

**LAYC**  
**(Registered as a Scottish Charitable Incorporated Organisation)**

**REPORT and FINANCIAL STATEMENTS**

**For the year ended 31 March 2021**

**LAYC**

<b>CONTENTS</b>	<b>PAGE</b>
Reference and Administrative Information	1
Chair's Report	2
Annual Report 2020/21	3 - 8
Independent Examiners report to the Trustees of LAYC	9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12 - 21

**LAYC**

**REFERENCE and ADMINISTRATIVE INFORMATION**

<b>Charity Name</b>	LAYC (SCIO)
<b>Registered Office and Operational Address</b>	Dunford House 7 Boroughloch Lane Edinburgh EH8 9NL
<b>Scottish Charity Number</b>	SC009193
<b>Board of Trustees</b>	
<b>Office Bearers</b>	Gillian Lithgow - President Allister Short – Chair (appointed on 4 November 2020) Nick Croft – Chair (resigned on 4 November 2020) Allister Short - Vice Chair (appointed on 4 August 2020 and resigned on 4 November 2020) Lianne Swadel - Treasurer
<b>Members</b>	Clare Gibson (appointed on 28 May 2020) David Hull (resigned on 10 August 2021) Fiona McKenzie (appointed on 22 September 2020) Helen Davis Pamela Martin Megan Binns (appointed on 22 April 2021) Valerie Agnew (resigned on 22 September 2020) Willy Barr (resigned on 4 August 2020)
<b>Co-opted Members</b>	Sonal Haddow Yvonne Kerr (appointed on 2 December 2020)
<b>Staff</b>	Laurene Edgar - Director Emma Lee - Development Worker (Membership & Capacity Building) Rosalie Short – Administration, Communication & Marketing Alison McCallum - Administration, Communication & Marketing
<b>Independent Examiner</b>	Jeremy Chittleburgh Chiene + Tait LLP 61 Dublin Street Edinburgh EH3 6NL
<b>Bankers</b>	Bank of Scotland Clerk Street Edinburgh EH8 9PP
<b>Solicitors</b>	Morton Fraser LLP Quartermile Two 2 Lister Square Edinburgh EH3 9GL
<b>Association Advisers/Appointments</b>	David Hull - John Watson Trust

## LAYC

### CHAIR'S REPORT

This is my first report as Chair of LAYC and would wish to begin by paying tribute to my predecessor, Nick Croft, for steering the organisation through an emerging global pandemic as well as bringing stability to LAYC during his term as Chair.

I was delighted and honoured to be voted on as Chair of LAYC, an organisation that I have known and respected for a significant number of years having started out as a Development Worker for Youth Scotland way back in 1993. It is always a daunting taking on the role of Chair within such a highly valued organisation but this was made so much easier by having a great Board of Trustees.

A key strength of LAYC is that the Board is drawn from our member groups, which ensures we remain connected to the needs of our membership, allowing us to plan our activities in a way that best meets these needs. Over the following pages you will begin to see in a bit more detail the wide range of work that is delivered through LAYC, with and for the membership.

The Board also benefits from co-opted members, who can bring particular skills in areas such as finance and from other backgrounds, including the public sector. It is this mix of skills and experience that allows the Board to discharge its governance function, ensuring the organisation operates in a safe and appropriate way. Again, you will see examples of the work that the Board has progressed to ensure LAYC remains fit for purpose and well placed to meet the future challenges that no doubt we will all be facing when we fully emerge from the pandemic.

A Board functions best when supported by a strong staff team, and LAYC is very fortunate to have an excellent and committed group of staff, led by our Director, Laurene Edgar – I would want to acknowledge the contribution and support the staff give to the Board and to our membership. I know from speaking to youth workers and after-school staff across the area how much this support is valued.

As a membership group, we are only as strong as our members, whether these are small volunteer-led youth clubs, after-school clubs, community groups or the larger youth projects, each and every one of them are key to ensuring children and young people in Edinburgh and the Lothians are able to benefit from opportunities to develop, grow and achieve their potential. I am very grateful to all the volunteers and staff involved in creating, sustaining and delivering these opportunities – it could not happen without your commitment.

Finally, I would like to thank all the children and young people who are involved in our local clubs and groups – it has been a tough 12 months for young folk and they have shown great resilience during this time and I think we can all be proud of them.



**Allister Short**  
Chair

11 October 2021

## **LAYC**

### **ANNUAL REPORT**

**For the year ended 31 March 2021**

#### **OBJECTIVES and ACTIVITIES**

LAYC is an intermediary organisation and we are part of the Youth Scotland Network. At the time of writing this annual report there are 122 community-based youth and children's organisations in the LAYC network area covering East, Mid, West Lothian and the City of Edinburgh, providing services for 28,139 children and young people through 2,396 staff of which 1,228 are volunteers.

LAYC champions, strengthens and develops youth and children's work in this geographical area through the provision of support, information and training to the network of Member Groups engaging children and young people within their local communities. In addition to these services LAYC plays a representation role within local strategic decision-making processes that effect youth and children's work.

LAYC delivers an annual training and capacity building programme. This programme is led by the needs of the youth and children's work sector - to meet both the needs children and young people are presenting at local community organisations with but also the training and development needs staff and volunteers – are identifying for themselves as professionals. The training and capacity building programme cover core topics – e.g. child protection, equalities, group work skills, values and principles of youth work and emergency first aid. Developing this core learning is enhanced by a range of topical sessions; such as: mental health and emotional wellbeing, increasing physical activity of children, trauma informed practice, alcohol and substance misuse and gender issues.

LAYC provides access to essential support and advice that assists the capacity of community-based youth and children's organisations to deliver safe and improved services to children and young people. This support and advice include Protecting Vulnerable Groups Scheme Membership and Records, governance, insurance and organisational policy and procedure development.

Over 50% of staffing in the LAYC network is contributed by volunteers, with some of the Member Groups completely volunteer led. The support and advice accessed through LAYC for these groups particularly assists with the reduced capacity and assures Members Groups who can be distant from policy landscape.

LAYC plays an integral representation role for the network of Member Groups and often the wider Edinburgh and Lothian youth and children's work sector. The position as an intermediary organisation and relationship with strategic partners, including national youth work agencies (Youth Scotland and Youthlink Scotland) and local authorities, provides a route and ensures a voice for community-based organisations to be included in discussions and decision making that effect the youth and children's work sector e.g. Children's Services Plans, Community Learning and Development Plans and Community Improvement Partnerships.

LAYC facilitates four forums providing a space to meaningfully use the representation role and act as the conduit between grassroots organisations gathering the voice of young people and strategic decision making. The four forums are: After School Clubs Forum, Youth Work Managers Forum, Central Youth Work Strategy Group and Trustees Forum. These offer the opportunity to connect peers, share knowledge and resources. LAYC facilitation of forums is empowering for many of the smaller and marginalised community-based organisations who can connect in a safe space and understand they have a route to influence decision making.

Over 50% of LAYC Member Groups are within bottom quintiles of the Scottish Index of Multiple Deprivation with many more community groups benefitting service users from areas of deprivation, despite post code of registered address. Whilst not losing sight of the need for universal youth and children's work services across all communities to offer an early intervention route around issues such as mental health, emotional wellbeing and low income.

## **LAYC**

### **ANNUAL REPORT (continued)**

#### **For the year ended 31 March 2021**

### **OBJECTIVES and ACTIVITIES (continued)**

#### **Mission Statement**

LAYC's mission statement is "LAYC will champion, grow and strengthen the quality of community-based youth and children's work by supporting our Member Groups to provide positive opportunities for children and young people."

The key purposes of LAYC are to:

- Act as a link between Member Groups and the wider youth and children's sector;
- Provide information and advice to Member Groups and the wider youth and children's work sector;
- Provide those services that support Member Groups and serves our purposes;
- Encourage public interest in youth and children's work and to assist in the formation of new groups where desired;
- Undertake innovative work consistent with our purposes;
- Raise funds to support our purposes;
- Co-operate with statutory bodies and with voluntary bodies, both within the area benefit and out with, which support our purposes; and
- To do all things which are lawful to promote the aforementioned purposes.

#### **Activities and Achievements**

As an intermediary organisation the advice, support, information, representation and training that LAYC provides to Member Groups and their staff and committee members enables these community-based groups to continue their direct work with children and young people.

Member Group's need for advice, support, information and representation was never more needed when the COVID-19 pandemic significantly affected the country from March 2020 and many organisations had to adapt the way services for children, young people and wider communities were delivered.

LAYC has spent 246 hours representing the interests of Member Groups on a wide variety of strategic partnerships, including Edinburgh, Integrated Children's Services Partnership, Edinburgh's Community Learning and Development Partnership, East Lothian Child Poverty Steering Group, Children's Services Manager Groups; as well as thematic steering groups on youth participation, BAME youth work and sexual health.

There has been an increase in requests for LAYC representation and in March 2020 LAYC joined a voluntary sector and City of Edinburgh Council Taskforce group alongside four Locality Operational Groups to respond to the emerging needs of children and young people as a result of the pandemic.

To complement the increased representation role, LAYC increased the regularity of Managers Forums, to ensure effective and relevant contribution at partnerships and steering groups. LAYC has held 31 Manager's Forums over the course of the year which have received 399 attendances. During lockdown these Forums provided an opportunity for Member Groups within the network to connect with peers, share ideas and be supported. In the initial stages of lockdown there was a focus on moving services online to continue to support and engage children and young people safely and appropriately. In recent stages the focus has been about organisations moving safely and appropriately through the recovery of services. Forums also provided an ideal opportunity to update Member Groups on necessary information such as Government job retention scheme and necessary health and safety information, as well as crucial funding opportunities.

The Forums have worked alongside the addition of increased online Member Group support in the form of closed Facebook Groups for Managers to continue conversations out with facilitated meetings, as well as access to a Membership Knowledge Exchange – running on a padlet to share best practice ideas and essential documents such as template risk assessments.

## **LAYC**

### **ANNUAL REPORT (continued)**

#### **For the year ended 31 March 2021**

### **OBJECTIVES and ACTIVITIES (continued)**

#### **Activities and Achievements (continued)**

LAYC's core training programme for 2020/2021 consisted of 56 training sessions providing 544 participant places. The training programme is youth work led and is a result of an annual training needs analysis, topics covered in 2020/2021 training programme include – trauma informed practice, child protection, autism awareness, using social media in youth work surgery, Relationships, Sexual Health & Parenting and getting children & young people active.

The 2020/2021 programme also seen the introduction of two accredited youth work training courses – SCQF Level 3 Ready for Youth Work and SCQF Level 6 Professional Development Award in Youth Work.

All training sessions are evaluated using a pre and post evaluation form, where participants are asked to self-report levels of knowledge, skills and confidence using a sliding scale. The results continue to show a significant increase in all these outcomes - 87% of participants involved in the 2020/2021 programme reported an increase.

#### **Youth Scotland**

LAYC holds a shared Membership with Youth Scotland, organisations joining in the Lothian area are also Members of Youth Scotland and can access the benefits of both LAYC and Youth Scotland as intermediary organisations.

The level of co-operation and collaboration between LAYC and the other independent Area Associations – Youth Borders, Youth 1st and Youth Highland has significantly increased during the Covid-19 pandemic with regular online meetings taking place facilitated by Youth Scotland to share challenges and support.

The connection with Youth Scotland also delivers practical benefits at a local level to LAYC Member Groups such as the youth awards, Cashback support, Rural Action fund support alongside other small grant support that has been accessed as a result of emergency Covid-19 funding support.

#### **Financial Review**

During the year there was net income of £43,291 (2020: net expenditure of £38,373) and a net movement in funds after remeasurements on the defined benefit pension scheme of £42,197 (2020: net expenditure £37,415). This was made up of a surplus of £20,710 (2020: deficit of £44,657) on unrestricted funds and a surplus of £21,487 (2020: £7,242) on restricted funds. With total funds brought forward of £298,638, this resulted in total funds to carry forward of £340,835 of which £310,086 (2020: £289,376) related to unrestricted funds and £30,749 (2020: £9,262) related to restricted funds.

#### **Funding**

LAYC is grateful to all funders who support the work of the organisation and enable the core activities to take place in turn supporting a network of 120 community-based youth and children's organisations.

LAYC was awarded £91,987 per annum from September 2020 to 31 August 2023 from City of Edinburgh Council as part of Communities and Families 2020-2023 Third Party Revenue Grant funding, this core funding will cover 65% of LAYC's core running costs over the next three-year period until March 2023. This funding being awarded has enabled LAYC to grow the staff team in late 2020 with the addition of a Development Worker post with a focus on Membership training and capacity building.

In July 2020 LAYC were awarded one-year funding of £18,000 from The Robertson Trust, this funding also adds to the core support of the organisation.

Throughout 2020/2021 funding from Essentia Foundation and British Science Week contributed to LAYC's topical training programme and supported the delivery of training sessions SCQF Level 3 Ready for Youth Work and STEM training for Member Groups including the provision of toolkits.

## **LAYC**

### **ANNUAL REPORT (continued)**

#### **For the year ended 31 March 2021**

### **OBJECTIVES and ACTIVITIES (continued)**

#### **Funding (continued)**

LAYC were also successful and grateful to be awarded Covid-19 support funding from Corra Wellbeing Fund, Foundation Scotland Response, Recovery, Resilience and 6VT Youth Café through their Supporting Communities Fund, these all helped to expand the levels of Membership support required during lockdown and recovery of services.

Successful funding awards through Youthlink Scotland Winter funding and Lottery Community Recovery funding enabled LAYC to provide micro-grants to Member Groups to support recovery of youth and children's work services.

LAYC remains grateful to The Hope Trust for an annual donation, in 2020/2021 this donation is supporting evaluation and impact assessment work within LAYC.

#### **Reserves Policy**

The Board of Trustees has established a policy whereby the unrestricted funds, not designated or invested in tangible fixed assets ('the free reserves'), should be a minimum of 6 months running costs. This provides a financial cushion that would enable appropriate informed decisions to be made. Plans are in place to spend additional free reserves in the next financial year to reduce the balance at 31 March 2021. The free reserves as at 31 March 2021 were £87,088 (2020: £61,757).

#### **Grant Making Policy**

The Trustees shall continue to maintain the Joyce Dunford Bequest for the purpose of supporting the work of LAYC and for the benefit of Member Groups, including the provision of small grants as and when appropriate. The Trustees further retain the right to review the level of funds held within it, and to reallocate part or all of them where that is considered to be in the best interests of LAYC.

#### **Investment Policy**

In accordance with its constitution, the Board of Trustees has the power to invest in such stocks, shares and ethical assessment. Where it is found that the activities in question may impact negatively on people's health and general wellbeing, the investment would be considered unacceptable. However, first consideration will be given to invest directly for the benefit of Member Groups in line with LAYC's objectives.

#### **Risk Management**

The trustees have a risk management policy which comprises:

- an annual review of the principal risks and uncertainties LAYC face and
- establish policies, systems and procedures to mitigate those risks and minimise any potential impact

The principal risk and uncertainty faced by LAYC is in relation to future funding. LAYC continues to look for additional sources of funding and has been awarded funding to August 2023 from City of Edinburgh Council.

Other risks are in relation to key financial, operational and staffing issues that have the potential to negatively impact on LAYC's ability to function effectively. A series of measures and controls are set against each key risk factor identified with the intention to prevent or mitigate potential consequences that would be damaging.

### **STRUCTURE, GOVERNANCE and MANAGEMENT**

LAYC is a Scottish Charitable Incorporated Organisation (SCIO) registered with the Office of the Scottish Charity Regulator (OSCR). Alterations to the original LAYC SCIO constitution were approved by the AGM in 2017 and lodged with OSCR.

LAYC retained the Scottish Charity Number SC009193.

## **LAYC**

### **ANNUAL REPORT (continued)**

#### **For the year ended 31 March 2021**

### **STRUCTURE, GOVERNANCE and MANAGEMENT (continued)**

#### **Staff and Board of Trustees**

The Trustees of the charity are elected at Annual General Meetings in accordance with its Constitution. Office Bearers may only serve for a maximum of six years.

The Board of Trustees may contain a maximum of 14 Trustees including Office Bearers, up to 7 Members (or representatives of Members) appointed by the Annual General Meeting and up to 2 co-opted Trustees who have specific skills which would be of benefit to LAYC.

LAYC benefits from the support, encouragement and direction from a Trustees team combining a range of skills including Voluntary Sector Youth Work Managers, Corporate Sector, Education Sector, Local Authority, Out of School Care, Child and Adolescent Mental Health and Finance Experience.

#### **Recruitment and Appointment of Board of Trustees**

LAYC Office Bearers are elected for a 3 year term (with a maximum of 2 terms before they have to stand down). Member elected Trustees and serving co-opted Trustees are subject to re-election annually at the Annual General Meeting.

All Trustees are required to make a declaration that they are not disqualified in any way from taking up a Trustee position.

LAYC encourages enquiries about joining the organisation's Board and invites nominations from Member Groups in the lead up to and from the floor at the Annual General Meeting. New Trustees or potential Trustees meet with staff and office bearers to discuss the role and its responsibilities. New Trustees are provided with a Trustee Handbook and other key LAYC documents, such as the current Strategic Plan for the organisation.

The LAYC Board is a strong and effective vehicle to provide a critical yet supportive overview of the work of the organisation. LAYC are fortunate to have a skilled and committed group of voluntary Trustees who provide a stabilising presence along with the strong, skilled and committed staff team, who continue to demonstrate the range of activities that can be achieved for the benefit of Member Groups and the wider sector.

The Trustees met on 9 occasions across the year and the Finance Sub-Committee on 4 occasions. The Board were responsible for setting the strategic direction, policy and financial matters and overarching management of the organisations including the employment of staff.

The Board consider that they, together with the Director, comprise the key management personnel. The Trustees give their time freely and set the pay and remuneration of the LAYC staff.

#### **Plans for Future Periods**

During 2020 the Board together with the Director, undertook a review of LAYC's Strategic Plan and a new Strategic Plan 2020-2023 has been devised to run concurrently with LAYC's main 3-year core grant.

LAYC has also undergone a creative and language rebrand to ensure sustainability and relevance of the organisation moving forward, the outcome of this is reflected in the 2020-2023 Strategic Plan.

A new logo and visual branding was launched in December 2020.

From the 3-year core funding secured in 2020, LAYC expanded the core staff team and recruited a full-time Development Worker with a focus on Membership Training and Capacity Building.

In February 2021 LAYC's Administration, Communications and Marketing Officer started a period of maternity leave, the decision was taken to recruit a maternity cover to sustain the level of core work and Membership support within LAYC during this time period.

**LAYC**

**ANNUAL REPORT (continued)**

**For the year ended 31 March 2021**

**STRUCTURE, GOVERNANCE and MANAGEMENT (continued)**

**Statement of Trustees Responsibilities**

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 2019 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable 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 appropriate to assume that the charity will continue operation.

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

**On behalf of the Board of Trustees,**



**Allister Short  
Chair**

2021

11 October 2021

**INDEPENDENT EXAMINERS REPORT  
TO THE TRUSTEES OF LAYC**



I report on the Financial Statements of the Charity for the year ended 31 March 2021 which are set out on pages 10 to 21.

**Respective Responsibilities of the Trustees and Examiner**

The charity's Trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) (the Regulations). 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 financial statements 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 Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements 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 financial statements.

**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 respect the requirements:
  - to keep accounting records in accordance with Section 44(1) (a) of the Act and Regulation 4 of the Regulations;
  - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 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 financial statements to be reached.

Jeremy Chittleburgh  
Chiene + Tait LLP  
Chartered Accountants  
61 Dublin Street  
EDINBURGH  
EH3 6NL

11 October 2021

2021

**LAYC****STATEMENT of FINANCIAL ACTIVITIES****For the year ended 31 March 2021**

	Notes	Un- restricted Funds £	Restricted Funds £	2021 Total £	Un- restricted Funds £	Restricted Funds £	2020 Total £
<b>Income from:</b>							
Donations and legacies	2	52,700	89,284	141,984	53,597	22,005	75,602
Charitable activities	3	15,190	-	15,190	19,608	2,150	21,758
Investments		535	-	535	1,091	-	1,091
<b>Total income</b>		<b>68,425</b>	<b>89,284</b>	<b>157,709</b>	<b>74,296</b>	<b>24,155</b>	<b>98,451</b>
<b>Expenditure on:</b>							
Charitable activities	4	46,621	67,797	114,418	119,911	16,913	136,824
<b>Total expenditure</b>		<b>46,621</b>	<b>67,797</b>	<b>114,418</b>	<b>119,911</b>	<b>16,913</b>	<b>136,824</b>
<b>Net income/(expenditure)/income before pension adjustments</b>		<b>21,804</b>	<b>21,487</b>	<b>43,291</b>	<b>(45,615)</b>	<b>7,242</b>	<b>(38,373)</b>
Pension scheme adjustments	13	(1,094)	-	(1,094)	958	-	958
<b>Net income/(expenditure)/income</b>		<b>20,710</b>	<b>21,487</b>	<b>42,197</b>	<b>(44,657)</b>	<b>7,242</b>	<b>(37,415)</b>
Transfer between funds		-	-	-	-	-	-
<b>Net movement in funds</b>		<b>20,710</b>	<b>21,487</b>	<b>42,197</b>	<b>(44,657)</b>	<b>7,242</b>	<b>(37,415)</b>
Total funds brought forward		289,376	9,262	298,638	334,033	2,020	336,053
<b>Total funds carried forward</b>		<b>310,086</b>	<b>30,749</b>	<b>340,835</b>	<b>289,376</b>	<b>9,262</b>	<b>298,638</b>

The notes on pages 12 to 21 form part of these financial statements.

**LAYC****BALANCE SHEET****As at 31 March 2021**

	<b>Notes</b>	<b>2021</b> £	<b>2020</b> £
<b>Fixed assets</b>	7	182,282	186,903
		-----	-----
<b>Current assets</b>			
Debtors and prepayments	8	37,030	935
Bank and cash		176,869	167,142
		-----	-----
		213,899	168,077
<b>Creditors:</b> amounts falling due within one year	9	(31,033)	(29,648)
		-----	-----
<b>Net current assets</b>		182,866	138,429
		-----	-----
<b>Net assets excluding pension liability</b>		365,148	325,332
Defined benefit pension scheme liability	13	(24,313)	(26,694)
		-----	-----
<b>Net assets including pension liability</b>		340,835	298,638
		=====	=====
<b>Represented by:</b>	10		
<b>Funds – reserves</b>			
Unrestricted – General		269,370	248,660
– Designated		40,716	40,716
		-----	-----
		310,086	289,376
Restricted		30,749	9,262
		-----	-----
		340,835	298,638
		=====	=====

The financial statements were approved and authorised for issue by the Board of Trustees on .....



**Allister Short**  
**Chair**

11 October 2021

The notes on pages 12 to 21 form part of these financial statements.

**LAYC****NOTES to the FINANCIAL STATEMENTS****For the year ended 31 March 2021****1. Accounting policies**

The principal accounting policies adopted, judgements and key sources of estimated uncertainty in the preparation of the financial statements are as follows:

**Basis of accounting**

The financial statements have been prepared on a going concern basis under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the financial statements.

The financial statements are presented in Sterling which is the functional currency of the charity and rounded to the nearest £1.

The financial statements have been prepared in accordance with the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued October 2019 and the Financial Reporting Standard applicable in the United Kingdom and republic of Ireland (FRS 102).

LAYC meets the definition of a public benefit entity under FRS 102.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The Trustees have assessed the charity's ability to continue as a going concern, including consideration of the impact from COVID-19, and have reasonable expectation that the charity has sufficient resources to continue in operational existence for the foreseeable future.

**Income recognition**

Income is recognised when charity has entitlement to the funds when it is probable that the income will be received, and the amount can be measured reliably.

Donations, legacies and similar incoming resources are included in the period in which they are receivable, which is when the charity is entitled to the resource.

Charitable income, which can include income from grants and membership subscriptions, is recognised when the charity has entitlement to the funds, any performance conditions attached to the income resources have been met and it is probable the income will be received and the amount can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

**Expenditure recognition**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The charity is not registered for VAT and expenditure therefore includes any VAT which cannot be recovered and is reported as part of the expenditure to which it relates.

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

Support costs are allocated between governance costs and other support costs. Governance costs comprise those costs involving the public accountability of the charity and its compliance with regulations and good practice. They therefore include the costs of independent examination and costs linked to the strategic management of the charity. Other support costs relate to the administrative costs of running the charity and are allocated to charitable activities accordingly.

**LAYC****NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2021****1. Accounting policies (continued)****Expenditure recognition (continued)**

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of minor additions or those costing less than £250 are not capitalised.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Heritable property	50 years
Furniture and equipment - computer	4 years
- other	10 years

**Debtors**

Debtors and prepayments are recognised at the settlement amount due.

**Cash at bank**

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

**Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a 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.

**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.

**Fund accounting**

Funds held by the charity are either:

*Unrestricted funds* – these are funds which can be used in accordance with the charitable objectives at the discretion of the Board of Trustees.

*Designated funds* – included within unrestricted funds, funds have been designated where the trustees, at their discretion, have created a fund for a specific purpose.

*Restricted funds* – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for a particular restricted purpose.

**Pension costs**

LAYC is a member of the Scottish Voluntary Sector Pension Scheme (the Scheme) which is a multi-employer defined benefit scheme. This Scheme closed to future accrual on 31 March 2010. It is not possible to confirm LAYC's share of underlying assets and liabilities of the Scheme and the Scheme is therefore accounted for as a defined contribution scheme. The Scheme is currently in deficit funding agreement which is in place with LAYC. The net present value of the deficit reduction contributions payable under the agreement are reflected as a provision on the balance sheet and the movements on this provision in each period charged or credited through the Statement of Financial Activities.

LAYC also contributes to the individual personal pensions of employees. The contributions payable are charged to the Statement of Financial Activity in the period to which they relate.

**LAYC****NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2021****1. Accounting policies (continued)****Taxation**

As a charity, LAYC is exempt from tax on income and capital gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

**2. Donations and legacies**

	Unrestricted £	Restricted £	2021 £	2020 £
<i>Grants</i>				
City of Edinburgh Council	20,874	53,659	74,533	50,097
Gannochy Trust	-	-	-	6,000
Dr Guthrie's Association	-	-	-	2,000
YouthLink Scotland	-	3,340	3,340	740
Wesleyan Foundation	-	-	-	1,610
SCVO Cyber Essentials	-	500	500	500
Watkin Jones Community Fund	-	-	-	845
Corra Mental Health	-	-	-	7,810
British Science Week	-	500	500	1,000
Hope Trust	2,500	-	2,500	3,500
Pump House Trust	-	-	-	1,500
EVOG Mental Health	-	10,400	10,400	-
Foundation Scotland Essentia	-	2,000	2,000	-
The Robertson Trust	18,000	-	18,000	-
Youth Borders ASH Fund	-	3,960	3,960	-
Youth Scotland Cash back	1,000	-	1,000	-
Foundation Scotland	1,898	-	1,898	-
Corra Foundation	5,428	-	5,428	-
Edinburgh Council 6VT	3,000	-	3,000	-
Communities Recovery Fund	-	14,925	14,925	-
	-----	-----	-----	-----
<b>Total</b>	<b>52,700</b>	<b>89,284</b>	<b>141,984</b>	<b>75,602</b>
	=====	=====	=====	=====

Income from donations and legacies was £141,984 (2020: £75,602) of which £52,700 (2020: £53,597) was unrestricted and £89,284 (2020: £22,005) was restricted.

**3. Income from Charitable Activities**

	Unrestricted £	Restricted £	2021 £	2020 £
Affiliation fees	11,096	-	11,096	12,051
Training and other income	4,094	-	4,094	9,707
	-----	-----	-----	-----
<b>Total</b>	<b>15,190</b>	<b>-</b>	<b>15,190</b>	<b>21,758</b>
	=====	=====	=====	=====

Income from charitable activities was £15,190 (2020: £21,758) of which £15,190 (2020: £19,608) was unrestricted and £nil (2020: £2,150) was restricted.

**LAYC****NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2021**

<b>4. Charitable Activities</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2021</b>	<b>2020</b>
	£	£	£	£
<i>Directly allocated to activities:</i>				
Disclosure fees	1,305	1,354	2,659	4,356
Staff costs	13,085	43,193	56,278	75,653
Subscriptions	280	-	280	411
Training costs	-	459	459	3,488
Youth Scotland insurance	605	-	605	-
Project awards	1,484	2,636	4,120	-
	-----	-----	-----	-----
	16,759	47,642	64,401	83,908
	-----	-----	-----	-----
<i>Support costs:</i>				
Staff costs: administrator	7,079	11,302	18,381	28,001
Pension contributions	2,455	-	2,455	2,441
Depreciation	4,621	-	4,621	4,511
Premise costs	2,875	2,321	5,196	5,123
Office costs	3,953	3,451	7,404	5,485
Travel	797	-	797	697
Computer & website costs	3,058	3,081	6,139	1,045
Meeting expenses	-	-	-	254
Bank charges	32	-	32	32
Sundry	1,542	-	1,542	1,922
Interest expense	630	-	630	-
Governance costs (note 5)	2,820	-	2,820	3,405
	-----	-----	-----	-----
	29,862	20,155	50,017	52,916
	-----	-----	-----	-----
<b>Total</b>	46,621	67,797	114,418	136,824
	=====	=====	=====	=====

All costs have been allocated on a direct basis apart from staff costs which have been allocated on the basis of time spent.

<b>5. Governance costs</b>	<b>2021</b>	<b>2020</b>
	£	£
Annual report/Annual General Meeting	-	205
Independent examiner's fee	2,820	3,200
	-----	-----
	2,820	3,405
	=====	=====
<b>6. Staff costs</b>	<b>2021</b>	<b>2020</b>
	£	£
Salaries	71,705	99,184
Social Security costs	2,954	4,470
Pension costs	2,455	2,441
	-----	-----
	77,114	106,095
	=====	=====

**LAYC****NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2021**

<b>6. Staff costs (continued)</b>	<b>2021 No.</b>	<b>2020 No.</b>
The average number of staff during the year was:		
Operational and administration	3	3
	=====	=====

No employee received remuneration of more than £60,000 (2020: none).

In the previous year, the salary costs of the Director were met directly by The City of Edinburgh Council but are reflected within staff costs detailed above. The matching income is reflected within 'Grants' (note 2).

Members of the Board of Trustees received no remuneration nor were reimbursed any expenses in the year. The Director is the other member of key management and her total remuneration cost was £41,926 (2020: £42,358).

<b>7. Tangible fixed assets</b>	<b>Heritable Property £</b>	<b>Office Equipment £</b>	<b>Total £</b>
<b>Costs</b>			
At 1 April 2020	220,000	3,886	223,886
Additions	-	-	-
	-----	-----	-----
At 31 March 2021	220,000	3,886	223,886
	-----	-----	-----
<b>Aggregate depreciation</b>			
At 1 April 2020	35,200	1,783	36,983
Depreciation charge	4,400	221	4,621
	-----	-----	-----
At 31 March 2021	39,600	2,004	41,604
	-----	-----	-----
<b>Net book value</b>			
At 31 March 2021	180,400	1,882	182,282
	=====	=====	=====
At 31 March 2020	184,800	2,103	186,903
	=====	=====	=====

<b>8. Debtors and prepayments</b>	<b>2021 £</b>	<b>2020 £</b>
Prepayments and accrued income	37,030	935
	-----	-----
	37,030	935
	=====	=====

<b>9. Creditors: amounts falling due within one year</b>	<b>2021 £</b>	<b>2020 £</b>
Accruals	3,388	3,200
Deferred income	7,443	6,800
Other creditors	2,319	1,265
Funds held as custodian – Donald Gorrie Challenge Award	17,883	18,383
	-----	-----
	31,033	29,648
	=====	=====

**LAYC****NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2021**

<b>10. Creditors:</b> amounts falling due within one year (continued)	<b>2021</b>	<b>2020</b>
	£	£
(a) <i>Movement in deferred income can be analysed as follows:</i>		
Balance brought forward	6,800	6,766
Released in year	(6,800)	(6,766)
Deferred in year	7,443	6,800
	-----	-----
Balance carried forward	7,443	6,800
	=====	=====

Deferred income comprises affiliation fees prepaid for 2021/2022.

(b) *Funds held as custodian – Donald Gorrie Challenge Award ('DGCA')*

The family of the late Donald Gorrie provided funds to directly benefit disadvantaged young people who are engaged with the youth project 6VT. These funds are held on behalf of DGCA by LAYC in a separate designated bank account. The funds are managed under a Memorandum of Understanding between the Gorrie Family, 6VT and LAYC.

Funds deposited in the year totalled £0 and £500 drawn to make awards leaving a balance of bank funds held at the year end of £17,883.

<b>11. Funds</b>	<b>At 1 April</b>	<b>Income</b>	<b>Expend- iture</b>	<b>Gains/ (losses)</b>	<b>Transfers</b>	<b>At 31 March</b>
	£	£	£	£	£	£
<b>2020/21</b>						
<b>Unrestricted – General</b>	248,660	68,425	(46,621)	(1,094)	-	269,370
Designated						
- Joyce Dunford Bequest	40,716	-	-	-	-	40,716
	-----	-----	-----	-----	-----	-----
	289,376	68,425	(46,621)	(1,094)	-	310,086
	-----	-----	-----	-----	-----	-----
<b>Restricted</b>						
- Gannochy	665	-	(665)	-	-	-
- Youthlink	-	3,340	(3,340)	-	-	-
- Wesleyan Foundation	990	-	(460)	-	-	530
- Foundation Scotland Essentia	-	2,000	(950)	-	-	1,050
- SCVO Cyber Essentials	500	500	(350)	-	-	650
- Corra Mental Health	7,107	-	(4,013)	-	-	3,094
- British Science Week	-	500	(400)	-	-	100
- EVOG Mental Health and Wellbeing Fund	-	10,400	-	-	-	10,400
- Youth Border ASH Funding	-	3,960	(3,960)	-	-	-
- The Communities Recovery Fund	-	14,925	-	-	-	14,925
- City of Edinburgh Council	-	53,659	(53,659)	-	-	-
	-----	-----	-----	-----	-----	-----
	9,262	89,284	(67,797)	-	-	30,749
	-----	-----	-----	-----	-----	-----
	298,638	157,709	(114,418)	(1,094)	-	340,835
	=====	=====	=====	=====	=====	=====

**LAYC****NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2021**

11. Funds (continued)	At 1 April £	Income £	Expend- iture £	Gains/ (losses) £	Transfers £	At 31 March £
<b>2019/20</b>						
<b>Unrestricted – General</b>	293,317	74,296	(119,911)	958	-	248,660
Designated						
- Joyce Dunford Bequest	40,716	-	-	-	-	40,716
	-----	-----	-----	-----	-----	-----
	334,033	74,296	(119,911)	958	-	289,376
	-----	-----	-----	-----	-----	-----
<b>Restricted</b>						
- NHS Tobacco project	2,020	-	(2,020)	-	-	-
- Gannochy	-	6,000	(5,335)	-	-	665
- Dr Guthries	-	2,000	(2,000)	-	-	-
- Youthlink	-	740	(740)	-	-	-
- Wesleyan Foundation	-	1,610	(620)	-	-	990
- SCVO Cyber Essentials	-	500	-	-	-	500
- Watkin Jones	-	845	(845)	-	-	-
- Corra Mental Health	-	7,810	(703)	-	-	7,107
- British Science Week	-	1,000	(1,000)	-	-	-
- Pump House Trust	-	3,650	(3,650)	-	-	-
	-----	-----	-----	-----	-----	-----
	2,020	24,155	(16,913)	-	-	9,262
	-----	-----	-----	-----	-----	-----
	336,053	98,451	(136,824)	958	-	298,638
	=====	=====	=====	=====	=====	=====

The charity's general reserves consist of funds which the charity may use for its purpose at its discretion.

The Joyce Dunford Bequest was established following a donation by a late President and it is a designated fund that is used to support member groups including the provision of small grants.

NHS Tobacco Project – funding was received by NHS Lothian to provide small tobacco action grants to youth groups to explore tobacco issues and promote tobacco prevention.

Gannochy Trust – LAYC successfully secured three year funding from The Gannochy Trust to develop and deliver a new project “Inspiring Young Youth Workers” as part of the training support offered – aimed at 18-25 year olds working or volunteering in Youth and Children’s organisations based in Edinburgh or the Lothians. It was officially launched to organisations in August 2017.

Dr Guthries – supporting delivery of LAYC’s training and capacity building programme, funding support and training resources.

Youthlink – delivery of local consultation event for youth workers, contributing to the development of the national youth work strategy. Funding also required a written report submitted from the consultation event.

Foundation Scotland Essentia – to improve the health and welfare of children and young people under the age of 25.

Wesleyan Foundation – delivery of games and physical activity training for youth and children’s workers, including follow-up support and provision of training kit bags.

SCVO Cyber Essentials – completion of Cyber Essentials accreditation for LAYC, including additional IT support required.

**LAYC****NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2021****11. Funds (continued)**

Watkin Jones – delivery of Mental Health First Aid course, including facilitation costs and training resources.

Corra Mental Health – delivery of a programme of mental health and wellbeing training sessions for youth and children’s workers, including facilitator costs and training resources.

British Science Week – delivery of Science, Technology, Engineering and Mathematics sessions for youth and children’s workers, including facilitation costs and training kit support packs for participants.

Pump House Trust – delivery of International Women’s Day event for youth and children’s workers supporting girls and young people, including facilitations costs for multi-workshop event.

Youth Borders ASH Funding – supporting a tobacco-free generation.

EVOC Mental Health - supporting children, young people & families in Edinburgh to support and improve mental health and emotional wellbeing in our communities.

The Communities Recovery Fund - to support LAYC Member Groups with the safe re-starting of indoor youth and children’s work provision.

City of Edinburgh Council – to support best outcomes for children and young people.

<b>12. Net assets analysis of funds</b>	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>Restricted Funds</b>	<b>Total</b>
	£	£	£	£
Fixed assets	182,282	-	-	182,282
Net current assets	111,401	40,716	30,749	182,866
DB pension liability	(24,313)	-	-	(24,313)
	-----	-----	-----	-----
At 31 March 2021	269,370	40,716	30,749	340,835
	=====	=====	=====	=====
Fixed assets	186,903	-	-	186,903
Net current assets	88,451	40,716	9,262	138,429
DB pension liability	(26,694)	-	-	(26,694)
	-----	-----	-----	-----
At 31 March 2020	248,660	40,716	9,262	298,638
	=====	=====	=====	=====

**13. Pension commitments***(a) Defined contribution pension arrangements*

LAYC contributes to the individual personal pension plans of employees. The contributions made in the year were £2,455 (2020: £2,441) representing an employer contribution of 7% of pensionable pay.

*(b) Defined benefit pension arrangements*

The company participates in the Scottish Voluntary Sector Pension Scheme, a multi-employer scheme which provides benefits to some 102 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

**LAYC****NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2021****13. Pension commitments (continued)**

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

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2017. This actuarial valuation was certified on 19 December 2018 and showed assets of £120.0m, liabilities of £145.9m and a deficit of £25.9m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

*Deficit contributions;*

From 1 April 2019 to 30 September 2026:	£1.4m per annum (payable monthly and increasing by 3% each year on 1 April)
From 1 April 2019 to 31 March 2027:	£136,701 per annum (payable monthly and increasing by 3% each year on 1 April)

The contributions to 30 September 2027 are in respect of those employers that have agreed concessions (both past and present) with the Trustee.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

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

Present values of provision	<b>2021</b> £	<b>2020</b> £	<b>2019</b> £
Present value of provision	24,313 =====	26,694 =====	31,213 =====
<i>Reconciliation of opening and closing provisions</i>		<b>2021</b> £	<b>2020</b> £
Provision at start of year		26,694	31,213
Unwinding of the discount factor (interest expense)		630	424
Deficit contribution paid		(4,105)	(3,985)
Re-measurements – impact of any change in assumptions		1,094	(958)
Re-measurements – amendments to the contribution schedule		-	-
Provision at end of year		24,313 =====	26,694 =====
<i>Income and expenditure impact</i>		<b>2021</b> £	<b>2020</b> £
Interest expense		630	424
Re-measurements – impact of any change in assumptions		1,094	(958)
Re-measurements – amendments to the contribution scheme		-	-
		1,724 =====	(534) =====

**LAYC****NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2021****13. Pension commitments (continued)**

<b>Assumptions</b>	<b>2021</b> %	<b>2020</b> %	<b>2019</b> %
	per annum	per annum	per annum
Rate of discount	0.86 =====	2.57 =====	1.46 =====

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

**14. Related party transactions**

There were no transactions with related parties in the current or previous years.