

**LGBT Youth Scotland**

**REPORT AND  
FINANCIAL STATEMENTS**

**For the year ended 31 March 2023**

**Charity No SC024047  
Company No SC244805**

**WHITELAW WELLS  
Chartered Accountants**

**NORTH BERWICK**

**EDINBURGH**

**GLASGOW**

**LGBT Youth Scotland**

**DIRECTORS' REPORT**

**For the year ended 31 March 2023**

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## **LGBT Youth Scotland**

### **DIRECTORS' REPORT**

**For the year ended 31 March 2023**

The directors are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2023.

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

#### **Objectives and Activities**

The principal objective of LGBT Youth Scotland is to promote the benefit, to preserve and protect the physical, mental and spiritual good health, and to advance the education of, lesbian, gay, bisexual and transgender young people between the ages of 13-25 in Scotland; by working towards the elimination of discrimination against, and to promote equality of opportunity for all lesbian, gay, bisexual and transgender young people with a view to enabling them to participate fully in the social, economic and civic life of their communities.

Our vision is that Scotland is the best place to grow up for lesbian, gay, bisexual and transgender and intersex young people.

Our mission is to play a leading role in the provision of quality youth work to LGBTI young people that promotes their health and wellbeing and to be a valued and influential partner in LGBTI equality and human rights.

LGBT Youth Scotland's 5-year 'Strategy for a Sustainable Future' focused on four key outcomes to March 2023:

#### **Youth Work Changes Lives**

Youth work has a direct, tangible impact on the lives of the LGBTI young people we provide services for. We are committed to providing high quality services, supporting LGBTI young people to develop improved confidence, resilience, and skills to realise their potential. This is achieved through our youth work, both face to face and online, across Scotland. We are improving access to our services through innovation of our digital programmes and by gathering evidence on the impact our services have on LGBTI young people's lives.

#### **Inclusive Education**

To achieve wider impact on the lives of LGBTI young people in education, we are supporting educational establishments across Scotland through our LGBT Charter to create more LGBT inclusive environments, having a positive impact on the lives of LGBTI pupils in the education system. We monitor that teachers, school staff and professionals engaged in the LGBT charter can demonstrate a measurable increase in knowledge, confidence, and skills to create inclusive environments.

#### **Productive Partnerships**

To achieve wider impact on the lives of LGBTI young people across Scotland we are supporting organisations to create more LGBT inclusive environments through the LGBT Charter. In addition, we are developing strategic partnerships with funders and other stakeholders to diversify our income and give long term stability to the organisation. We are also strengthening our communications, highlighting evidence of impact, raising our profile, influencing funders and policy makers and better supporting young people.

## **LGBT Youth Scotland**

### **DIRECTORS' REPORT**

**For the year ended 31 March 2023**

#### **Objectives and Activities (continued)**

##### **Youth Voice**

Long term impact is achieved through amplifying youth voice to key influencers. We are ensuring LGBTI young people's voices are heard by key decision makers and that their experiences and needs are reflected in Scotland's policy landscape and further afield. We are better informing our programmes and governance through our youth reference group, as we work closely with young people to consult, gather research findings, and share this widely with others. Our team is central to this, and we will innovate and implement approaches to support staff health and wellbeing; start to develop capacity in the organisation through a plan to develop and support our workforce, use technology to support efficiencies in the organisation, implement new tools to report, record and quality assure all youth work sessions.

These outcomes were delivered through an annual business plan and monitored by the Leadership Team, Chief Executive and Board of Trustees.

##### **Achievements and Performance**

The final year of our 2018-2023 strategy was yet again a challenging year with services being delivered in an unstable financial climate with rising organisational costs in terms of energy bills and materials costs coupled with significant increases in the cost of living impacting the charity, staff and young people. While this has had an operational impact and also a personal impact on the team and young people, the year was successful with positive outcomes and impacts for LGBTQ+ young people across Scotland.

##### ***Youth Work Changes Lives***

This financial year we continued to listen to young people's feedback and retained the blended model of youth work post Covid19, with both face to face and digital offerings remaining to allow increased access to opportunities. We extended our reach through a new digital youth group for young people in the Highlands and Islands. We invested in our internal youth work systems, and with the help of specialists, created a bespoke platform to allow us to more effectively record young people's information, needs and journeys. This has helped reduce administration, enhanced oversight of the services, and in the future will help inform strategic decisions so they have the most impact.

LGBT Youth Scotland ran 23 youth groups in the year across Scotland and delivered 1,078 group work sessions with young people. In addition, we delivered 847 1:1 asset based coaching sessions, responded to 670 digital support requests, engaged with 371 young people through our live chat service and shared information with an additional 150 young people. In the year we were providing services regularly to 573 individual young people.

An impact framework was developed and implemented across the organisation in April 2022. The framework has allowed the Charity to set priorities for our own LGBTQ+ specific youth work practice, informed by our expertise as an organisation, which clearly links our activities to measurable indicators and the National Youth Work outcomes. The framework provides a clear rationale and working model for our youth work service, and for consistency across our youth work areas. It has allowed the Charity to plan and deliver responsive, evidence-based, programmes, which are informed by young people, encourage peer-peer learning, and support LGBTQ+ young people to realise their potential.

## LGBT Youth Scotland

### DIRECTORS' REPORT

For the year ended 31 March 2023

#### Achievements and Performance (continued)

This work has significant impact directly on young people with 76% of the respondents to our annual Youth Work survey indicating that their involvement with the charity has helped them to make positive decisions about their health and wellbeing which is similar to previous years.

*"The weekly in person groups motivate me to look after myself."*

In addition to this, 87% reported increased confidence, 92% felt a stronger part of a community and 69% have a more positive vision of their future.

*"It has boosted my confidence especially in regards to doing things in front of people. E.g delivering sessions, presentations, etc."*

57% of young people say that they had developed new skills that could help in education, training, volunteering or new employment.

*"School is better because I am happier and I can get on and learn because I have support outside of that environment."*

*"Through support from youth workers and my youth commission experience, I was able to get a place on a university course."*

A lot of this is as a direct result of the youth workers, best summed up by our young people:

*"The youth worker working with me, has literally changed my world. They have done so much for me in such a short period of time and I honestly I'm so thankful that I was able to meet them. They have managed to gently push me towards taking advantage of opportunities that I would have otherwise let pass me by out of fear. And they have done it in a way that's void of judgement or frustration, they have repeatedly remained open and kind and these sorts of things are so, so important to me. They have solidified themselves in my life as someone I can talk to, confide in, and, trust implicitly. My day to day is focused solely on surviving, on getting to the end of it. But, each 1:1 has become a little pocket where maybe I don't have to be so afraid because my youth worker is here talking me through how to challenge something, or, giving me tips for how to stay safe. I am so grateful that I have that opportunity and he has undoubtedly increased my quality of life, exponentially."*

In 2022 the Charity's online youth work service achieved a National Youth Work Award in the digital and STEM category.

#### **Inclusive Education**

Our Inclusive Education work indirectly impacts the lives of young LGBTI people across Scotland through our LGBT Charter programme. This builds the capacity of local communities and partners, in order to improve services and workplaces for LGBT young people.

## LGBT Youth Scotland

### DIRECTORS' REPORT

For the year ended 31 March 2023

#### **Achievements and Performance (continued)**

We welcomed 43 additional schools onboard our LGBT Charter Programme and 21 schools achieved an LGBT Charter award in this financial year. 62 of our clients from educational settings were provided with LGBT awareness training with 2,855 professionals trained. Evaluation of the LGBT Charter for Education has evidenced that since 2021 over 5,000 teachers have been trained and we are working with approximately 100 schools each year.

We estimate that we are reaching a minimum of 30,000 young people through this programme of work. Evaluation data has evidenced that the work is changing the ethos/culture of schools with 99% of participants saying they are more aware of LGBT identities, and 99% feeling more confident to challenge homophobic, biphobic and transphobic behaviour.

*"In doing the LGBT Chartermark our school has had an increased support and understanding of helping young people to come out as LGBT+, the school also has made sure that the LGBT+ Community and LGBT+ Rights are more widely spoken about and given more attention – we have also found in classes there is less tolerance for Homophobia, Biphobia and Transphobia."* School pupil

*"Pronouns: I didn't really think about how important they are and also how much we use gendered language in everyday life (and how isolating and discriminating that could feel to someone questioning their identity)."* Teacher

In addition to this, the Charity has continued to build relationships across the wider education landscape across Scotland. This includes impactful meetings with local authority education contacts as well as engaging with the Scottish Government's LGBTI Education Implementation Group.

We contributed to the National Discussion on Education Reform based on feedback directly from LGBTQ+ young people from workshops delivered across the country. Their views were shared at Education Scotland and YouthLink Scotland events to highlight the importance of an inclusive environment and the role youth work plays within formal education settings and as a form of informal education. We continue to try and ensure that approaches are centred on the needs of LGBTQ young people.

A Good Practice Guide on LGBT Inclusion in Schools was developed in partnership with the General Teaching Council with its launch anticipated in 2023-24.

The Charity's staff piloted and supported the development of Education Scotland's Toolkit on Improving Gender Balance and Equalities in CLD. The toolkit will support CLD providers to self-evaluate and plan for improvement with consideration from an LGBTQ+ lens.

#### ***Productive Partnerships***

Our indirect impact continues with 31 new organisations signing up to complete the LGBT Charter and 11 organisations successfully achieving accreditation to the 31st of March 2023. 56 organisations are currently being supported to meet the standards and there are 43 awardees in their active award period of 4 years. This is a growing area of work which has seen a circa 40% increase in engagement compared to 2021-22. This programme of work supports organisations which either have young people as service users or as staff to become more inclusive and welcoming places. Evaluation shows that participants are based across 13 of the 16 Scottish postcode areas, 98% would recommend the programme to others and 85% report a stronger positive ethos around LGBT inclusion within their organisation.

## LGBT Youth Scotland

### DIRECTORS' REPORT

For the year ended 31 March 2023

#### Achievements and Performance (continued)

A standalone online LGBT Awareness training module was developed at the end of 2022 as a separate offer outside of the LGBT Charter programme to support organisations increase their knowledge, skills and confidence in this area. It was launched in early 2023.

*"[Staff] seem a lot more confident talking about different topics... One of our clients recently approached us as they're going through a gender transition at the moment, and the [staff] that were talking to them were so much more comfortable talking about that ... I think honestly a year ago that would have been a deer in the headlights moment - how do we deal with this, what are we supposed to do?"* Organisation Key Contact

In addition to this, our online engagement increased through our campaigns. "Proud to be part of the story" engaged a wide range of new supporters with whom we are now developing partnerships. Our annual Purple Friday campaign showcased support from four MSPs with nearly 13,000 views on the day.

Notably, the charity made a decision to leave Twitter (X) in early 2023 with this being an unsafe environment for young LGBTQ+ people to engage with the charity. As a result, our focus has been towards other platforms, particularly Instagram and LinkedIn which have seen 28% and 44% increases in audience numbers in the past year to 21,446 followers. Our website remains an important tool for engaging partners with nearly 90k visitors, up 4% on the previous year.

A staff forum was established to enable representative and engagement from every team into key pieces of work.

#### **Youth Voice**

Young people's voices are key to creating longer term wider impact, progressing LGBTQ+ rights within Scottish society. Our work supports young people's voices to be heard by key decision makers at all levels alongside raising awareness with LGBTQ+ young people of their rights, with 84% of respondents from our annual youth work survey reporting an increase in awareness of their rights and 80% feeling that they were better able to express their voice and make a difference.

As part of this, LGBT Youth Scotland provided a written response to the 3 stages of the Gender Recognition Reform bill and oral parliamentary evidence. The final bill included opportunities for young people aged 16 and 17 to be able to apply for a Gender Recognition Certificate which is a significant achievement. The Trans Rights Youth Commission played a key role in influencing this bill; providing their own response to stage 1 of the bill, speaking at rallies, and meeting with MSPs directly to ensure that the lived experience of trans young people was heard. Their work overall had a huge impact on the Bill and a real impact on the individuals who took part. Our work in this area has been shortlisted for a YouthLink Youth Work Award (Youth Participation) and the Youth Commissioners have been nominated for a Young Scot Award (Equality & Diversity). Young people's resilience, knowledge and teamwork was outstanding during this process. The bill successfully passed in parliament on Thursday the 22nd of December 2022 with a majority of 86 to 39 votes. In January the UK Government used Section 35 of the Scotland Act for the first time, to block the implementation of the Scottish Gender Recognition Reform (GRR) Bill. The outcome was disappointing but the Charity will continue to support young people to have their voices heard to help bring about positive change.

## **LGBT Youth Scotland**

### **DIRECTORS' REPORT**

**For the year ended 31 March 2023**

#### **Achievements and Performance (continued)**

Two young people who are MSYPs contributed to the work of the Scottish Youth Equalities and Human Rights Committee and Health and Wellbeing Committee.

In addition to the above, LGBT Youth Scotland contributed to several policy areas that would affect LGBTQ+ young people including the Expert Advisory Group in Ending Conversion Practices which completed its work with published reports in August 2022. A staff member and a youth representative engaged with the Scottish Government's Non-Binary Working Group. The Charity contributed to a public consultation on the Interim Service Specification for Specialist Gender Dysphoria Services for Children and Young People for NHS England, recognising the potential impact on trans young people across the UK. The Charity was also invited to be part of the Equalities Steering Group which is developing the forthcoming Scottish Government Youth Work Strategy.

In total the Charity met with 13 MSPs (including Ministers) this year to discuss a wide range of issues including Youth Work, Mental Health, Education and Gender Recognition Reform.

Alongside working directly with young people on the topics that are important to them, our work is informed by young people on a wider basis. On the 25th of April 2022 LGBT Youth Scotland launched a new Life in Scotland for LGBT Young People Report, based on a survey of over 2000 responses, of which 1279 were usable. This report was launched in the Fruit Market Gallery with representation from statutory and 3rd sector bodies. The event included speeches from staff and young people. These findings have been shared widely at different events across Scotland. As a result of the report a number of partners are looking to work with the Charity to improve inclusion for LGBTQ+ young people across sectors. The Minister for Equalities and Older People also set up a series of meetings to discuss LGBTQ+ equality, bringing together LGBT, youth work and children's rights organisations from across Scotland.

In February we published a report that took a 'deep dive' into LGBTQ+ young people's experiences of education, 'Life in Scotland for LGBT Young People in Education'. It continues to be useful to influence key decision makers and key findings were presented to the Scottish Government's Learning Directorate. This report has been well received and the recommendations are being used to support the development of the LGBT Charter for Education.

The Charity developed a new platform to store and analyse the findings from the Life in Scotland research. The platform has been presented to a number of Scottish Government departments to support them in understanding the types of information we have available. They have all expressed interest in engaging with us when specific data sets are required.

The Charity launched the (Un)seen, (Un)heard social history project in January 2023, aiming to capture collate and conserve the voices of young LGBTQ+ people living in Scotland. We have established partnerships to provide opportunities to respond and add to existing collections. 15 workshops have been delivered as part of this work, allowing oral histories and video histories to be recorded, and training to be delivered to young people on archives and storytelling. This will continue into 2023-24. The results of these will be displayed in a national exhibition throughout LGBT History Month.



## LGBT Youth Scotland

### DIRECTORS' REPORT

For the year ended 31 March 2023

#### **Achievements and Performance (continued)**

##### ***Volunteering within LGBT Youth Scotland***

Many volunteers give up their time to assist staff with the delivery of services across the work of the charity, particularly at weekends and in the evenings. The directors are greatly indebted to these volunteers for their commitment and support.

In 2022-23 the Charity was awarded The Queen Elizabeth II Platinum Jubilee Volunteering Award. Over the year, our 120+ volunteers donated approximately 3,000 hours of time through both in-person and online delivery, supporting the governance of the charity and leading our youth participation programmes.

The development and retention of our volunteers is important to us. Evaluation of the volunteering programme showed that 86% of volunteers strongly agreed/agreed that they felt their volunteer work made an impact, and 90% strongly agreed/agreed that the Charity provided them with meaningful volunteer opportunities.

#### **Financial Review**

The net expenditure for the year, after losses of £16,205 (2022: losses £2,117) on investments, amounted to £46,742 (2022: net income £123,731). After actuarial gains on the pension provision of £200 (2022: gains £18,300), the total deficit for the year was £46,542 (2022: surplus £142,031), of which £56,430 (2022: £57,189) related to unrestricted funds, including designated funds of £3,750 (2022: £6,750) relating to property dilapidation costs.

##### Reserves policy

Total funds arising from past operating results amounted to £628,082 (2022: £674,624) as at the year-end. The free reserves, being unrestricted funds not tied up in tangible or intangible fixed assets, amounted to £286,586 (2022: £437,752), designated funds amounted to £101,486 (2022: £6,750) and restricted funds amounted to £240,010 (2022: £230,122). It is the policy of the directors to have at least three months' operating costs in free reserves, which is assumed to equate to around three months' total annual costs and amounts to approximately £418,000. Designated funds in the period related to a significant investment in a youth work database and a provision for dilapidations. Following further necessary investment in 2023-2024, the Charity aims to continue to pursue its strategy of income diversification through fundraising and the LGBT Charter to gradually build reserves back up each year to target levels.

##### Investment policy

It is considered that the most appropriate policy for holding surplus funds is in low to medium risk investments that will safeguard the capital invested whilst providing a return at least in line with inflation. The majority of investments are held in managed accumulation funds, whereby returns are mostly by way of capital gains rather than dividend income. Where dividend income is received, it is reinvested in additional investment units. The directors acknowledge the performance of investments which showed a minimal increase in value.

##### Principal funding

Principal funders during the year are as shown at note 3. In addition, a significant amount of income was generated by way of fees for the provision of training and other services. The charity is grateful for all of the funding support it received in the year to deliver its work.

## LGBT Youth Scotland

### DIRECTORS' REPORT

For the year ended 31 March 2023

#### Financial Review (continued)

##### Grants policy

The charity occasionally receives project funding which it distributes to project partners and other individuals and organisations involved in delivering charitable activities. The charity distributes funding once it has approved the project activities being undertaken by the grant beneficiary and the relevant paperwork has been completed by the beneficiary.

##### Risk management

Effective risk management is important to the Board; ensuring that the charity operates within its financial capabilities and makes prudent financial decisions. In addition to financial risk management, the Trustees also place a high priority on minimising exposure to risk to service users, staff, volunteers and visitors.

Policies and procedures are in place concerning service provision to children and vulnerable adults, health and safety, the GDPR and HR. Risk assessments are routinely carried out for the offices, general service provision and off-site events. These are reviewed by management, audited at a senior level and reported to Trustees.

The Charity has an organisation wide risk register which is reviewed by the Board on a quarterly rolling basis and as and when required in response to changes in the environment which increase risks and/or their potential impact. High impact risks are identified, and mitigating strategies discussed and agreed.

The following have been identified as areas of most significant risk to the Charity:

<b>Risk Description – Operational &amp; Financial</b>
A reliance on short-term grants, Trusts and local funding in an increasingly competitive and uncertain funding environment, and rapidly growing costs as a result of inflation, put services at risk. Closure of Scottish Government grant opportunities post application and at late notice cause delays in financial plans.
<b>Strategy to manage risk</b>
The Charity uses a three-year funding plan reviewed quarterly or as required by senior management and the board. The Charity continues to look to move away from reliance on grants, trusts and local funding towards a model which increases the unrestricted reserves of the charity through unrestricted donations and fees over the coming years. Focus has also remained on the LGBT Charter Programme which allows the Charity to help create safer more inclusive spaces and work environments for LGBTQ+ young people, whilst also increasing unrestricted income.

LGBT Youth Scotland

DIRECTORS' REPORT

For the year ended 31 March 2023

Financial Review (continued)

<p><b>Risk Description – Operational &amp; Financial</b></p> <p>The Charity is facing a financial risk around an historical pension scheme with legacy staff members. There is uncertainty over whether historical decisions made by the pension scheme provider are valid under several of their schemes. The validity of their decisions will be decided by the courts. If the court decides that any decisions were made incorrectly then each employer with staff members active in the scheme may be liable for additional liabilities.</p>
<p><b>Strategy to manage risk</b></p> <p>The Charity continues to monitor the progress of the court case. All employers linked to affected schemes are being represented by a single legal firm qualified in the area of pension disputes. An employers committee acts as a representative for employers for consultation with the pension providers trustees. Decisions will be made regarding contingencies once more information is known.</p>
<p><b>Risk Description – Reputation</b></p> <p>A challenging legacy and social media environment resulting in negative media regarding trans young people can have a significant impact on their health and wellbeing. Where messages specifically link to the work of LGBT Youth Scotland there is a small risk of reputational damage.</p>
<p><b>Strategy to manage risk</b></p> <p>The Charity monitors the media environment to pro-actively manage any coverage through positive evidence-based messaging. A cross organisational programme supporting greater positive communication in Scottish media around trans rights was implemented in this financial year and will continue into future years.</p> <p>On an going basis, the Leadership Team has oversight of all comms messages and responses; including reviewing requests from media sources. Coalition meetings with key partners; on-going communication with the children and young people’s sector as well as our funders are led by the Leadership Team. Pro-active messaging is being shared with a wider range of media to raise positive engagement around trans rights in Scotland.</p> <p>If necessary, any actions that are threatening or criminal in nature will also be raised with the appropriate authorities.</p>

Plans for Future Periods

In April 2023 LGBT Youth Scotland launched its new 5-year strategy (2023-2027). As a charity which is young person led, we worked together with our Youth Reference Group (YRG) in a co-design group. As a result of this, our strategy contains elements which are important to our young people. Along with the YRG, a wide range of stakeholders were brought together to look at the Charity’s values, vision, mission and strategic goals. The strategy has been informed by our Life in Scotland research, annual youth work evaluations and the wider political and economic landscape of Scotland. We will continue to embed the new strategy going forwards.

## **LGBT Youth Scotland**

### **DIRECTORS' REPORT**

**For the year ended 31 March 2023**

#### **Plans for Future Periods (continued)**

Our new vision is that Scotland is the best place for LGBTQ+ young people to flourish and thrive.

Our new mission is to support LGBTQ+ young people to flourish and thrive in all aspects of their lives through the provision of amazing youth work. We support LGBTQ+ young people to use their voice and create change in equality and human rights.

The new strategy is publicly available on our website explaining our four strategic goals and the key indicators that will be used to measure achievement against. Our four new strategic goals are:

#### **Changing Lives Through Youth Work**

LGBTQ+ young people take ownership of their own lives and become more confident and successful individuals.

#### **Influencing Change Through Young People's Voices**

LGBTQ+ young people influence change through their voice and by taking action.

#### **Improving Young People's Lives Through Partnerships**

LGBTQ+ young people have increased opportunities through meaningful relationships and partnership with other organisations.

#### **Improving Young People's Lives Through Creating Inclusive Environments**

LGBTQ+ young people have access to more inclusive environments to live, work and learn.

Moving forward the Charity is looking to develop its youth work provision in rural areas, in order to provide life-changing support to a greater number of LGBTQ+ young people. Support for LGBTQ+ young people in rural/remote areas of Scotland is lacking, leading to increased isolation and poorer mental health.

Progressing on from a pilot, the Charity's strengthened one to one coaching model will be rolled out in 2023-24 and will integrate new coaching approaches to help improve LGBTQ+ young people's mental health and wellbeing, build personal resilience and encourage better connections with local community.

We have committed to becoming a trauma-informed organisation in response to the high number of one to one support sessions with LGBTQ+ young people that are in relation to poor mental health and trauma. We ensure that we refer young people on to appropriate services, however we are aware that waiting times for some services can be lengthy and that for some LGBTQ+ young people there are significant fears around accessing services. We will work with NHS Scotland to deliver training to all staff so we are better equipped as a Charity to support young people and improve their resilience.

A new report that examines young people's experiences/barriers to accessing healthcare will be published in early 2023 followed by reports on young people's experiences in rural environments.

## LGBT Youth Scotland

### DIRECTORS' REPORT

For the year ended 31 March 2023

#### Structure, Governance and Management

##### Governing document

On 27 February 2003, LGBT Youth Scotland was incorporated as a private company limited by guarantee and is recognised as a charity by the Office of the Scottish Charity Regulator. The company was established under a Memorandum of Association, which sets out the objects and powers of the company and is governed under its Memorandum and Articles of Association. The Articles of Association were updated in February 2021 to reflect changes to how we govern the charity, bringing it in line with the Companies Act 2006 and reflecting necessary updates as a result of Covid with the updates provided to OSCR and Companies House. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

##### Recruitment and appointment of directors

LGBT Youth Scotland is governed by a board of directors, who are directors for the purpose of company law and trustees for the purpose of charity law. Under the requirements of the Articles of Association the members of the board are elected by the members to serve for a period of three years, after which they must be re-elected at the next Annual General Meeting.

In order to maintain a broad skills mix, members of the board are requested to provide a list of their skills (and update it each year) and, in the event of particular skills being lost due to resignations, an open recruitment is undertaken based on skills requirement, with applications made to the board.

##### Directors induction and training

Existing directors are already familiar with the practical work of the charity. New directors are invited to attend board meetings before being formally appointed to the board. New directors are also required to undertake our online training which includes:

- The obligations of board members including the general duties and specific duties as outlined by OSCR.
- The vision of the charity, current work and future objectives.
- Safeguarding.

They are encouraged to meet with the Convener and Chief Executive to understand more about the main documents which set out the operational framework for the charity including the Articles of Association.

##### Members of the board of directors

Members of the board of directors who served during the year and up to the date of signing of this report, are set out on page 15 of the financial statements.

##### Related parties

LGBT Youth Scotland co-operates with one separately constituted group in the pursuit of its charitable objectives, providing staff resource and expertise to support their activities. Beyond Gender works to improve the lives of transgender young people aged 13-25 in Edinburgh and across Scotland.

##### Organisational structure

The charity has a board of directors of up to twelve members who meet quarterly and are responsible for the strategic direction and policy of the charity. At the year-end there were eight members of the board from a variety of backgrounds relevant to the work of the charity.

## LGBT Youth Scotland

### DIRECTORS' REPORT

For the year ended 31 March 2023

#### **Structure, Governance and Management (continued)**

The Board has three formal sub-committees to scrutinise and make recommendations to the board on the organisation's resources and governance and to support implementation of the strategy. The Youth Reference Group work alongside the Board of Trustees, ensuring that young people's voices are heard at a strategic level and to ensure their decisions reflect the needs and experience of the young people the charity works with. The Project and Partnerships committee focusses on key development programmes to further the interests of the charity.

The directors delegate responsibility for the management of LGBT Youth Scotland to the Chief Executive, who reports performance against operational and improvement plans approved by the board of directors. The Chief Executive and Head of Operations also report, via the Treasurer and Resources & Governance Sub-committee, on the financial position of the organisation. Management accounts are received and reviewed quarterly by the board and Resources and Governance Sub-committee.

#### Pay policy for senior staff

The directors and the senior management comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give of their time freely and no director received remuneration in the year.

The pay of the senior staff is reviewed annually.

**LGBT Youth Scotland**

**DIRECTORS' REPORT**

**For the year ended 31 March 2023**

**Reference and Administrative Information**

**Charity name**

LGBT Youth Scotland

**Board of Directors**

Lewis Shand Smith	Convener
Audrey Connolly	Vice Convener
Danielle Eadie	Treasurer
Nic Mooney	
Ian Rivers	
Dean Fostekew	
Justin Beck	(resigned 26 <sup>th</sup> November 2022)
Chenai Mautsi	(resigned 26 <sup>th</sup> November 2022)
Diletta Taris	
Glenn Exton	(resigned 15 <sup>th</sup> March 2023)
Mark Meechan	(resigned 27 <sup>th</sup> May 2023)
James Blair	

**Company Secretary**

Dr Mhairi Crawford

**Senior Management Team**

Dr Mhairi Crawford	Chief Executive
Cara Spence	Head of Programmes
Nicola Booth	Head of Youth Work
Michelle Sodo	Head of Operations
Ali Kerr	Head of Partnerships

**Registered Office and Operational Address**

5/1 Mitchell House  
Mitchell Street  
Edinburgh EH6 7BD

**Company Number**

SC244805

**Senior Statutory Auditor**

Ingela Louise Presslie

**Independent Auditors**

Whitelaw Wells  
Chartered Accountants  
9 Ainslie Place, Edinburgh EH3 6AT

**Bankers**

Royal Bank of Scotland  
31 North Bridge, Edinburgh EH1 1SK

**Solicitors**

MacRoberts  
Excel House, 30 Sempole Street, Edinburgh EH3 8BL

## **LGBT Youth Scotland**

### **DIRECTORS' REPORT**

**For the year ended 31 March 2023**

#### **Statement of Responsibilities of the Directors**

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

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, for the financial year.

In preparing those financial statements, the directors' are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities & Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Directors are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Statement as to Disclosure of Information to Auditors**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **Auditors**

A resolution to re-appoint Whitelaw Wells as auditors for the ensuing year will be proposed at the annual general meeting.



**LGBT Youth Scotland**

**DIRECTORS' REPORT**

**For the year ended 31 March 2023**

**Small Company Provisions**

This report has been prepared in accordance with the special provisions of Part 15 Companies Act 2006 relating to small companies.

Approved by the Board of Directors on 17 October 2023 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Danielle Eadie', written in a cursive style.

**Danielle Eadie**  
Treasurer

## LGBT Youth Scotland

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND DIRECTORS

For the year ended 31 March 2023

#### Opinion

We have audited the financial statements of LGBT Youth Scotland for the year ended 31 March 2023, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, 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 FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Accounting 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 income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs UK) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' (who are also the directors of the company for company law purposes) 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 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 we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND DIRECTORS**

**For the year ended 31 March 2023**

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.

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

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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' annual report;
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND DIRECTORS**

**For the year ended 31 March 2023**

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:

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error.

From enquiries of those charged with governance, it was determined that the risk of material misstatement from fraud was low with little scope for fraud to occur. Our audit testing is designed to detect material misstatements from fraud where there is not high level collusion.

Our audit testing was designed to detect material misstatements from other irregularities that result from error where there is not high level concealment of the error. In this regard the following audit work was undertaken: applicable laws and regulations were reviewed and discussed with management; senior management meeting minutes were reviewed; internal controls were reviewed; and journals were reviewed. From this audit testing it was determined that the risk of material misstatement in this regard was low.

We carried out income and expenditure testing which was designed to identify any irregularities as a result of simple mistakes or human error. From this audit testing it was determined that the risk of material misstatement in this regard was low.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Ingela Louise Presslie (Senior Statutory Auditor)  
For and on behalf of Whitelaw Wells  
Statutory Auditor  
9 Ainslie Place  
Edinburgh, Midlothian, EH3 6AT

17 October 2023

Whitelaw Wells is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

LGBT Youth Scotland

STATEMENT OF FINANCIAL ACTIVITIES  
INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
<b><u>Income and endowments from:</u></b>					
<i>Donations and legacies</i>	2	98,989	1,460	100,449	99,307
<i>Charitable activities</i>					
Grants	3	162,403	1,235,389	1,397,792	1,255,349
<i>Other trading activities</i>					
Fee income		129,337	350	129,687	82,928
Other income		3,460	-	3,460	10
<i>Investments</i>					
Dividends		7,083	-	7,083	9,190
Bank interest receivable		2,775	-	2,775	56
<b>Total income</b>		<b>404,047</b>	<b>1,237,199</b>	<b>1,641,246</b>	<b>1,446,840</b>
<b><u>Expenditure on:</u></b>					
<i>Raising funds</i>	4	20,699	-	20,699	21,826
<i>Charitable activities</i>	5	364,318	1,286,766	1,651,084	1,299,166
<b>Total expenditure</b>		<b>385,017</b>	<b>1,286,766</b>	<b>1,671,783</b>	<b>1,320,992</b>
Net (loss) on investments	12	(16,205)	-	(16,205)	(2,117)
<b>Net (expenditure)/income for the year</b>	8	<b>2,825</b>	<b>(49,567)</b>	<b>(46,742)</b>	<b>123,731</b>
Transfers between funds	16	(59,455)	59,455	-	-
<b>Other recognised gains</b>					
Actuarial gains on pension provision	18	200	-	200	18,300
<b>Net movement in funds for the year</b>		<b>(56,430)</b>	<b>9,888</b>	<b>(46,542)</b>	<b>142,031</b>
<b>Reconciliation of funds</b>					
Total funds brought forward	16	444,502	230,122	674,624	532,593
<b>Total funds carried forward</b>		<b>388,072</b>	<b>240,010</b>	<b>628,082</b>	<b>674,624</b>

The company has no recognised gains or losses other than the results for the period as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 24 to 42 form part of these financial statements.

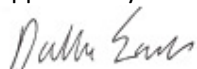
LGBT Youth Scotland

BALANCE SHEET

As at 31 March 2023

	Notes	£	2023 £	2022 £
<b>FIXED ASSETS</b>				
Tangible assets	10		1,471	1,628
Intangible assets	11		90,984	-
Investments	12		160,768	168,347
			<hr/>	<hr/>
			253,223	169,975
<b>CURRENT ASSETS</b>				
Debtors	13	107,855		50,167
Cash at bank and in hand		510,509		603,140
		<hr/>		<hr/>
		618,364		653,307
<b>CURRENT LIABILITIES</b>				
Creditors: Amounts due within one year	14	(156,905)		(121,908)
Provisions for liabilities due within one year - Pensions	18	(9,000)		(9,000)
		<hr/>		<hr/>
<b>NET CURRENT ASSETS</b>			452,459	522,399
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				
			705,682	692,374
Creditors: Amounts due more than year	15		(65,000)	-
Provisions for liabilities due after more than one year:				
Pensions	18		(2,100)	(11,000)
Dilapidations			(10,500)	(6,750)
			<hr/>	<hr/>
<b>NET ASSETS</b>	17		628,082	674,624
<b>FUNDS</b>				
Unrestricted - General	16		286,586	437,752
Unrestricted – Designated	16		101,486	6,750
Restricted	16		240,010	230,122
			<hr/>	<hr/>
<b>TOTAL FUNDS</b>			628,082	674,624
			<hr/> <hr/>	<hr/> <hr/>

These accounts are prepared in accordance with the special provision of Part 15 of the Companies Act 2006.  
Approved by the Directors on 17 October 2023 and signed on their behalf by:



**Danielle Eadie**

Treasurer

The notes on pages 24 to 42 form part of these financial statements.

LGBT Youth Scotland

CASH FLOW STATEMENT

As at 31 March 2023

	2023	2022
	£	£
<b>Cash flows from operating activities:</b>		
Net cash provided by operating activities (below)	5,907	201,344
<b>Cash flows from investing activities:</b>		
Dividends received	7,083	9,190
Bank interest received	2,775	56
Purchase of fixed assets	(515)	(2,171)
Purchase of investments	(8,626)	(7,661)
Purchase of intangible assets	(99,255)	-
Net cash (used in) investing activities	(98,538)	(586)
<b>Change in cash and cash equivalents in the reporting period</b>	(92,631)	200,758
Cash and cash equivalents brought forward	603,140	402,382
<b>Cash and cash equivalents carried forward</b>	510,509	603,140
<b><u>Cash and cash equivalents</u></b>		
Instant access bank deposits	510,339	602,990
Cash in hand	150	150
	510,509	603,140
<b><u>Reconciliation of net income to net cash flow from operating activities</u></b>		
<b>Net (expenditure)/ income for the year</b> (as per Statement of Financial Activities)	(46,542)	142,031
<b><u>Adjusted for:</u></b>		
Depreciation	672	543
Amortisation	8,271	-
Loss on investments	16,205	2,117
Dividends received	(7,083)	(9,190)
Bank interest received	(2,775)	(56)
(Increase) / decrease in debtors	(57,688)	34,116
Increase in creditors	94,847	31,783
Net cash provided by operating activities	5,907	201,344

## LGBT Youth Scotland

### NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

#### 1. ACCOUNTING POLICIES

##### **Basis of accounting**

The accounts have been prepared under the historical cost convention and are in accordance with the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

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

LGBT Youth Scotland maintains regular contact with the funders, reporting on progress and discussing plans for the future. In expectation of continued support, the Directors have continued to adopt the going concern basis of accounting.

The financial statements contain information about LGBT Youth Scotland as a single company and not consolidated information as the parent of a group. The subsidiary, described at note 12, is dormant.

##### **Financial instruments**

Apart from investments, financial instruments comprise financial assets and financial liabilities which are recognised when the charity becomes a party to the contractual provisions of the instrument. They are classified as “basic” in accordance with FRS102 and are accounted for at the settlement amount due, which equates to the cost. Financial assets comprise cash, grants receivable and other debtors, and financial liabilities comprise creditors and provisions.

##### **Income**

All income is included in the Statement of Financial Activities when the charity has entitlement, there is probability of receipt and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Where entitlement is not conditional on the delivery of a specific performance by the charity, donations and grants are recognised when the charity becomes unconditionally entitled to the income. Where related to performance and specific deliverables, donations and grants are accounted for as the charity earns the right to consideration by its performance.
- Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date.
- Income from other trading activities is recognised when the related services are provided.
- Income is only deferred where entitlement conditions have not been met or related services have not been provided as at the year end.
- Investment income is included when receivable.
- The charity is grateful for volunteers and donations-in-kind, which are not recognised in the accounts as the benefit to the charity cannot be reasonably quantified.



## LGBT Youth Scotland

### NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

#### ACCOUNTING POLICIES (continued)

##### Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation. Expenditure includes any VAT which cannot be fully recovered and is reported as part of expenditure to which it relates

- Cost of raising funds comprises staff costs associated with preparing funding applications and meeting grant monitoring requirements and other associated costs. This is based on a percentage estimate of the total time spend by each person on this activity.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them, including governance costs.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- An organisational management charge is allocated to restricted projects as a contribution to support costs. Where possible, the charge is based on figures specified in funding agreements. Otherwise, the charge is calculated as 10% of income within the restricted project. Other support costs have been allocated to activity cost categories on a basis consistent with the use of the resources.
- Settlement payments are recognised in the year in which they are agreed.
- Contributions to the defined contribution plan are allocated to the activities of the charity on the same basis that staff costs are allocated to the activities of the charity.

##### Operating leases

Costs incurred in respect of operating leases are charged to the Statement of Financial Activities on a straight-line basis over the life of the lease.

##### Intangible assets and amortisation

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less accumulated amortisation and any accumulated impairment loss. The database is being amortised evenly over its estimated useful life of five years.

##### Tangible fixed assets and depreciation

Fixed assets are originally recorded at cost. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

- Computer Equipment - 25% Straight Line
- Fixtures and Equipment - 25% Straight Line
- Leasehold improvements - over leasehold period

Assets costing less than £1,000 are not capitalised. Donated assets are only included in the accounts when reliable cost information is available or where a reasonable estimate of cost can be made.

##### Investments

Investments are restated at fair value (which is deemed to be the same as market value) at the balance sheet date and the gain or loss taken to the Statement of Financial Activities, along with any realised gains or losses on disposals in the year.

# LGBT Youth Scotland

## NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

### ACCOUNTING POLICIES (continued)

#### Provisions

Provisions are recognised when the charity has a present obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligations and a reliable estimate can be made of the amount of the obligation.

#### Fund accounting

Unrestricted funds are available for use at the discretion of the directors in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

#### Pensions

The Charity is a participating employer in The Pensions Trust Scottish Voluntary Sector Pension Scheme ("The Scheme"), which provided benefits based on final pensionable pay. The Scheme closed to future accrual on 31 March 2010. The assets of the Scheme are held separately from those of the charity. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the charity in the year.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the shares of underlying assets and liabilities belonging to individual participating employers. This is because the Scheme is a multi-employer Scheme where the Scheme assets are co-mingled for investment purposes and benefits are paid from total Scheme assets. Consequently the Board of Trustees have followed the FRS102 requirement to account for the contributions to the scheme as if it were a defined contribution scheme and to include on the balance sheet a provision for the present value of the deficit reduction payment plan.

The Charity now provides pension contributions for employees to defined contribution schemes.

#### Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

## 2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Donations	98,989	1,460	100,449	99,307
	=====	=====	=====	=====
	98,989	1,460	100,449	99,307
	=====	=====	=====	=====

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

3. INCOME FROM CHARITABLE ACTIVITIES: GRANTS

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
<b>Scottish Government grants</b>				
CYPFEIF and ALEC Fund	78,750	-	78,750	75,000
Equalities and Human Rights Fund	-	284,947	284,947	140,965
Delivering Equally Safe Fund	-	48,980	48,980	23,980
National Voluntary Youth Organisation Support Fund	-	35,000	35,000	40,727
Promoting Equality and Cohesion Fund	-	-	-	130,000
VAWG Fund	-	-	-	20,000
<b>Total Scottish Government grants</b>	<b>78,750</b>	<b>368,927</b>	<b>447,677</b>	<b>430,672</b>
<b>Other Grants</b>				
Scottish Local Authorities	5,000	340,893	345,893	282,414
Trusts and Foundations	78,653	371,546	450,199	385,734
NHS Organisations	-	154,023	154,023	156,529
<b>Total Other Grants</b>	<b>83,653</b>	<b>866,462</b>	<b>950,115</b>	<b>824,677</b>
	162,403	1,235,389	1,397,792	1,255,349

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

4. EXPENDITURE ON RAISING FUNDS

	HQ	Total	Total
	2023	2023	2022
	£	£	£
Staff costs (Note 7)	16,346	16,346	17,559
Project costs	1,474	1,474	2,071
Staff travel and other costs	818	818	211
Training and conferences	36	36	101
Repairs	171	171	-
Postage and stationery	92	92	125
Telephones and communication	1,628	1,628	1,657
Affiliations	134	134	92
Bad debts and miscellaneous	-	-	10
	<hr/>	<hr/>	<hr/>
	20,699	20,699	21,826
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	HQ	Adult	National	Youth	Total	Total
	£	Volunteer	Programs	Work	2023	2022
	£	£	£	£	£	£
Staff costs (Note 7)	260,471	31,667	402,734	610,519	1,305,391	1,038,351
Project costs	5,853	1,538	22,644	23,279	53,314	28,917
<i>Support costs</i>						
Staff travel and other costs	29,630	1,325	8,235	17,296	56,486	30,381
Training and conferences	1,610	16,315	1,048	558	19,531	16,165
Rent	50,730	-	-	17,037	67,767	62,569
Heat and light	6,230	-	-	-	6,230	3,079
Insurance	4,909	-	-	325	5,234	5,661
Repairs	18,644	75	2,982	6,055	27,756	26,720
Postage and stationery	3,097	122	507	980	4,706	3,269
Telephones and communication	34,737	1,396	9,393	8,951	54,477	51,560
Miscellaneous	723	-	-	-	723	8,151
Affiliations	5,931	-	-	1,005	6,936	3,060
Pension scheme interest payable	300	-	-	-	300	300
Depreciation and amortisation	8,943	-	-	-	8,943	543
Bad debts	-	-	-	-	-	2,014
Legal and professional fees	3,045	-	-	-	3,045	-
Organisational charge	(180,030)	-	74,206	105,824	-	-
Irrecoverable VAT	12,398	-	-	-	12,398	11,636
Merchandise	2,522	-	-	-	2,522	5,250
<i>Governance costs</i>						
Audit fees	11,130	-	-	-	11,130	5,250
Board meeting costs	4,195	-	-	-	4,195	1,540
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	285,068	52,438	521,749	791,829	1,651,084	1,299,166
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

6. SUMMARY ANALYSIS OF EXPENDITURE AND RELATED INCOME FOR CHARITABLE ACTIVITIES

	HQ	Adult	National	Youth	Total	Total
	£	Volunteer	Programs	Work	2023	2022
	£	£	£	£	£	££
Total expenditure	(285,068)	(52,438)	(521,749)	(791,829)	(1,651,084)	(1,299,166)
<u>Income from:</u>						
Donations and legacies	98,989	-	-	1,460	100,449	99,307
Grants	226,903	41,523	387,879	741,487	1,397,792	1,255,349
Trading activities	11,818	-	120,979	350	133,147	82,938
Investments	9,858	-	-	-	9,858	9,246
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net income/(expenditure) before investment gains	62,500	(10,915)	(12,891)	(48,532)	(9,838)	147,674
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**LGBT Youth Scotland**

**NOTES TO THE ACCOUNTS**

**For the year ended 31 March 2023**

<b>7. STAFF COSTS AND NUMBERS</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,151,621	941,268
Social Security costs	104,431	79,424
Defined contribution pension costs	43,677	35,218
Settlement payments	22,008	-
	1,321,737	1,055,910
	1,321,737	1,055,910

The average number of employees during the period, on a head count basis, was:

	<b>2023</b>	<b>2022</b>
Project workers	31	28
Operational staff and management	17	16
	48	44
	48	44

One employee (2022: none) received remuneration of more than £60,000 in current year.

The total remuneration paid to key management during the year was £254,648 (2022: £226,884).

The settlement payments were made in line with the underlying legally binding settlement agreements in place.

**8. NET INCOME FOR THE YEAR**

This is stated after charging:-	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Auditor's remuneration: audit fees	10,830	5,250
Auditor's remuneration: non-audit fees	300	-
Operating lease rentals	26,000	26,000
Depreciation and amortisation charges	8,943	-
	46,073	31,250
	46,073	31,250

None of the directors received remuneration for services as a director in either the current or previous years. Two directors (2022: one director) received reimbursements of £1,463 (2022: £350) for travelling expenses incurred while acting on behalf of the charity.

Total income for the year was £1,641,246 (2022: £1,446,840) of which £473,547 (2022: £290,525) was unrestricted and £1,167,699 (2022: £1,156,315) was restricted.

Total expenditure for the year was £1,674,862 (2022: £1,320,992) of which £448,679 (2022: £238,105) was unrestricted and £1,226,183 (2022: £1,082,887) was restricted.

All investment and pension gains/losses were unrestricted in both the current and previous years.

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

9. TAXATION

The charitable company is exempt from corporation tax on its charitable activities.

10. TANGIBLE FIXED ASSETS

	Computer equipment £	Total £
<b>Cost</b>		
At 1 April 2022	3,583	3,583
Additions	515	515
	-----	-----
At 31 March 2023	4,098	4,098
	-----	-----
<b>Depreciation</b>		
At 1 April 2022	1,955	1,955
Charge in the year	672	672
	-----	-----
At 31 March 2023	2,627	2,627
	-----	-----
<b>Net book value</b>		
At 31 March 2023	1,471	1,471
	=====	=====
At 31 March 2022	1,628	1,628
	=====	=====

11. INTANGIBLE ASSETS

	Database	Total £
<b>Cost</b>		
At 1 April 2022	-	-
Additions	99,255	99,255
	-----	-----
At 31 March 2023	99,255	99,255
	-----	-----
<b>Amortisation</b>		
At 1 April 2022	-	-
Charge in the year	8,271	8,271
	-----	-----
At 31 March 2023	8,271	8,271
	-----	-----
<b>Net book value</b>		
At 31 March 2023	90,984	90,984
	=====	=====
At 31 March 2022	-	-
	=====	=====

**LGBT Youth Scotland**

**NOTES TO THE ACCOUNTS**

**For the year ended 31 March 2023**

<b>12. INVESTMENTS</b>	<b>2023</b>
	<b>£</b>
Fair value of quoted investments at 31 March 2022	168,345
Additions	8,626
Unrealised (loss) on revaluation	(16,205)
	<hr/>
Fair value of quoted investments at 31 March 2023	160,766
Unquoted investments – dormant subsidiary	2
	<hr/>
Fair value of total investments at 31 March 2023	160,768
	<hr/> <hr/>
Historical cost of investments held at 31 March 2023	171,945
	<hr/> <hr/>

LGBT Youth Scotland owns 100% of the issued ordinary shares in LGBT Scotland Limited, a dormant company registered in Scotland. The aggregate capital and reserves of LGBT Scotland Limited at its year-end of 31 March 2023 was £2. There was no profit or loss for the year ended 31 March 2023.

<b>13. DEBTORS</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Grants receivable	60,199	20,606
Other debtors	40,983	21,107
Prepayments	6,673	6,926
Accrued income	-	1,528
	<hr/>	<hr/>
	107,855	50,167
	<hr/> <hr/>	<hr/> <hr/>

<b>14. CREDITORS: Amounts falling due within one year</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other creditors and accruals	34,966	28,827
PAYE and NI	28,267	22,777
Deferred income	56,402	56,779
VAT liability	17,270	13,525
Bank loan	20,000	-
	<hr/>	<hr/>
	156,905	121,908
	<hr/> <hr/>	<hr/> <hr/>



LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

**14. CREDITORS: Amounts falling due within one year (continued)**

**Deferred income**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Balance at 31 March 2022	56,779	20,800
Released to Statement of Financial Activities	(56,779)	(20,800)
Amounts received and deferred during the year	56,402	56,779
	<hr/>	<hr/>
	56,402	56,779
	<hr/> <hr/>	<hr/> <hr/>

Deferred income relates to LGBT Charter and training fees paid in advance.

**15. CREDITORS: Amounts falling due more than one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Bank loan	65,000	-
	<hr/>	<hr/>
	65,000	-
	<hr/> <hr/>	<hr/> <hr/>

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

16. MOVEMENTS IN FUNDS	At 1 April 2022 £	Income £	Expenditure £	Transfers £	Other Gains/ (Losses) £	At 31 March 2023 £
<b>Restricted funds</b>						
Adult Volunteer Project						
<i>Bank of Scotland Foundation</i>	-	8,623	(8,623)	-	-	-
<i>National Lottery Fund – Awards for All</i>	-	10,000	-	-	-	10,000
<i>Other grants</i>	-	32,900	(43,815)	10,915	-	-
Youth Space Renovation	5,000	-	-	-	-	5,000
Covid-19 Long-term Support	-	40,000	(40,000)	-	-	-
(Un)Seen/(Un)Heard Project	-	-	(14,962)	-	-	(14,962)
LGBT Charter	2,354	44,498	(45,869)	-	-	983
National Programmes	8,810	336,027	(341,668)	347	-	3,516
Youthwork - Digital						
<i>Bank of Scotland Foundation</i>	-	86,230	(86,230)	-	-	-
<i>Other grants</i>	89,045	42,694	(42,694)	(2,815)	-	86,230
Youthwork – Central & North						
<i>National Lottery Fund – Young Start</i>	-	39,526	(37,241)	-	-	2,285
<i>Other grants</i>	37,176	105,445	(131,245)	9,905	-	21,281
Youthwork - East	11,675	167,664	(175,791)	2	-	3,550
Youthwork - South						
<i>National Lottery Fund – Improving Lives</i>	-	41,664	(39,928)	-	-	1,736
<i>Other grants</i>	53,770	106,128	(129,013)	34,184	-	65,069
Youthwork – West	22,292	175,800	(149,687)	6,917	-	55,322
<b>Total restricted funds</b>	230,122	1,237,199	(1,286,766)	59,455	-	240,010
<b>Unrestricted funds</b>						
General fund	437,752	404,047	(385,017)	(154,191)	(16,005)	286,586
<b>Designated funds</b>						
Dilapidation fund	6,750	-	-	3,750	-	10,500
Data Project	-	-	-	90,986	-	90,986
<b>Total unrestricted funds</b>	444,502	404,047	(385,017)	(59,455)	(16,005)	388,072
<b>Total funds</b>	674,624	1,641,246	(1,671,783)	-	(16,005)	628,082

**Transfers**

Transfers from unrestricted funds are to cover deficits on restricted funds.

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

16. MOVEMENTS IN FUNDS (continued)

**Restricted Funds**

**Adult Volunteer Project** is a project to work with adult volunteers who assist with the delivery of services and increase organisational capacity, skills and experience and help widen the geographic spread of the Charity's work.

**Youth Space Renovation Project** is a project to improve our Glasgow Youth Space and will be funded by Edward Gostling Foundation.

**Covid-19 Long-Term Support** Henry Smith provides funding to contribute towards running costs to support increased needs as a result of the Covid-19 pandemic.

**(Un)Seen/(Un)Heard Project** is funded by The National Heritage Lottery Fund. It is a three-year project which will capture young people's experience of life – in work, family, health, education and community – through stories told across all creative mediums including film, art, photography, audio and text.

**LGBT Charter** is funded by local authorities to support the implementation of the LGBT Charter to targeted bodies in their geographic areas.

**National Programmes** delivers a programme of work that aims to reduce the discrimination experienced by LGBTQ+ young people and the wider community; to build the capacity of public bodies to meet their needs; to engage directly with communities and provide opportunities for LGBTQ+ young people to engage in civic Scotland. This includes policy and participation work, engaging with schools and education authorities. In addition, the programme aims to increase awareness of gender-based violence and its effects, and to help services improve their interventions, service design and delivery through the participation of young people affected by gender-based violence.

**Youthwork – Digital** delivers and develops digital youth work services to young people all over Scotland

**Youthwork – Central & North** delivers and develops youth work services to young people in Dundee, Falkirk, Inverness, Perth and Stirling.

**Youthwork – East** delivers and develops youth work services to young people in the Edinburgh area and the Borders.

**Youthwork – South** delivers and develops youth work services to young people in Dumfries and Galloway and South Ayrshire.

**Youthwork – West** delivers and develops youth work services to young people in the Glasgow area and East Dunbartonshire

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

16. MOVEMENTS IN FUNDS	At 1 April 2021 £	Income £	Expenditure £	Reclass- ifications £	Transfers £	Other Gains/ (Losses) £	At 31 March 2022 £
<b>Restricted funds</b>							
Adult Volunteer Project	22,500	18,222	(52,001)	-	11,279	-	-
Borders	5,511	-	-	(5,511)	-	-	-
Clackmannanshire	1,257	-	-	(1,257)	-	-	-
Dundee	5,143	-	-	(5,143)	-	-	-
Dumfries and Galloway:							
Young People	13,870	-	-	(13,870)	-	-	-
Edward Gostling Foundation	-	5,000	-	-	-	-	5,000
Falkirk	4,653	-	-	(4,653)	-	-	-
Glasgow	14,490	-	-	(14,490)	-	-	-
Henry Smith	30,256	-	-	(30,256)	-	-	-
LGBT Charter	7,391	39,498	(44,535)	-	-	-	2,354
National Programmes	-	317,353	(306,894)	(1,784)	135	-	8,810
NHS Lothian	1,214	-	-	(1,214)	-	-	-
Perth	9,000	-	-	(9,000)	-	-	-
Robertson Trust	11,618	-	-	(11,618)	-	-	-
Scottish Government - PECF	(1,599)	-	-	1,599	-	-	-
Scottish Government – VAWG	(185)	-	-	185	-	-	-
South Ayrshire	5,161	-	-	(5,161)	-	-	-
Youthwork – Digital	15,000	201,340	(131,820)	4,525	-	-	89,045
Youthwork – Central & North	-	125,665	(145,891)	57,402	-	-	37,176
Youthwork – East	-	158,657	(153,707)	6,725	-	-	11,675
Youthwork – South	-	166,290	(131,551)	19,031	-	-	53,770
Youthwork – West	-	124,290	(116,488)	14,490	-	-	22,292
<b>Total restricted funds</b>	<b>145,280</b>	<b>1,156,315</b>	<b>(1,082,887)</b>	<b>-</b>	<b>11,414</b>	<b>-</b>	<b>230,122</b>
<b>Unrestricted funds</b>							
<b>General funds</b>	<b>387,313</b>	<b>290,525</b>	<b>(238,105)</b>	<b>-</b>	<b>(18,164)</b>	<b>16,183</b>	<b>437,752</b>
<b>Designated funds</b>							
Dilapidation fund	-	-	-	-	6,750	-	6,750
<b>Total unrestricted funds</b>	<b>387,313</b>	<b>290,525</b>	<b>(238,105)</b>	<b>-</b>	<b>(11,414)</b>	<b>16,183</b>	<b>444,502</b>
<b>Total funds</b>	<b>532,593</b>	<b>1,446,840</b>	<b>(1,320,992)</b>	<b>-</b>	<b>-</b>	<b>16,183</b>	<b>674,624</b>

Transfers

At the start of the previous year the directors decided that some of the fund names and descriptions did not best describe the activities to which they relate. As such, new funds were created and transfers were made into these new funds as appropriate.

## LGBT Youth Scotland

### NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

#### 16. MOVEMENTS IN FUNDS (continued)

**Borders** is funded by Borders Council to support service delivery in the Borders area. This fund is now included in Youthwork East.

**City of Edinburgh Council** funding aims to support the personal and social development of young people through the delivery of effective universal youth work programmes.

**Clackmannanshire** is funded by Clackmannanshire Council to provide individual and group support for LGBT young people in the Clackmannanshire area. This fund is now included in Youthwork Central & North.

**Dundee** is funded by Dundee City Council and NHS Tayside to support youth service activity and projects. This fund is now included in Youthwork Central & North.

**Dumfries and Galloway Young People** is funded by the Holywood Trust, Henry Smith, Dumfries & Galloway Council and the Dumfries & Galloway Equality Partnership for service development and delivery in Dumfries and Galloway. This fund is now included in Youthwork South.

**Falkirk** is funded by Falkirk Council to support Falkirk youth work delivery. This fund is now included in Youthwork Central & North.

**Glasgow** is funded by Glasgow City Council and NHS Greater Glasgow and Clyde to support the delivery of youth work services in Glasgow. This fund is now included in Youthwork West.

**Henry Smith** funding is to help remove barriers to attainment for LGBTI young people in multiple areas of Scotland; building their confidence, resilience and skills and supporting them to move on to positive destinations. A further grant supported the digital youth work project. This fund is now included in Youthwork Central & North, South and Digital.

**NHS Lothian** funding supports the provision of services to support the sexual health and wellbeing of LGBT young people. This fund is now included in Youthwork East.

**Perth** is funded by The Gannochy Trust and The Robertson Trust to support the development and delivery of youth work services in the area. This fund is now included in Youthwork Central & North.

**Robertson Trust** funding supports the development and delivery of youth work services in Perth, Inverness and Dundee. This fund is now included in Youthwork Central & North.

**Scottish Government** funding is to support a programme of work that aims to reduce the discrimination experienced by LGBTI young people and the wider community; to build the capacity of public bodies to meet their needs; to engage directly with communities and provide opportunities for LGBTI young people to engage in civic Scotland. This includes policy and participation work, engaging with schools and education authorities, co-ordination of LGBT History Month and the implementation of the LGBT Charter. This fund is now included in National Programmes.

**Scottish Government – VAGW** funding supports a project which aims to increase awareness of gender based violence and its effects, and to help services improve their interventions, service design and delivery through the participation of women and children affected by gender based violence. This fund is now included in National Programmes.

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

16. MOVEMENTS IN FUNDS (continued)

South Ayrshire is funded by South Ayrshire Council to support the delivery and development of local youth work services. This fund is now included in Youthwork South.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
<b>Fund balances at 31 March 2023 as represented by:</b>				
Investments	162,237	-	-	162,237
Fixed Asset Fund	-	90,986	-	90,986
Net current assets	201,949	10,500	240,010	452,459
Provision for liabilities due after more than one year	(77,600)	-	-	(77,600)
	<hr/>	<hr/>	<hr/>	<hr/>
	286,586	101,486	240,010	628,082
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
<b>Fund balances at 31 March 2022 as represented by:</b>				
Investments	169,975	-	-	169,975
Net current assets	285,527	6,750	230,122	522,399
Provision for liabilities due after more than one year	(17,750)	-	-	(17,750)
	<hr/>	<hr/>	<hr/>	<hr/>
	437,752	6,750	230,122	674,624
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## LGBT Youth Scotland

### NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

#### 18. PENSIONS

The company participates in the scheme, a multi-employer scheme which provides benefits to some 82 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 21 December 2021 and showed assets of £153.3m, liabilities of £160.0m and a deficit of £6.7m. 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 2022 to 31 May 2024:	£1,473,969 per annum (payable monthly and increasing by 3% each year on 1st April)
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Some employers have agreed concessions (both past and present) with the Trustee and have contributions up to 29 February 2028.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £120.0m, liabilities of £145.9m and a deficit of £25.9m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

#### Deficit contributions

From 1 April 2019 to 30 September 2026:	£1,404,638 per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2019 to 30 September 2027:	£136,701 per annum (payable monthly and increasing by 3% each on 1st April)

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

**LGBT Youth Scotland**

**NOTES TO THE ACCOUNTS**

**For the year ended 31 March 2023**

**18. PENSIONS (continued)**

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Present value of provision	11,100	20,000
	<u>          </u>	<u>          </u>

Reconciliation of Opening and Closing Provisions

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Provision at start of period	20,000	46,000
Unwinding of the discount factor (interest expense)	300	300
Deficit contribution paid	(9,000)	(8,000)
Remeasurements - impact of any change in assumptions	(200)	(18,300)
	<u>          </u>	<u>          </u>
Provision at end of period	11,100	20,000
	<u>          </u>	<u>          </u>

Income and Expenditure Impact

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Interest expense	300	300
Remeasurements – impact of any change in assumptions	200	18,300

Assumptions

	<b>2023</b>	<b>2022</b>	<b>2021</b>
Rate of discount (% per annum)	5.40	2.30	0.86

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.



**LGBT Youth Scotland**

**NOTES TO THE ACCOUNTS**

**For the year ended 31 March 2023**

**18. PENSIONS (continued)**

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

Deficit Contributions Schedule

	£
2024	9,000
2025	2,100

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

**19. CONTINGENT LIABILITIES**

LGBT Youth Scotland has been notified by The Pensions Trust of the estimated employer debt on complete withdrawal from The Scottish Voluntary Sector Pension Scheme, based on the financial position of the Scheme as at 30 September 2022. At this date the estimated employer debt for LGBT Youth Scotland was £164,777, which includes the provision recognised in the financial statements above. The Directors have no intention of withdrawing from the scheme in the foreseeable future.

Previously the Charity used 'The Scottish Voluntary Sector Pension Scheme' provided by The Pensions Trust, to provide retirement benefits to employees. The Trustee of the scheme carried out a review comparing the benefits provided to Scheme members with the requirements of the Scheme documentation. It has received legal advice that there is uncertainty regarding the effect of some benefit changes and that the Court should be asked to provide clarity in order to provide the Trustee with the certainty it needs to properly administer the scheme.

The outcome of the legal proceedings is due in late 2024. Should the Court decide that the historic benefit changes need to be applied differently, then some member benefits would need to be increased, which would increase the value placed on scheme liabilities. It is expected that no changes will be made to contributions or member benefits until such time as the Court reaches a decision.

The potential impacts of the contingent liability on the Charity may include, but are not limited to:

- Financial obligations to rectify past discrepancies in pension benefits calculations.
- Legal and professional fees associated with the initial review of scheme documentation and Court case costs.

The potential additional liabilities arising from the Review have been estimated at scheme level only due to the complexities of the Scheme being a multi-employer scheme with orphan liabilities. The current advice is that it may not be possible to ascertain an accurate split by individual employer until after the Court ruling. The valuation placed on any liabilities will also fluctuate in line with market factors. This contingent liability is

## LGBT Youth Scotland

### NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

#### 19. CONTINGENT LIABILITIES (continued)

therefore characterised by significant uncertainty in both the timing of its realisation and the potential financial impact. The initial estimates are that a negative outcome from the review will add approximately 4% to the overall liabilities of the Scheme (an additional liability of c£4m). LGBT Youth Scotland's share of the Scheme liabilities/deficit contributions was 0.7% in 2020 based on the latest information the Charity has received. Our current estimate is that an adverse Court outcome could result in additional liabilities to the Charity of £280k.

The Charity acknowledges the contingent liability arising from this legacy pension scheme challenge and is actively monitoring the situation and working to gain clarity. As the outcome of the challenge becomes clearer and more information becomes available, the Charity will assess the financial implications and take appropriate actions to address the liability.

#### 20. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2023 the company had total commitments under operating leases, payable as set out below.

	<b>Land and Buildings</b>	<b>Office Equipment</b>	<b>Total 2023</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Within 1 year	26,000	1,430	27,430	27,430
Within 1-5 years	104,000	358	104,358	105,788
After 5 years	39,000	-	39,000	65,000
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

#### 21. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard for Smaller Entities.

#### 21. COMPANY INFORMATION

The charitable company is limited by guarantee of its members and has no share capital. The liability of each member in the event of winding up is limited to £1.

No one individual had control over the charity during either the current or previous year.

The charity is registered in Scotland and its registered office and principal activities are disclosed in the Report of the Directors.