 2022 £	Total Funds 2021 £
Fixed assets:			
Tangible assets	12	1,321,655	1,321,655
Total Fixed Assets		<u>1,321,655</u>	<u>1,321,655</u>
Current assets:			
Stock	13	45	60
Debtors	14	3,797	120
Cash at bank and in hand		82,798	32,187
Total Current Assets		<u>86,640</u>	<u>32,367</u>
Liabilities:			
Creditors falling due within one year	15	(12,028)	(8,613)
Net Current assets		<u>74,612</u>	<u>23,754</u>
Total assets less current liabilities		<u>1,396,267</u>	<u>1,345,409</u>
Net assets		<u>1,396,267</u>	<u>1,345,409</u>
The funds of the charity:			
Restricted income funds	16	773,649	728,219
Unrestricted funds	16	622,618	617,190
Total charity funds		<u>1,396,267</u>	<u>1,345,409</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

For the year ended 31 December 2022 the company was entitled to exemption under section 477 of the Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

Approved by the directors and signed on their behalf by:

DocuSigned by:

Maurice Stewart-Corry

Name: Maurice Corry

Date: 26 September 2023

Company number: SC295004

PROJECT 81 YOUTH AND COMMUNITY ENTERPRISE LTD
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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

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

(b) Funds structure

Unrestricted income funds comprise those funds which the directors are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the directors, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed.

Further details of each fund are disclosed in note 16.

(c) Income recognition

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

Donations, are recognised when they have been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the bank.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

PROJECT 81 YOUTH AND COMMUNITY ENTERPRISE LTD
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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies (continued)

(d) Expenditure recognition

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

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (e) below.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure is incurred.

(e) Allocation of support and governance costs

Support costs have been allocated between governance and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory independent examination and other professional fees.

The allocation of support and governance costs is analysed in note 9.

(f) Tangible fixed assets and depreciation

All tangible fixed assets costing in excess of £250 having a value to the charity greater than one year, other than those acquired for specific purposes, are capitalised at cost. Depreciation is provided on a straight line basis to write off the cost of tangible fixed assets over their estimated useful lives:

Activities equipment, Fixtures, Fittings and Office equipment 33.33%

The Directors believe that due to regular maintenance and newly carried out refurbishment the building is not currently subject to depreciation; however, this situation will be reassessed on an annual basis.

(g) Stock

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

(h) Debtors

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

(i) 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.

(j) 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.

PROJECT 81 YOUTH AND COMMUNITY ENTERPRISE LTD
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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies (continued)

(k) Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

(l) Pensions

Project 81 Youth and Community Enterprise Ltd currently pays contributions into employee's personal pension plans. The Charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

(m) Financial instruments

The charity 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(n) Taxation

The company is a charitable company within the meaning of Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

(o) Fixed asset investments

The charity's investment in its wholly owned subsidiary is included within the accounts at cost less provision for any impairment.

(p) Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. 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. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

(p) Judgements and key sources of estimation uncertainty (continued)

The directors are satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied as follows;

<u>Estimate</u>	<u>Basis of estimation</u>
Depreciation of fixed assets	Fixed assets are depreciated and amortised over the useful life of the asset. The useful lives of fixed assets are based on the knowledge of the operations team, with reference to assets expected life cycle.

2. Related party transactions and directors' expenses and remuneration

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2021: £nil).

During the year there were no expenses waived by trustees (2021: Nil).

3. Income from donations and legacies

	2022	2021
	£	£
Donations	6,978	5,550
	<u>6,978</u>	<u>5,550</u>

4. Income from charitable activities

	2022	2021
	£	£
Charitable activities	186,676	50,389
	<u>186,676</u>	<u>50,389</u>

5. Income from investment income

	2022	2021
	£	£
Interest on cash deposits	-	29
Flat rental income	6,366	5,448
	<u>6,366</u>	<u>5,477</u>

6. Other incoming resources

	2022	2021
	£	£
Insurance claim	11,003	-
Bank compensation	350	-
CJRS Grant	-	9,284
	<u>11,353</u>	<u>9,284</u>

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

7. Raising funds

	2022 Direct Costs £	2022 Support Costs £	2022 Total £	2021 Direct Costs £	2021 Support Costs £	2021 Total £
Cost of raising funds	-	3,773	3,773	-	2,734	2,734
	-	3,773	3,773	-	2,734	2,734

8. Analysis of expenditure on charitable activities

	2022 £	2021 £
Staff costs	4,828	2,137
Purchases & event costs	36,003	4,194
Property, repairs & maintenance	35,974	44,438
Administration & other costs	9,093	6,440
Professional fees	1,241	527
Governance costs (Note 9)	5,674	4,485
Support costs (Note 9)	63,929	45,960
	<u>156,742</u>	<u>108,181</u>

9. Allocation of governance and support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

Cost type	2021 Total allocated £	2021 Governance related £	2021 Other support costs £	Basis of apportionment
Staff costs	49,957	1,499	48,458	Staff time
Total	<u>49,957</u>	<u>1,499</u>	<u>48,458</u>	

Cost type	2022 Total allocated £	2022 Governance related £	2022 Other support costs £	Basis of apportionment
Staff costs	69,488	2,085	67,403	Staff time
Total	<u>69,488</u>	<u>2,085</u>	<u>67,403</u>	

Governance costs:

	2022 £	2021 £
Management costs	2,085	1,499
Independent examiners' remuneration	3,888	3,222
Total	<u>5,973</u>	<u>4,721</u>

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

9. Allocation of governance and support costs (continued)

	2021 Support costs £	2021 Governance costs £	2021 Total £
Allocation of governance and other support costs			
Analysed to charitable activities	45,960	4,485	50,445
Analysed to raising funds	2,498	236	2,734
Total allocated	<u>48,458</u>	<u>4,721</u>	<u>53,179</u>

	2022 Support costs £	2022 Governance costs £	2022 Total £
Allocation of governance and other support costs			
Analysed to charitable activities	63,929	5,674	69,603
Analysed to raising funds	3,474	299	3,773
Total allocated	<u>67,403</u>	<u>5,973</u>	<u>73,376</u>

10. Analysis of staff costs and remuneration of key management personnel

	2022 £	2021 £
Salaries and wages	69,488	49,958
Social security costs	462	-
Pension costs	4,366	2,137
Total staff costs and employee benefits	<u>74,316</u>	<u>52,095</u>
Key management personnel remuneration	<u>-</u>	<u>-</u>

The charity made total pension contributions of £4,366, this was made up of £1,560 to the pension plan operated by Aviva on behalf of two employees (2021: £1,560) and £2,806 (2021: £577) to the pension plan operated by NEST on behalf of one employee.

No employees had employee benefits in excess of £60,000 (2021: Nil).

	2022 No.	2021 No.
The staff numbers by average head count are as follows:	<u>5</u>	<u>4</u>

11. Net income/(expenditure) for the year

	2022 £	2021 £
This is stated after charging:		
Depreciation	-	2,113
Independent examiners' remuneration	<u>3,888</u>	<u>3,222</u>

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

12. Tangible Fixed Assets

	Buildings £	Activity Equipment £	Office Equipment £	Fixtures & Fittings £	Total £
Cost					
At 1 January 2022	1,321,655	31,443	23,413	46,135	1,422,646
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 December 2022	<u>1,321,655</u>	<u>31,443</u>	<u>23,413</u>	<u>46,135</u>	<u>1,422,646</u>
Depreciation					
At 1 January 2022	-	31,443	23,413	46,135	100,991
Charge for year	-	-	-	-	-
Eliminated on disposals	-	-	-	-	-
At 31 December 2022	-	<u>31,443</u>	<u>23,413</u>	<u>46,135</u>	<u>100,991</u>
Net Book Value					
At 31 December 2022	<u>1,321,655</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,321,655</u>
At 1 January 2022	<u>1,321,655</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,321,655</u>

The Big Lottery Fund hold a standard security over the building.

13. Stock

	2022 £	2021 £
Café Stock	45	60
	<u>45</u>	<u>60</u>

14. Debtors

	2022 £	2021 £
Trade debtors	3,797	-
Other debtors	-	120
	<u>3,797</u>	<u>120</u>

15. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	232	1,161
Other creditors	11,796	7,452
	<u>12,028</u>	<u>8,613</u>

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

16. Analysis of charitable funds

Analysis of Fund movements 2021	Balance b/fwd £	Income £	Expenditure £	Transfers £	Fund c/fwd £
Designated funds					
Tangible fixed assets	604,436	-	(2,113)	-	602,323
Total designated funds	604,436	-	(2,113)	-	602,323
General funds	40,071	41,182	(66,386)	-	14,867
Total unrestricted funds	644,507	41,182	(68,499)	-	617,190
Restricted funds					
Argyll & Bute Council – Micro Grant	-	459	-	-	459
CJS	514	4,414	-	-	4,928
Co-Operative	2,876	-	(1,988)	-	888
Covenant Fund	432	-	(432)	-	-
Lottery fund	719,332	-	-	-	719,332
Rotary	23	(23)	-	-	-
Supporting communities 2019	140	(140)	-	-	-
Supporting communities 2020/21	2,500	-	-	-	2,500
The Art Society, Lomond & Argyll	300	-	(300)	-	-
The Gannochy Trust	15,000	-	(15,000)	-	-
UK Government	-	9,284	(9,284)	-	-
Young Start	-	15,524	(15,412)	-	112
Total restricted funds	741,117	29,518	(42,416)	-	728,219
Total funds	1,385,624	70,700	(110,915)	-	1,345,409

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

16. Analysis of charitable funds (continued)

Analysis of Fund movements 2022	Balance b/fwd £	Income £	Expenditure £	Transfers £	Fund c/fwd £
Designated funds					
Tangible fixed assets	602,323	-	-	-	602,323
Total designated funds	602,323	-	-	-	602,323
General funds	14,867	122,959	(117,531)	-	20,295
Total unrestricted funds	617,190	122,959	(117,531)	-	622,618
Restricted funds					
ACHA	-	500	(500)	-	-
Argyll & Bute Council – Micro Grant	459	-	(459)	-	-
CMHWP	-	42,924	(25,123)	-	17,801
CJS	4,928	-	-	-	4,928
Co-Operative	888	250	(1,009)	-	129
Lottery fund	719,332	-	-	-	719,332
Scottish Government	-	2,260	-	-	2,260
Supporting communities 2020/21	2,500	-	-	-	2,500
Supporting communities 2022/23	-	2,500	(19)	-	2,481
Tasla	-	250	(250)	-	-
Third Sector Interface A&B	-	768	-	-	768
Young Start	112	38,962	(15,624)	-	23,450
Total restricted funds	728,219	88,414	(42,984)	-	773,649
Total funds	1,345,409	211,373	(160,515)	-	1,396,267

- a) The unrestricted funds are available to be spent for any of the purposes of the charity.

The Directors have created the following designated funds:

Tangible Fixed Assets: represents the value of the charity's unrestricted funds which are tied up in unrestricted fixed assets.

- b) The restricted funds are for use as follows:

<u>ACHA</u>	Funding towards holiday activities for young people.
<u>Argyll & Bute Council – Micro Grant</u>	Funding towards the purchase of two gazebos.
<u>CJS</u>	Funding towards salaries.
<u>CMHWP</u>	To create a community initiative to improve mental health and wellbeing in our area.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

16. Analysis of charitable funds (continued)

<u>Co-Operative Community Fund</u>	Funding to provide opportunities to expand the horizons and experiences of young people.
<u>Covenant Fund</u>	Funding for Youth Workers.
<u>Lottery fund</u>	This fund relates to the purchase and refurbishment of the Outdoor Centre premises. The balance remaining at the year-end is tied up in fixed assets – buildings, due to the on-going restrictions placed upon the original funding.
<u>Rotary</u>	Funding for iPad for Centre 81 to enable credit card payments.
<u>Scottish Government</u>	Business Ventilation Fund for improvements in the Youth Hub to enable opening post covid.
<u>Supporting communities 2019</u>	Funding for 'Footprint Friday' project – educating young people practically in becoming more eco-friendly.
<u>Supporting communities 2020/21</u>	Funding towards staff costs to deliver Volunteering@R81 project.
<u>Supporting communities 2022/23</u>	Re-introduction of Cafe n' Play provision.
<u>Tasla</u>	a creative arts grant used towards creating community event Halloween Rocks and other creative activities (although this has been duplicated as The Art Society, Lomond & Argyll below the TASLA space).
<u>The Art Society, Lomond & Argyll</u>	Funding for a community art project.
<u>The Gannochy Trust</u>	Funding towards the volunteering program for young people.
<u>Third Sector Interface A&B</u>	Funding from the Community Based Adult Learning fund to create new provision for adults with additional support needs.
<u>UK Government</u>	Funding towards salary costs as a result of the Coronavirus.
<u>Young Start</u>	Funding towards salary costs.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

17. Analysis of Net Assets between Funds

2021	Designated Funds £	Restricted Funds £	Total Funds £
Fixed assets	602,323	719,332	1,321,655
Stock	60	-	60
Debtors	120	-	120
Bank & Cash	23,300	8,887	32,187
Creditors due < 1 year	(8,613)	-	(8,613)
	<u>617,190</u>	<u>728,219</u>	<u>1,345,409</u>

2022	Designated Funds £	Restricted Funds £	Total Funds £
Fixed assets	602,323	719,332	1,321,655
Stock	45	-	45
Debtors	3,797	-	3,797
Bank & Cash	28,481	54,317	82,798
Creditors due < 1 year	(12,028)	-	(12,028)
	<u>622,618</u>	<u>773,649</u>	<u>1,396,267</u>

18. Government Grants

Income from government grants comprises the following:

- Argyll & Bute – Micro Grant project provided £nil during the year (2021: £459).
- The Scottish Government provided funds of £2,260 (2021: £nil)
- The UK Government provided £nil during the year (2021: £9,284) as part of the Coronavirus Job Retention Scheme. The purpose of the grant is to ensure employers can pay and retain staff during the COVID-19 pandemic.

19. Control

The charity is controlled by its Directors.

20. Legal Status

The charity is a registered Scottish charity and a company limited by guarantee with no share capital. The liability of each member in the event of winding up is limited to £1.