

**Regen: FX Youth Trust**  
(A company limited by guarantee)

**Report and Financial Statements  
For the Year Ended 31 March 2023**

**Charity Number: SC038525**  
**Company Number: SC315092**



**Regen:FX Youth Trust**  
**(A company limited by guarantee)**

**Financial Statements**  
**For the Year Ended 31 March 2023**

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**Regen:FX Youth Trust**  
**Report of the Trustees**  
**for the year ended 31 March 2023**

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2023.

**Reference and Administrative Information**

Charity Name:	Regen:FX Youth Trust
Charity registration number:	SC038525
Company registration number:	SC315092
Registered office and Operational address:	Summerlee House Summerlee Road Larkhall ML9 2UH

**Directors and trustees**

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the period were as follows:

Chair	Councillor Gavin Wylie Keatt (Appointed 14/03/2023)
Treasurer	Jackie Taylor
Secretary	Roz Gallacher (Resigned 16/03/2023)
South Lanarkshire Council	Vacancy
Blantyre Youth Development Team	Andy McCafferty
Hamilton Information Project for Youth	Hazel Morrison
South Lanarkshire Leisure and Culture Ltd	Valerie Kemp (Resigned 31/03/2023)
Liber8	Margaret Halbert
South Lanarkshire Health and Social Care Partnership	Gillian Lindsay
Youth Engagement Network	Vacancy

**Trust Manager**

Wendy McInally

**Auditors**

Nelson Gilmour Smith, 47 Cadzow Street, Hamilton, Lanarkshire, ML3 6ED

**Bankers**

Royal Bank of Scotland, Palace Towers, Hamilton, ML3 6AD

**Solicitors**

Burness, 120 Bothwell Street, Glasgow, G2 7JL

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**Structure, Governance and Management**

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 22 January 2007 and registered as a charity on 2 August 2007. The company was established under a Memorandum of Association that established the objectives and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Trustees

As set out in the Articles of Association our members are made up of the following bodies:

- (a) South Lanarkshire Council
- (b) South Lanarkshire Health and Social Care Partnership
- (c) Blantyre Youth Development Team
- (d) Hamilton Information Project for Youth
- (e) South Lanarkshire Leisure and Culture Ltd
- (f) Liber8
- (g) Youth Engagement Network

Members identified above from (b) to (g) may appoint no more than one person who is willing to act as a director. In the case of member (a) South Lanarkshire Council, they are limited to no more than four appointments and shall endeavour to ensure that a director is appointed from each of the following departments:

- (a) Education,
- (b) Finance,
- (c) Enterprise and
- (d) Member Services.

Any unincorporated body eligible for membership (a) to (g) must lodge a written application with the company signed on its behalf by an authorised officer of that body.

Any individual eligible for membership must lodge with the company a written application, signed by him/her and also signed on behalf of the unincorporated body that is nominating him/her for membership.

Trustee Induction and Training

New trustees undergo an induction training session to brief them on their legal obligations under charity law and company law and the content of the Memorandum and Articles of Association, financial procedures. New Trustees also receive an introduction to the staff team and the current work of the Trust.

Organisational Structure

The board (consisting of a maximum of 12 directors) administers the charity. They meet bi-monthly and have the power to set up appropriate subgroups when necessary. A Trust Manager is appointed by directors to manage the day to day operations of the charity. To facilitate effective operations, the Trust Manager has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and project development.

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Pay Policy Senior Staff

The directors comprise the board of directors, who are the Trust's trustees, and the senior management team comprising the key management personnel of the charity, in charge of directing, controlling, running and operating the Trust on a day to day basis. Details of trustees' remuneration is disclosed in note 8 to the accounts.

Related Parties

The charity has a close relationship with all partners represented on the board, with partners offering skills and expertise in the youth work field. This is extremely useful and supports the aims and objectives of the Trust. The partners are:

- South Lanarkshire Council
- Blantyre Youth Development Team
- Hamilton Information Project for Youth
- South Lanarkshire Leisure and Culture Ltd
- Liber8
- South Lanarkshire Health and Social Care Partnership
- Youth Engagement Network

In addition, to assist the Trust, South Lanarkshire Council rent the premises of Summerlee House at a peppercorn rate.

Risk Management

The development of a risk management strategy has been identified by the Trust Board and includes:

- Annual review of the risks the charity may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan;
- Implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for the charity. The Trust Manager and Trustees are continually striving to identify new streams of income in the face of difficult economic circumstances.

**Objectives and Activities**

The objectives of the charity are:

- To provide in the interests of social welfare, facilities for young people, primarily within regeneration areas in South Lanarkshire ("the Operating Area") for recreation and other leisure time occupation available to the public at large with a view to improving their conditions of life;
- To relieve poverty among young people who are resident within the Operating Area;
- To work towards the elimination of discrimination (whether on the grounds of race, religion, disability, gender, sexual orientation or otherwise) in relation to young people resident in the Operating Area, and to promote and support diversity and equality of opportunity for all young people resident in the Operating Area irrespective of race, religion, disability, gender or sexual orientation;

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- To help young people resident in the Operating Area to develop their physical, mental and spiritual capacities, such that they may grow to full maturity as individuals and as members of society (and including the development of entrepreneurial skills and the promotion of active citizenship);
- To promote public safety, in particular with regard to young people resident in the Operating Area;
- To assist in the provision of housing for young people resident in the Operating Area who are in necessitous circumstances; and
- To relieve ill-health among young people resident in the Operating Area

The outcomes against which the charity will be measured will include:

- Increasing the number of young people participating in purposeful activities within communities;
- Increasing access to services and choices;
- Increasing the number of young people impacting on service delivery;
- Increasing healthy lifestyle choices by young people;
- Increasing employability and life skills of young people
- Increasing equality of opportunity; and
- Reducing youth related anti-social behaviour.

The charity's main objective is to develop and co-ordinate out of school hours diversionary activities for young people aged 10-21 years, with limited targeted provision for 8–9-year-olds living in the South Lanarkshire with particular focus on regeneration areas.

The strategies employed to achieve the charity's objectives are to:

- Promote youth engagement and involvement within the regeneration process;
- Increase volunteering/active citizenship levels;
- Decrease youth related anti-social behavior levels;
- Improve employability skills of young people through a variety of developmental activities;
- Improve life skills of young people through a variety of developmental activities;
- Provide a range of sports/physical/ health information activities and services for young people, improving their health and lifestyles; and
- Improve the quality of life of all community members.

## **Services**

The core service functions normally delivered by the Trust would include:

### ***Development and Delivery of Specialised Services***

Providing specialised and targeted services for young people that enhance and compliment our current youth work portfolio i.e. award winning GoTo Mental Health Service; The GIVIT Youth Recovery Service for young people affected by alcohol and substance addictions.

### ***Co-ordination of Youth Diversionary Activities***

Promoting all activities/facilities/services on behalf of Trust member organisations. Facilitating appropriate information/communication network services to other member organisations and stakeholders.

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***Income Generation***

Applying for external funding, tender contracts and developing opportunities for income generation.

***Project Development***

Identifying gaps in service provision and opportunities for expansion of services through robust consultations and communication networks to initiate new projects and services.

***Volunteer & Community Engagement***

Developing volunteer recruitment programmes and promotional marketing to encourage communities to participate in service delivery and design.

***Training & Capacity Building***

Providing a range of developmental opportunities for staff and volunteers from regular networking events to formal training courses thus ensuring high quality services.

***Administration of Small Grants Programme***

Promotion and administration of a small grants (self-help) programme aimed at voluntary & statutory sector youth projects / groups and individual young people.

***Commissioning of Services & Securing Tender Contracts***

Developing and monitoring service level agreements with appropriate organisations, members or otherwise. Pursuing viable tender contracts that are a fit with our organisations objectives.

***Quality Assurance***

Developing appropriate monitoring and evaluation systems for use by member organisations.  
Evaluating service level agreements through a robust monitoring system.

Within the core functions of the Trust the main programmes, projects and services provided by the Trust include:

***Specialised Services***

Award winning GoTo Mental Health Service for 14 – 21yr olds; The GIVIT Youth Recovery Service for young people affected by problematic alcohol and drug use.

***Sport Programmes***

Radworx Extreme Sports (Skateboarding, BMXing & Scootering) delivered at the two skate parks in South Lanarkshire during Easter and Summer school holidays. We also have a mobile service and a small indoor facility used mainly over the winter period.

***Performance Arts***

Express Yourself Project delivers performance arts workshops and groups in dance music and drama.

The SNR Street & JNR Street (Urban Simulation Project) uses youth work interventions, promenade theatre and facilitated workshops to help tackle serious issues facing young people today.

***Information Technology***

Hyper Cybers use technology to engage young people in developing new skills around using social media platforms safely, including appropriate training for staff and volunteers.

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***Outreach Programmes***

Youth Clubs, Single Gender Groups, Issue-Based Groups and special programmes are developed to increase the number of positive youth opportunities for young people in communities that lack youth facilities.

***Volunteer Recruitment, Training & Development***

- Recruitment, facilitation and support of volunteers is an ongoing commitment for the Trust including delivery of various training courses i.e. Mini-Youth Work Training Academy, Basic & Advanced Youth Work, First Aid, Child Protection, Youth Board Training, Drugs & Alcohol.

***Community & Project Development***

- Development of new services supported and delivered by members of the local community and partners, which is made possible through the continued support of Fernhill Youth Project, Hillhouse Youth Wing, Whitehill Universal Connections, High Blantyre Hyper Cyber, Springhall Youth Project, Springhall & Whitlawburn Youth Development Team, Strutherhill & Birkenshaw Youth Development Team, The Street & Junior Street.

***Support to Voluntary Sector***

- Terminal One Youth Centre, Streetbase (Liber8) and HIPY are commissioned to deliver additional services on the Trust's behalf through Service Level Agreements.

***Small Grants Administration***

- Weekend Diversion Fund (£3,000) towards Go-To that operates across South Lanarkshire.
- Youth Voice Fund (£5,480) self-help grant for young people 10 – 21 years need some financial support to pursue their goals around Music & Art, Sport, Employment & Training.
- Enhanced Summer Provision Programme (£185,571) for third sector organisation to deliver activities for children, young people and families from multiple target groups.

All parties applying for grants have to meet the specified criteria for each individual stream of grant, comply with the conditions of the grant and provide evaluation and financial report information.

The Trust has a remit to recruit, train and facilitate volunteer youth leaders within local communities who are willing to support and deliver various youth activities. Young people in particular are encouraged to volunteer within youth projects and form youth management committees and become involved in the decision-making processes that develop their youth projects.

***Achievements and Performance***

Over **2,780** young people throughout South Lanarkshire have engaged in the services offered through the Regenfx Youth Diversion Programme with an additional **167** families supported over the past year.

A major achievement for the Trust this year was establishing the first ever Youth Recovery Service in Scotland operating in South Lanarkshire. This is a commissioned service through the South Lanarkshire Alcohol & Drugs Partnership (SLADP). The contract started on January 2022 with staff on board by 19 April 2022 and first referrals taking place from 22 May 2022.

The GIVIT is the chosen name for the service given by the young people themselves. Staff and volunteers provide intensive support for young people with problematic alcohol and/or substance use. In only 10 months, the new service has exceeded its original targets by almost double due to the high demand for the service. By the end of March 2023, **172** young people were being supported by The GIVIT.



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The GIVIT is an intensive outreach support service for young people aged 13 – 25 years. This is a 7 day a week service predominately evenings & weekends. We provide support at home, in the community or suitable places and spaces requested by young people.

Part of the remit for the service is to establish 4 hubs throughout South Lanarkshire. The Trust has experienced difficulties around identifying appropriate premises for the hubs. However, the first hub will open in the Clydesdale area in May 2023.

The GIVIT works with young people who are detached from mainstream services or who struggle to maintain engagement with other services or only use services for medically assisted treatments.

**Core Service Elements**

- **One to One Support**  
All participants have their own Youth Navigator who will develop clear pathways into treatment and recovery initiatives using a wrap-around service approach.
- **CBT Counselling**  
We have our own qualified CBT Counsellors who can be accessed quickly. They provide participants with the most appropriate therapeutic support at the right times.
- **Youth Recovery Community**  
We have open & inclusive spaces where young people can be supported on their recovery journeys to socialise, participate in groupwork, volunteer and learn new skills that can help with employment opportunities.
- **Peer Mentoring**  
We have young people with lived experience eager to share their knowledge and support others giving insight and assuring participants they are not alone. Our Peer Mentors provide positive and relatable role model for participants.

The Digital IT Solutions Officers post has now been retained for a further 2 years through a variation of contract with SLADP and now sits within the GIVIT service. With this expertise in our organisation we have built a bespoke case management system that fulfils all the contract needs.

The GoTo Mental Health Service for 14 – 18-year-olds has also secured a further £30,000 from SLADP for the coming year.

Radworx Extreme Sports Programme worked with **308** young people at the outdoor skateparks in Blantyre and Carluke during summer and at the mini-indoor skate park in the winter.

Regenfx Training Programmes offered **62** young people certificates and awards for their achievements in Youth Work Training, Youth Leadership, First Aid and Food Hygiene and Volunteering.

Our Youth Volunteers have given **7,444** volunteering hours in the past year to provide activities for other young people. In monetary terms that would equate to a **£96,772**.

The Junior and Senior Street live performances took place from January – March 2023. Cast and Crew managed **38** live performances and workshops during this time for young people, family practitioners and teachers. The Street was commissioned for one night by North Lanarkshire Council's Contextual Safeguarding Officer to provide a bespoke experience for 30 Senior

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Practitioners to attend. Over the period, **318** people have had the opportunity to experience The Street 2023.

Specific target groups included young people from LGBTQI+ community, high tariff individuals who typically do not engage in services, employability projects, adult recovery services, looked after accommodated and/or homeless people.

The Trust continues to be a recognised organisation that can deliver successful programmes of activities and as a result, partners and funders have continued to invest in the work of the Trust, not only financially, but in-kind contributions that have helped reduce expenditure costs where possible.

**Financial Review**

The Statement of Financial Activities (including the Income and Expenditure Account) and its accompanying notes and statements summarise the costs and sources of funding in carrying out the Trust's activities.

As at 31 March 2023, total restricted funds held totalled £0.338m. Net unrestricted funds totalled nil, after a derecognition of the Pension Asset in line with FRS 102 (see Notes 3 and 12). The net worth of the Trust recorded in the Balance Sheet is a net fund of £0.338m.

Finance is only required to be raised to cover employee pensions when the pensions are actually paid.

The main element of the Trust's expenditure is incurred in respect of Employee Costs (£0.624m, 52%). The major element of the Trust's income is in respect of the monies received through South Lanarkshire Council under Tackling Poverty Programme projects. This contribution totalled £0.394m in 2022/2023.

There is no movement in cash for 2022/2023, as the cumulative underspend is invested in South Lanarkshire Council's Loans Fund. This reflects the practical arrangement that exists between the Trust and South Lanarkshire Council where the Council's Loans Fund lends or borrows according to the required cash flow and activities of the Trust.

The Head of Finance for South Lanarkshire Council is designated Treasurer to the Trust and is responsible for the proper administration of the Trust's financial affairs. Full details of the Trustees responsibilities are noted below.

Further information on the Trust's finances can be obtained from the Treasurer to the Trust, Finance and Corporate Resources, Floor 4, Almada Street, Hamilton, ML3 0AB.

**Plans for Future Periods**

Stabilising our staffing needs is a priority for the Trust to continue to grow. We know this is a similar situation for all workforces in the current climate. We are fortunate to have core staff who have put themselves forward at every opportunity to keep the services functioning, reducing the negative impact on service users.

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We will focus on recruitment and retention of appropriate staff to fulfil our commitments to our young people and our funders. We will carry forward our plans to introduce more recognised qualifications and awards for volunteers and staff undertaking training and development opportunities.

**Responsibilities of the Trustees**

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees 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.

**Reserves Policy**

There is no prescribed minimum level of reserves which the charity should hold. It is for the Board to consider an appropriate level of Reserves taking notice of local circumstances, and the possible relative risks faced. With South Lanarkshire Council being the principal contributor to the charity, there is no need to retain a significant level of reserves. The charity will therefore aim to hold sufficient free reserves (funds not tied up in fixed assets or restricted to project spend) to cover employee costs and property costs for a period of 1 month, to allow any current projects to be wound up if required. This policy will continue to be reviewed in line with operational requirements and amended as appropriate with the agreement of the Trustees.

The current Reserves balance at the end of 2022/2023 totalled £0.338m. An estimate of Employee Costs and Property costs for a 1 month period amounts to £0.042m, and assumes that non-core staff are redeployed if required.

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The Trust has two Reserves:

**Restricted:** These Reserve funds can be used to meet the objectives of the organisation. The current balance is £0.338m.

**Unrestricted:** This Reserve fund is retained to offset the pension liability. The current balance is nil, after the derecognition of the Pension Asset in line with FRS 102 (see Notes 3 and 12).

**Auditor**

Nelson Gilmour Smith are deemed to be re-appointed under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

The Report of the Trustees, as signed on 26/10/2023, is prepared in accordance with the small company regime (Section 419(2) of the Companies Act 2006).



**Jackie Taylor  
Treasurer  
Regen: FX Youth Trust**

## **Regen:FX Youth Trust**

### **Independent Auditor's Report to the Trustees and Members of Regen: FX Youth Trust for the year ended 31 March 2023**

#### **Opinion**

We have audited the financial statements of Regen: FX Youth Trust (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **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 the provisions available for small entities, in the circumstances set out below, 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.

Regen: FX Youth Trust, in common with many other businesses of its size and nature, also engage us to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance

conclusion thereon.

**Regen:FX Youth Trust**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

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

**Responsibilities of trustees**

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

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

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**Auditor's responsibilities for the audit of the financial statements**

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

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

Based on our understanding of the company, we identified the principal risks of non-compliance with laws and regulations and the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated managements incentives and opportunities for the fraudulent manipulation of the financial statements, including the risk of override of controls. Based on our assessment we adopted a substantive approach to our audit testing. Audit procedures performed included:

Testing a sample of transactions to source documentation. We select sample sizes having regard to the inherent risk (specific and general), the quality of the internal controls and the risk that our testing might not detect possible misstatements.

Making enquiries of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims. Identifying legislation of particular relevance to the entity and obtaining audit evidence regarding compliance with that legislation.

Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

There are inherent limitations in the audit procedures described above. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example forgery or concealment.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

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**Independent Auditor's Report to the Trustees and Members of Regen: FX Youth Trust for the year ended 31 March 2023**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**Use of our report**

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



Andrew Wilson (Senior Statutory Auditor)

31/10/2022

For and on behalf of  
Nelson Gilmour Smith  
Chartered accountants & statutory auditor  
Mercantile Chambers  
53 Bothwell Street  
Glasgow  
G2 6TB



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**Statement of Financial Activities (including Income and Expenditure Account)**  
**for the year ended 31 March 2023**

<b>Total Funds 2021/22 £000</b>	<b>Incoming Resources</b>	<i>Notes</i>	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>Total Funds 2022/23 £000</b>
	<b>Income from:</b>				
1,163	Donations and Legacies	4	-	1,388	1,388
<b>1,163</b>	<b>Total</b>			<b>1,388</b>	<b>1,388</b>
	<b>Expenditure on:</b>				
1,214	Charitable Activities	5	537	1,191	1,728
<b>1,214</b>	<b>Total</b>		<b>537</b>	<b>1,191</b>	<b>1,728</b>
(51)	<b>Net income/(expenditure)</b>		(537)	197	(340)
212	Actuarial gains / (losses) on defined pension schemes	12	673	-	673
<b>161</b>	<b>Net Movement in funds</b>		<b>136</b>	<b>197</b>	<b>333</b>
	<b>Reconciliation of funds:</b>				
(156)	Fund balances brought forward at 1 April 2022		(136)	141	5
<b>5</b>	<b>FUND BALANCES AT 31 MARCH 2023</b>		<b>-</b>	<b>338</b>	<b>338</b>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared. All of the above amounts relate to continuing activities.

**Regen:FX Youth Trust**  
**Balance Sheet**  
**as at 31 March 2023**

31 March 2022 £000		Notes	31 March 2023 £000
	<b>Current assets</b>		
360	Debtors	8	374
(219)	<b>Creditors: amounts falling due within one year</b>	9	(36)
<u>141</u>	<b>Net current assets</b>		<b>338</b>
141	<b>Net Assets excluding Pension Asset/ (Liability)</b>		<b>338</b>
(136)	Pension Asset/ (Liability)	12	-
<u>5</u>	<b>Net Assets including Pension Asset/ (Liability)</b>		<b>338</b>
	<b>Funds</b>		
141	Restricted Funds	10	338
(136)	Unrestricted Funds	11	-
<u>5</u>	<b>Total funds</b>		<b>338</b>

These financial statements have been prepared in accordance with the provision applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors on 26/10/2023, and signed on its behalf by:



**Jackie Taylor**  
**Treasurer**  
**Regen:FX Youth Trust**  
**Company Registration Number: SC315092**

**Regen:FX Youth Trust**  
**Notes forming part of the Financial Statements**  
**for the year ended 31 March 2023**

**Statement of Cash Flows**

	<i>Notes</i>	<b>2022/23</b> <b>£000</b>	<b>2021/22</b> <b>£000</b>
<b>Cash Flow from Operating Activities:</b>			
Donations and legacies		1,388	1,163
Charitable Activities		(16)	(47)
<b>Total Cash Inflows</b>		<b>1,372</b>	<b>1,116</b>
Employee Costs		(624)	(361)
Other Costs		(750)	(677)
<b>Net cash (provided by)/ used in Operating Activities</b>		<b>(2)</b>	<b>78</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(2)</b>	<b>78</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<i>14</i>	<b>208</b>	<b>130</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<i>14</i>	<b>206</b>	<b>208</b>

**Reconciliation of Net (Income)/ expenditure to net cash flow from Operating Activities**

	<b>2022/23</b> <b>£000</b>	<b>2021/22</b> <b>£000</b>
<b>Net (Income)/ expenditure for the reporting period (as per the Statement of Financial Activities)</b>	<b>77</b>	<b>(51)</b>
Adjustments for:		
(Increase)/ decrease in debtors	(16)	(47)
(Increase) / decrease in creditors	(183)	91
Pension reserve funding (surplus)/ deficit	120	85
<b>Net cash (provided by)/ used in Operating Activities</b>	<b>(2)</b>	<b>78</b>

**Regen:FX Youth Trust**  
**Notes forming part of the Financial Statements**  
**for the year ended 31 March 2023**

**1. General Information**

The charity is a private company limited by guarantee, registered in Scotland and a registered charity in Scotland for public benefit. The address of the registered office is Summerlee House, Summerlee Road, Larkhall, Lanarkshire, ML9 2UH.

**2. Statement of Compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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) (Charities SORP (FRS 102)) and the Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure. The financial statements are prepared in sterling, which is the functional currency of the entity.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. The key source of judgement and estimation uncertainty for the financial statements is that of the charity's defined benefit pension scheme. If the pension scheme was in deficit position, this would be recognised. Conversely, if the pension scheme was in a surplus, this would not be recognised on the Balance Sheet which is in line with Financial Reporting Standard 102.

**Funds**

Funds are classified as either restricted funds or unrestricted funds, and are defined as follows:

*Restricted funds* are expendable at the discretion of the Board in furtherance of the objectives of Regen:FX Youth Trust. If part of the restricted funds is earmarked at the discretion of the Board for a particular project it is designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the Board's discretion to apply the fund.

*Unrestricted funds* reflect the entries applicable to the defined pension scheme.

**Incoming resources**

Grants and receipts from local and central government agencies which are of a revenue nature are payable to Regen:FX Youth Trust at the discretion of the funding body and are credited to the income and expenditure account in the period to which the funding applies, provided its receipt has been approved by the funding body, by the date of issue of the financial statements.

Investment income is recognised on a receivable basis.

**Regen:FX Youth Trust**  
**Notes forming part of the Financial Statements**  
**for the year ended 31 March 2022**

**Resources expended**

Costs are recognised when incurred.

All costs which are directly attributable to the objects of the charity are included within this category. All items are included on the accruals basis.

**Pensions**

All employees of Regen:FX Youth Trust are members of the Strathclyde Pension Fund. The pension costs charged in the period are based on actuarial methods and assumptions designed to spread the anticipated pension costs over the service life of the employees in the scheme, so as to ensure that the regular pension costs represent a substantially level percentage of the current and expected future pensionable payroll. Variations from regular cost are spread over the remaining service lives of current employees in the scheme.

Where the pension reports provided by the pension actuary indicate a surplus, this is not included in the balance sheet as an asset in line with FRS102. However, any deficit would be included as a liability. Where there is no ability to recover any surplus against future contributions, no pensions asset shall be recognised. The expected cost of providing staff pensions to employees contributing to the Fund is recognised in profit or loss on a systematic basis over the expected average remaining lives of members of the funds, in accordance with Financial Reporting Standard 102 Section 28 'Employee Benefits' and recognises retirement benefits as the benefits are earned and not when they are due to be paid.

**Statutory Accumulated Compensated Absences**

All salaries and wages earned up to the 31 March 2023 are included irrespective of when actual payments were made. The requirements of FRS102 have been fully applied in the current year, in respect of annual leave provision, including recognition of the net liability and an accumulating compensated absences reserve in the balance sheet.

**Going Concern**

These accounts have been prepared on a going concern basis. The directors have considered, in accordance with International Standard on Auditing (UK and Ireland) 570: Going Concern, a period of one year from the expected date of approval.

**Fixed Assets**

Assets which have a useful life of more than one year and a value of more than £1,000 are categorised and treated as fixed assets.

**4. Voluntary Income**

The table below details the breakdown of voluntary income/grants received:

	2022/23	2021/22
	£000	£000
Tackling Poverty Programme	394	394
Income from South Lanarkshire Council	380	465
Other Grants	568	211
Other Income	46	93
	<u>1,388</u>	<u>1,163</u>

**Regen:FX Youth Trust**  
**Notes forming part of the Financial Statements**  
**For the year ended 31 March 2023**

**5. Resources Expended**

**Analysis of Resources Expended**

<b>Charitable Activity / Cost</b>	<b>Activities undertaken directly 2022/23 £000</b>	<b>Grant Funding Activities 2022/23 £000</b>	<b>Support Costs 2022/23 £000</b>	<b>Total 2022/23 £000</b>
<b>Restricted Funds</b>				
Provision of Youth Diversion Activities	996	-	-	996
Grant Making Activities (detailed below)	-	192	-	192
Governance Costs	-	-	3	3
	<b>996</b>	<b>192</b>	<b>3</b>	<b>1,191</b>
<b>Unrestricted Funds</b>				
Current Service Cost				196
Contributions Paid				(81)
Net Return on Assets				5
Derecognition of Pension Asset				417
				<b>537</b>
<b>Total Resources Expended</b>				<b>1,728</b>

<b>Charitable Activity / Cost</b>	<b>Activities undertaken directly 2021/22 £000</b>	<b>Grant Funding Activities 2021/22 £000</b>	<b>Support Costs 2021/22 £000</b>	<b>Total 2021/22 £000</b>
<b>Restricted Funds</b>				
Provision of Youth Diversion Activities	801	-	-	801
Grant Making Activities (detailed below)	-	325	-	325
Governance Costs	-	-	3	3
	<b>801</b>	<b>325</b>	<b>3</b>	<b>1,129</b>
<b>Unrestricted Funds</b>				
Current Service Cost				122
Contributions Paid				(43)
Net Return on Assets				6
				<b>85</b>
<b>Total Resources Expended</b>				<b>1,214</b>

**Regen:FX Youth Trust**  
**Notes forming part of the Financial Statements**  
**For the year ended 31 March 2023**

**Analysis of grants**

The Grants given were to fund the provision of youth diversion activities and to lessen individual hardship:

	<b>2022/23</b>	<b>2021/22</b>
	<b>£000</b>	<b>£000</b>
<b>Grants to Institutions</b>		
Weekend Diversion Fund	0	0
Youth Voice Fund	6	6
Enhanced Summer Provision Programme	186	319
	<b>192</b>	<b>325</b>

**6. Analysis of governance costs**

	<b>2022/23</b>	<b>2021/22</b>
	<b>£000</b>	<b>£000</b>
<b>Cost/ Year</b>		
External audit	3	3
	<b>3</b>	<b>3</b>

**7. Staff numbers and costs**

	<b>2022/23</b>	<b>2021/22</b>
	<b>£000</b>	<b>£000</b>
<b>The remuneration and associated costs of the company were:</b>		
Wages and salaries	387	217
Social security costs	44	23
Pension costs	77	46
Other employee costs:		
- Sessional workers	109	75
- Car Allowances	7	-
	<b>624</b>	<b>361</b>

**Particulars of employees:**

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	<b>2022/23</b>	<b>2021/22</b>
Senior staff	1	1
Administration staff	1	1
Project staff	20	6
	<b>22</b>	<b>8</b>

One employee received emoluments of more than £60,000 during the year (2022:one).

**Trustee Remuneration**

No Trustees were reimbursed for any expenses incurred in the year in their capacity as Trustees.

**Regen:FX Youth Trust**  
**Notes forming part of the Financial Statements**  
**For the year ended 31 March 2023**

**8. Debtors**

	<b>2022/23</b>	<b>2021/22</b>
	<b>£000</b>	<b>£000</b>
South Lanarkshire Council	206	208
Prepayments and accrued income	168	152
	<b>374</b>	<b>360</b>

**9. Creditors: amounts falling due within one year**

	<b>2022/23</b>	<b>2021/22</b>
	<b>£000</b>	<b>£000</b>
Accruals and deferred income	33	136
Other Creditors	3	83
	<b>36</b>	<b>219</b>

**10. Restricted funds**

	<b>Balance as at 31 March 22</b>	<b>Income</b>	<b>Expenditure</b>	<b>Balance as at 31 March 23</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Tackling Poverty Programme	-	394	394	-
Youth Learning Services	38	380	380	38
Community Safety Partnership	5	-	-	5
Various Organisations	98	614	417	295
<b>Total</b>	<b>141</b>	<b>1,388</b>	<b>1,191</b>	<b>338</b>

	<b>Balance as at 31 March 21</b>	<b>Income</b>	<b>Expenditure</b>	<b>Balance as at 31 March 22</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Tackling Poverty Programme	-	394	394	-
Youth Learning Services	38	432	432	38
Community Safety Partnership	5	-	-	5
Various Organisations	64	337	303	98
<b>Total</b>	<b>107</b>	<b>1,163</b>	<b>1,129</b>	<b>141</b>



**Regen:FX Youth Trust**  
**Notes forming part of the Financial Statements**  
**For the year ended 31 March 2023**

**Purposes of Restricted Funds**

The Tackling Poverty Programme helps towards the cost of regenerating disadvantaged communities, tackle poverty by helping vulnerable people and groups and overcome barriers to employment.

Youth Learning Services help towards the cost of youth engagement, participation and informal learning opportunities encouraging young people and their families to achieve their full potential in a safe, fun and supportive environment.

Community Safety Partnership helps towards the cost of tackling alcohol and drug related crime, diverting young people away from criminal and anti-social behaviour, reducing the fear of crime, improving road, fire and home safety and strengthening Community Safety Partnerships.

Various Organisations consist of a variety of funds including the NHS, which helps towards the Street Project, giving young people a host of alcohol-related learning, and a number of Youth Clubs and Groups.

**11. Analysis of net assets between funds**

			<b>31 March</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>2023</b>
	<b>Funds</b>	<b>Funds</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Fund balances at 31 March 2023</b>			
Current assets	-	374	374
Current liabilities	-	(36)	(36)
Pension Fund Provision	-	-	-
Total net assets	-	338	338

			<b>31 March</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>2022</b>
	<b>Funds</b>	<b>Funds</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Fund balances at 31 March 2022</b>			
Current assets	-	360	360
Current liabilities	-	(219)	(219)
Pension Fund Provision	(136)	-	(136)
Total net assets	(136)	141	5

**Regen:FX Youth Trust**  
**Notes forming part of the Financial Statements**  
**For the year ended 31 March 2023**

**12. Pension Scheme**

All employees of the company are members of the multi employer defined benefits pension scheme, the Strathclyde Pension Fund. In accordance with the reporting requirements of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) the Company is required to disclose certain information relating to the scheme.

The valuation has been updated from the last full valuation (carried out 31 March 2014) by the actuary on an FRS102 basis as at 31 March 2023, the main financial assumptions are noted below:

	<b>31 March 2023</b>	<b>31 March 2022</b>
Rate of increase in salaries	3.65%	3.85%
Rate of increase in pensions in payment	2.95%	3.15%
Discount rate	4.75%	2.75%
Inflation assumption	3.15%	3.55%

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions that, due to the timescale covered, may not necessarily be borne out in practice.

**Scheme Assets**

The fair value of the scheme's assets and present value of scheme liabilities relating to the Company, which are not intended to be realised in the short term and may be subject to significant change before they are realised, and the present value of the schemes liabilities, which are derived from cash flow projections over long periods and thus inherently uncertain, were as follows:

	<b>Value 31 March 2023 £000</b>	<b>Value 31 March 2022 £000</b>
Equities	795	799
Bonds	371	300
Other – property	132	125
Cash	27	25
Total Scheme assets at 31 March	<b>1,325</b>	<b>1,249</b>
Present value of scheme liabilities	<b>(908)</b>	<b>(1,385)</b>
Present value of surplus / (deficit)	<b>417</b>	<b>(136)</b>

**Regen:FX Youth Trust**  
**Notes forming part of the Financial Statements**  
**For the year ended 31 March 2022**

Amount Recognised in Statement of Financial Activities (Including Income and Expenditure Account)

	<b>31 March 2023 £000</b>	<b>31 March 2022 £000</b>
Actuarial (Gains)/ Losses on Employer Assets	(56)	65
Actuarial Gains/ Losses) on Obligation	729	147
<b>Actuarial Gains/(Losses) Recognised in SOFA</b>	<b>673</b>	<b>212</b>
<b>Cumulative Actuarial Gains and (Losses)</b>	<b>765</b>	<b>92</b>

Analysis of net movement in pension deficit:

	<b>31 March 2023 £000</b>	<b>31 March 2022 £000</b>
Surplus / (Deficit) in scheme at start of year	(136)	(263)
Current service cost	(196)	(122)
Contributions paid	81	43
Net return on assets	(5)	(6)
Actuarial gain/(loss)	673	212
<b>(Surplus) / Deficit in scheme at end of year</b>	<b>417</b>	<b>(136)</b>
Derecognition of Pension Asset	(417)	-
<b>Pension Asset on Balance Sheet</b>	<b>-</b>	<b>(136)</b>

### 13. Related party transactions

South Lanarkshire Council ("the Council") made a contribution of £774,177 (2022: £859,785) to the Company and leased the facilities occupied by the Company for a peppercorn rent. In addition, the Council provided various administrative and financial services for which the company was charged £6,900 (2022: £6,900).

At 31 March 2023, Short Term Investments held by the Council on behalf of the Trust is £205,782 (2022: £207,640).

### 14. Analysis of changes in net debt

	<b>01 April 2022 £000</b>	<b>Restricted Funds £000</b>	<b>31 March 2023 £000</b>
<b>Cash and cash equivalents</b>			
Cash	-	-	-
Cash Equivalents - South Lanarkshire Council Debtor	208	(2)	206
<b>Total</b>	<b>208</b>	<b>(2)</b>	<b>206</b>