

LAYC
(Registered as a Scottish Charitable Incorporated Organisation)
REPORT and FINANCIAL STATEMENTS
For the year ended 31 March 2023

LAYC

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LAYC

REFERENCE and ADMINISTRATIVE INFORMATION

Charity Name	LAYC (SCIO)
Registered Office and Operational Address	Dunford House 7 Boroughloch Lane Edinburgh EH8 9NL
Scottish Charity Number	SC009193
Board of Trustees	
Office Bearers	Gillian Lithgow – President Allister Short – Chair Lianne Swadel - Treasurer
Members	Clare Gibson Dean Shanks (appointed on 13 July 2022) Fiona McKenzie Helen Davis Pamela Martin Megan Binns (resigned on 20 April 2022) Valerie Cox (Appointed 30 May 2023)
Co-opted Members	Sonal Haddow (resigned on 4 April 2022) Yvonne Kerr
Staff	Laurene Edgar – Director Emma Lee – Development Worker (Membership & Capacity Building) Rosalie Short – Administration, Communication & Marketing (resigned on 17 May 2022) Alison McCallum – Business & Finance Support Officer (appointed on 10 May 2022) Rhiannon Lee – Administrator (Appointed 20th February 2023)
Independent Examiner	Jeremy Chittleburgh CT 61 Dublin Street Edinburgh EH3 6NL
Bankers	Bank of Scotland 51 South Clerk Street Edinburgh EH8 9PP
Solicitors	Morton Fraser LLP Quartermile Two 2 Lister Square Edinburgh EH3 9GL
Association Advisers/Appointments	Laurene Edgar – John Watson Trust

LAYC

CHAIR'S REPORT

I am delighted to welcome you to this year's LAYC Annual Report and I'm sure the report will give you a real sense of the wide range of work that the LAYC team have been involved in over the last 12 months.

It is always helpful to remind ourselves that LAYC is a membership organisation, so our focus and purpose continues to be on ensuring we promote, champion, and highlight the importance and value of children and youth work services. We do this by advocating with, and through, our networks, influencing key partners and engaging with elected members to promote the work of community-based clubs, groups, and projects.

Throughout the year we have been delivering a wide range of high-quality training sessions, which reflect the needs of the membership and it's been great to see some of the new partnerships that have been developed. There has also been considerable work at a strategic level, building and strengthening relationships with our 4 Council partners and contributing to the wider agenda of children's services plans, ensuring that youth and children's work is given its rightful place.

I am very fortunate as Chairperson to have a supportive, committed and engaged group of Trustees, the majority of whom are drawn from our member groups, which ensures the work we do remains closely aligned to the needs of the membership. As ever, we have seen some changes to our Board of Trustees and would like to welcome our new Trustees as well as thanking all those who have recently stood down from the Board.

I know from speaking to staff and volunteers from the membership how valuable they find the support from the staff team at LAYC. And whilst a relatively small group of staff, the impact they make is considerable, whether this be collaborating with partners, advocating for youth work, delivering training programme and sometimes simply being at the end of the phone – all of which I know makes a huge difference.

Finally, I would like to thank all the staff, volunteers and supporters who work tirelessly each day to support children and young people in benefiting from high quality children's and youth work provision - it is very much appreciated, and we couldn't do our work without you.



Allister Short

Chair

LAYC

ANNUAL REPORT

For the year ended 31 March 2023

OBJECTIVES and ACTIVITIES

LAYC is an intermediary organisation and we are part of the Youth Scotland Network. At the time of writing this annual report there are 123 community-based youth and children's organisations in the LAYC network area covering East, Mid, West Lothian and the City of Edinburgh, providing services for 30,858 children and young people through 2,482 staff of which 1,232 are volunteers.

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

LAYC delivers an annual training and capacity building programme. This programme is led by the needs of the youth and children's work sector - to meet both the needs children and young people are presenting at local community organisations with but also the training and development needs staff and volunteers are identifying for themselves as professionals. The training and capacity building programme covers core topics - e.g. child protection, emergency first aid and youth awards. Developing this core learning is enhanced by a range of topical sessions; such as: mental health, trauma informed practice, outdoor play, sexual health and conflict resolution. The training programme also includes two accredited learning opportunities, SCQF Level 3 Ready for Youth Work and SCQF Level 6 Professional Development Award in Youth Work.

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

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

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

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

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

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ANNUAL REPORT (continued)

For the year ended 31 March 2023

OBJECTIVES and ACTIVITIES (continued)

Mission Statement

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

The key purposes of LAYC are to:

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

Activities and Achievements

As an intermediary organisation the advice, information, representation and training that LAYC provides to Member Groups and their staff and committee members supports organisations to deliver their direct work with children and young people.

LAYC has spent 461 hours representing the interests of Member Groups within community planning and other strategic partnerships; listed below:

- Be Everything You Can Be - Children's Partnership working group
- CEC Bonfire Community Inclusion Partnership
- CEC Edinburgh Learns Attendance Board
- CEC Edinburgh Learns Health and Wellbeing Board
- CEC Edinburgh Learns Youth Participation Board
- CEC EVOC Taskforce
- CEC Out of School Care Short Life Working Group
- CEC Parent & Carer Collaborative
- CEC Review of Affordable Childcare
- CEC Summer Holiday funding oversight group
- Edinburgh Child Protection Committee
- Edinburgh Child Protection Committee Learning and Development Subgroup
- Edinburgh Children's Partnership
- Edinburgh Children's Services Plan Writing Group
- Edinburgh Community Learning and Development Partnership
- Edinburgh Learns Wider Achievement Board
- Edinburgh Local Outcome Improvement Plan Delivery Group
- Edinburgh's Corporate Parenting Board
- Edinburgh's Promise Delivery Group
- Edinburgh's Promise Framework of Involvement and Voice
- Healthy Respect Young People's Sexual Health Subgroup
- Local Outcome Improvement Plan - Good Place to Live Delivery Group
- Local Outcome Improvement Plan Delivery Group
- Locality Operational Groups
- Network of Networks - End Poverty Edinburgh
- Scottish Government Holiday Food and Childcare Guidance subgroup

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ANNUAL REPORT (continued)

For the year ended 31 March 2023

OBJECTIVES and ACTIVITIES (continued)

Activities and Achievements (continued)

- Scottish Government School Age Childcare Reference Group
- Scottish Youth Work Research Steering Group
- Single Point of Access Implementation Group
- South East and Central Community Learning & Development Continuous Professional Development Consortium
- Ukraine Support Operational meeting
- Volunteer Centre East Lothian Children Young People and Families Forum
- Youth Employability Partnership

LAYC is the current Chair of the Edinburgh Community Learning and Development Partnership, along with a lead role under the Youth Work section of the Plan. LAYC also co-leads on the “Be Everything You Can Be” strand of Edinburgh’s Children’s Services Plan.

There continues to be an increase in requests for LAYC representation, this is demonstrated by the growth in Partnerships and working groups listed above each year.

To ensure effective and relevant contribution at Partnerships and steering groups, LAYC has facilitated 21 Forums over the year which have received 158 attendances.

Edinburgh’s Youth and Children’s Work Strategy was overdue for renewal in 2022, LAYC convened a multi-agency writing group to write the Strategy, following engagement with the wider sector. At the time of writing this annual report the writing group had met on 6 occasions and continues to meet ahead of the launch of the Strategy.

The Forums have worked alongside LAYC’s regular digital communication in the form of fortnightly e-bulletin, Facebook and Twitter pages. These all present an opportunity to keep Member Groups and stakeholders updated on LAYC news, but are also used to promote Membership and sector relevant news: funding opportunities, recruitment adverts, good news stories of good practice and policy updates.

LAYC’s core training programme for 2022/2023 consisted of 60 training courses providing 900 participant places. The training programme is youth work led and is a result of an annual training needs analysis, topics covered in 2022/2023 training programme include - trauma informed practice, child protection, self-harm awareness, mental health matters, Relationships, Sexual Health & Parenting, outdoor play, UNCRC and GIRFEC.

The 2022/2023 programme also provided two accredited youth work training courses - SCQF Level 3 Ready for Youth Work and SCQF Level 6 Professional Development Award in Youth Work.

All training sessions are evaluated using a pre and post evaluation form, where participants are asked to self-report levels of knowledge, skills and confidence using a sliding scale. The results continue to show a significant increase in all these outcomes - 95% of participants involved in the 2022/2023 programme reported an increase.

Youth Scotland

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

The level of co-operation and collaboration between LAYC and the other independent Area Associations - Youth Borders, Youth 1st and Youth Highland continues offering a place for peer support, collaboration and sharing challenges as well as successes.

The connection with Youth Scotland also delivers practical benefits at a local level to LAYC Member Groups such as the youth awards and Cashback support alongside other one off project opportunities.

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ANNUAL REPORT (continued)

For the year ended 31 March 2023

OBJECTIVES and ACTIVITIES (continued)

Financial Review

During the year there was net expenditure of £8,712 (2022: £47,505) and a net movement in funds after remeasurements on the defined benefit pension scheme of £8,922 (2022: £30,231). This was made up of a deficit of £26,863 (2022: surplus of £7,079) on unrestricted funds and a surplus of £17,941 (2022: deficit of £37,310) on restricted funds. With total funds brought forward of £310,604, this resulted in total funds to carry forward of £301,682 of which £284,464 (2022: £310,604) related to unrestricted funds and £17,218 (2022: £Nil) related to restricted funds.

Funding

LAYC is grateful to all funders who support the work of the organisation and enable the core activities to take place in turn supporting a network of 123 community-based youth and children's organisations.

LAYC continued to be awarded £91,987 from City of Edinburgh Council as part of Year 3 of the Communities and Families 2020-2023 Third Party Revenue Grant funding, this core funding covers 55% of LAYC's core running costs until September 2023.

LAYC remains grateful to The Hope Trust for an annual donation, in 2022/2023 this donation supported with the development of the Edinburgh Youth and Children's Work Strategy.

Nancie Massey Charitable Trust, Dr Guthrie's Association, Scottish Book Trust, Foundation Scotland and Essentia Foundation all made a contribution to LAYC's core training programme in 2022/2023, enabling the provision of training topics for youth and children's workers.

LAYC were able to purchase new I.T equipment to support the digital element of the core training programme and enable the organisation to deliver services in a hybrid manner, thanks to funding from Baillie Gifford Community Fund and CLD Digital Device Fund through SCVO.

Through Youth Scotland LAYC were supported to deliver Cashback activity, administering a total of £8000 to the Lothian Membership. £5000 of funding supported the North West Youth Work Collaborative to deliver activities to young people at risk of anti-social behaviour, £3000 was used to support Member Groups to deliver a Ukrainian youth work response with the arrival of refugees due to the war on Ukraine.

LAYC's funding activities continued to be restricted over the course of 2022/2023 due to the level of reserves held.

LAYC Board of Trustees put a plan a place to reduce the surplus reserves by increasing staffing support hours to meet the growing needs of Member Groups. In February 2023 LAYC recruited an Administrator post.

Reserves Policy

The Board of Trustees has established a policy whereby the unrestricted funds, not designated or invested in tangible fixed assets ('the free reserves'), should be a minimum of 6 months running costs in general funds. This provides a financial cushion that would enable appropriate informed decisions to be made. The free reserves as at 31 March 2023 were £64,332 (2022: £94,478).

Grant Making Policy

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

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ANNUAL REPORT (continued)

For the year ended 31 March 2023

OBJECTIVES and ACTIVITIES (continued)

Investment Policy

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

Risk Management

An analysis of potential risks faced by LAYC is reviewed annually.

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

STRUCTURE, GOVERNANCE and MANAGEMENT

Since 1 April 2012 LAYC has been a Scottish Charitable Incorporated Organisation (SCIO) registered with the Office of the Scottish Charity Regulator (OSCR).

LAYC retained the Scottish Charity Number SC009193.

After a period of consultation with Member Groups alterations to the original LAYC SCIO constitution were approved by the AGM in 2017 and lodged with OSCR.

Staff and Board of Trustees

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

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

LAYC benefits from the support, encouragement and direction provided by a team of Trustees bringing a range of skills including: Voluntary Sector Youth Work Managers, Public Sector, Local Authority, Out of School Care and Finance Experience.

Recruitment and Appointment of Board of Trustees

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

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

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

LAYC**ANNUAL REPORT (continued)****For the year ended 31 March 2023****STRUCTURE, GOVERNANCE and MANAGEMENT (continued)**

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

The Trustees met on 8 occasions across the year and the Finance Sub-Committee on 6 occasions. The Board were responsible for setting the strategic direction, policy and financial matters and overarching management of the organisations including the employment of staff.

Key Management Personnel

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

Plans for Future Periods

LAYC's current Strategic Plan is due to conclude at the end of 2023, the Board of Trustees and Staff have started a programme of work following on from a Board and Staff Development session in August 2022, to identify priorities to continue to meet Membership needs.

Statement of Trustees Responsibilities

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

The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is appropriate to assume that the charity will continue operation.

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

On behalf of the Board of Trustees,



**Allister Short
Chair**

INDEPENDENT EXAMINERS REPORT

TO THE TRUSTEES OF LAYC

CT:

I report on the Financial Statements of the Charity for the year ended 31 March 2023 which are set out on pages 10 to 21.

Respective Responsibilities of the Trustees and Examiner

The charity's Trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) (the Regulations). The charity Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

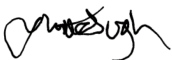
Basis of Independent Examiner's Statement

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

Independent Examiner's Statement

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

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the Act and Regulation 4 of the Regulations;
 - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the Regulations;have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Jeremy Chittleburgh
CT
Chartered Accountants
61 Dublin Street
EDINBURGH
EH3 6NL

04 September 2023

2023

LAYC

STATEMENT of FINANCIAL ACTIVITIES

For the year ended 31 March 2023

	Notes	Un- restricted Funds £	Restricted Funds £	2023 Total £	Un- restricted Funds £	Restricted Funds £	2022 Total £
Income from:							
Donations and legacies	2	-	145,510	145,510	3,500	91,987	95,487
Charitable activities	3	24,532	-	24,532	22,162	-	22,162
Other trading activities		1,255	-	1,255	1,980	-	1,980
Investments		524	-	524	30	-	30
Total income		26,311	145,510	171,821	27,672	91,987	119,659
Expenditure on:							
Charitable activities	4	(52,964)	(127,569)	(180,533)	(37,867)	(129,297)	(167,164)
Total expenditure		(52,964)	(127,569)	(180,533)	(37,867)	(129,297)	(167,164)
Net income/(expenditure)/income before pension adjustments		(26,653)	17,941	(8,712)	(10,195)	(37,310)	(47,505)
Pension scheme adjustments	12	(210)	-	(210)	17,274	-	17,274
Net income/(expenditure)/income		(26,863)	17,941	(8,922)	7,079	(37,310)	(30,231)
Transfer between funds		723	(723)	-	(6,561)	6,561	-
Net movement in funds		(26,140)	17,218	(8,922)	518	(30,749)	(30,231)
Total funds brought forward		310,604	-	310,604	310,086	30,749	340,835
Total funds carried forward	10	284,464	17,218	301,682	310,604	-	310,604

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

LAYC**BALANCE SHEET****As at 31 March 2023**

	Notes	2023 £	2022 £
Fixed assets	7	179,416	180,971
		-----	-----
Current assets			
Debtors and prepayments	8	24,356	3,689
Bank and cash		131,396	164,342
		-----	-----
		155,752	168,031
Creditors: amounts falling due within one year	9	(31,852)	(35,396)
		-----	-----
Net current assets		123,900	132,635
		-----	-----
Net assets excluding pension liability		303,316	313,606
Defined benefit pension scheme liability	12	(1,634)	(3,002)
		-----	-----
Net assets including pension liability		301,682	310,604
		=====	=====
Represented by:			
Funds – reserves			
Unrestricted – General		243,748	269,888
– Designated		40,716	40,716
		-----	-----
		284,464	310,604
Restricted		17,218	-
		-----	-----
	10	301,682	310,604
		=====	=====

The financial statements were approved and authorised for issue by the Board of Trustees on 04 September 2023



Allister Short
Chair

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

LAYC

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2023

1. Accounting policies

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

Basis of accounting

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

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

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

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

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

Income recognition

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

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

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

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

Expenditure recognition

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

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

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

LAYC**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2023****1. Accounting policies (continued)****Expenditure recognition (continued)**

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

Tangible fixed assets

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

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

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

Debtors

Debtors and prepayments are recognised at the settlement amount due.

Cash at bank

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

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

Fund accounting

Funds held by the charity are either:

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

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

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

Pension costs

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

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

LAYC**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2023****1. Accounting policies (continued)****Taxation**

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

2. Donations and legacies

	Unrestricted	Restricted	2023	2022
	£	£	£	£
<i>Grants</i>				
City of Edinburgh Council	-	91,987	91,987	91,987
Foundation Scotland Baillie Gifford	-	3,133	3,133	-
Capital City Partnership	-	19,380	19,380	-
Dr Guthries's Association	-	1,500	1,500	-
Hope Trust	-	1,500	1,500	2,500
CLD Digital Device Fund	-	4,485	4,485	-
Foundation Scotland Essentia	-	3,000	3,000	-
Foundation Scotland Alcohol Awareness	-	13,525	13,525	-
The Nancy Massey	-	3,000	3,000	-
Youth Scotland Cash back	-	-	-	1,000
Phase 5 Cash Back Grant	-	1,000	1,000	-
Youth Scotland Ukrainian Fund	-	3,000	3,000	-
	-----	-----	-----	-----
Total	-	145,510	145,510	95,487
	=====	=====	=====	=====

Income from donations and legacies was £145,510 (2022: £95,487) of which £nil (2022: £3,500) was unrestricted and £145,510 (2022: £91,987) was restricted.

3. Income from Charitable Activities

	Unrestricted	Restricted	2023	2022
	£	£	£	£
Affiliation fees	10,313	-	10,313	12,577
Training and other income	14,219	-	14,219	9,585
	-----	-----	-----	-----
Total	24,532	-	24,532	22,162
	=====	=====	=====	=====

Income from charitable activities was £24,532 (2022: £22,162) of which £24,532 (2022: £22,162) was unrestricted and £nil (2022: £nil) was restricted.

LAYC

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2023

4. Charitable Activities	Unrestricted	Restricted	2023	2022
	£	£	£	£
<i>Directly allocated to activities:</i>				
Disclosure fees	6,041	-	6,041	6,571
Staff costs	-	109,624	109,624	104,761
Subscriptions	429	-	429	320
Training costs	2,134	6,085	8,219	7,795
Project awards	77	6,424	6,501	5,350
	-----	-----	-----	-----
	8,681	122,133	130,814	124,797
	-----	-----	-----	-----
<i>Support costs:</i>				
Staff costs: administrator	3,195	-	3,195	4,787
Pension costs	9,161	-	9,161	6,224
Depreciation	5,003	904	5,907	5,725
Premise costs	13,389	2,118	15,507	9,030
Office costs	5,650	2,167	7,817	10,396
Travel	585	-	585	443
Computer & website costs	2,905	247	3,152	2,509
Meeting expenses	-	-	-	13
Bank charges	22	-	22	32
Sundry	948	-	948	53
Interest expense	52	-	52	191
Governance costs (note 5)	3,373	-	3,373	2,964
	-----	-----	-----	-----
	44,283	5,436	49,719	42,367
	-----	-----	-----	-----
Total	52,964	127,569	180,533	167,164
	=====	=====	=====	=====

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

5. Governance costs	2023	2022
	£	£
Independent examiner's fee	3,373	2,964
	-----	-----
	3,373	2,964
	=====	=====
6. Staff costs	2023	2022
	£	£
Salaries	106,348	99,908
Social Security costs	6,471	6,224
Pension costs	9,161	9,641
	-----	-----
	121,980	115,773
	=====	=====

LAYC**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2023**

6. Staff costs (continued)	2023 No.	2022 No.
The average number of staff during the year was:		
Operational and administration	3	4
	=====	=====

No employee received remuneration of more than £60,000 (2022: none).

Members of the Board of Trustees received no remuneration nor were reimbursed any expenses in the year. The Director is the other member of key management, and her total remuneration cost was £46,481 (2022: £41,837).

7. Tangible fixed assets	Heritable Property £	Office Equipment £	Total £
Costs			
At 1 April 2022	220,000	8,300	228,300
Additions	-	4,351	4,351
	-----	-----	-----
At 31 March 2023	220,000	12,651	232,651
	-----	-----	-----
Aggregate depreciation			
At 1 April 2022	44,000	3,329	47,329
Depreciation charge	4,400	1,506	5,906
	-----	-----	-----
At 31 March 2023	48,400	4,835	53,235
	-----	-----	-----
Net book value			
At 31 March 2023	171,600	7,816	179,416
	=====	=====	=====
At 31 March 2022	176,000	4,971	180,971
	=====	=====	=====

8. Debtors and prepayments	2023 £	2022 £
Accrued income	3,034	2,645
Prepayments	1,192	1,044
Grants receivable	20,130	-
	-----	-----
	24,356	3,689
	=====	=====

9. Creditors: amounts falling due within one year	2023 £	2022 £
Accruals	4,031	5,899
Deferred income	8,219	7,992
Other creditors	2,815	3,622
Funds held as custodian – Donald Gorrie Challenge Award	14,687	17,883
Funds held as custodian – CEC LGBT Fund	2,100	-
	-----	-----
	31,852	35,396
	=====	=====

LAYC**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2023**

9. Creditors: amounts falling due within one year (continued)	2023	2022
	£	£
(a) <i>Movement in deferred income can be analysed as follows:</i>		
Balance brought forward	7,992	7,443
Released in year	(7,992)	(7,443)
Deferred in year	8,219	7,992
	-----	-----
Balance carried forward	8,219	7,992
	=====	=====

Deferred income comprises affiliation fees prepaid for 2023/2024.

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

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

Funds deposited in the year totalled £0 and £3,196 drawn to make awards, leaving a balance of bank funds held at the year-end of £14,687.

10. Funds	At 1 April	Income	Expend- iture	Gains/ (losses)	Transfers	At 31 March
	£	£	£	£	£	£
2022/23						
Unrestricted – General	269,888	26,311	(52,964)	(210)	723	243,748
Designated						
- Joyce Dunford Bequest	40,716	-	-	-	-	40,716
	-----	-----	-----	-----	-----	-----
	310,604	26,311	(52,964)	(210)	723	284,464
	-----	-----	-----	-----	-----	-----
Restricted						
- Baillie Gifford Community Fund	-	3,133	(963)	-	(723)	1,447
- Capital City Partnership	-	19,380	(15,430)	-	-	3,950
- Dr Guthrie's Association	-	1,500	(1,500)	-	-	-
- Hope Trust	-	1,500	-	-	-	1,500
- CLD Digital Device Fund	-	4,485	(315)	-	-	4,170
- Foundation Scotland Essentia	-	3,000	(2,000)	-	-	1,000
- Foundation Scotland Alcohol Awareness	-	13,525	(8,374)	-	-	5,151
- City of Edinburgh Council	-	91,987	(91,987)	-	-	-
- Nancie Massey Charitable Trust	-	3,000	(3,000)	-	-	-
- Generation CashBack Phase 5 Year 2	-	1,000	(1,000)	-	-	-
- Youth Scotland Ukrainian Fund	-	3,000	(3,000)	-	-	-
	-----	-----	-----	-----	-----	-----
	-	145,510	(127,569)	-	(723)	17,818
	-----	-----	-----	-----	-----	-----
	310,604	171,821	180,533	(210)	-	301,682
	=====	=====	=====	=====	=====	=====

The charity's general reserves consist of funds which the charity may use for its purpose at its discretion. Unrestricted funds includes the net value of the charity's building, with a split between readily available cash and fixed assets disclosed in note 11.

The Joyce Dunford Bequest was established following a donation by a late President, and it is a designated fund that is used to support member groups through the provision of LAYC core services.

LAYC**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2023****10. Funds (continued)****Restricted Funds**

Baillie Gifford Community Fund - To assist with the purchase of a Smart whiteboard, a laptop and associated installation costs, supporting hybrid delivery for LAYC services. The grant was used to purchase computer equipment, part of which was purchased in the prior year. A transfer of funds has been included this year to cover the depreciation charged to unrestricted funds relating to the assets in the prior year.

Capital City Partnership – provision of trauma informed and mental health training for youth workers delivering employability programmes.

Dr Guthrie's Association – provision of mental health and wellbeing training for youth and children's workers.

Hope Trust – provision of development of youth work strategy.

CLD Digital Device Fund – purchase of digital devices to support CLD activity of LAYC.

Foundation Scotland Essentia – Delivery of accredited learning for youth and children's workers.

Foundation Scotland Alcohol Awareness – delivery of alcohol awareness training for youth workers and delivery of diversionary activities.

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

Nancie Massey Charitable Trust – delivery of accredited learning or youth and children's workers.

Generation CashBack Phase 5 Year 2– administration and support to Member Groups accessing Cashback grant through Youth Scotland.

Youth Scotland Ukrainian Fund – provision of microgrants to Member Groups offering a Ukrainian youth work response.

CEC LGBT Fund – delivery of Transgender training for CEC including the purchasing of training materials.

	At 1 April	Income	Expend- iture	Gains/ (losses)	Transfers	At 31 March
	£	£	£	£	£	£
2021/22						
Unrestricted – General	269,370	27,672	(37,867)	17,274	(6,561)	269,888
Designated						
- Joyce Dunford Bequest	40,716	-	-	-	-	40,716
	-----	-----	-----	-----	-----	-----
	310,086	27,672	(37,867)	17,274	(6,561)	310,604
	-----	-----	-----	-----	-----	-----
Restricted						
- Wesleyan Foundation	530	-	(875)	-	345	-
- Foundation Scotland Essentials	1,050	-	(1,050)	-	-	-
- SCVO Cyber Essentials	650	-	(650)	-	-	-
- Corra Mental Health	3,094	-	(3,094)	-	-	-
- British Science Week	100	-	(100)	-	-	-
- EVOC Mental Health & Wellbeing Fund	10,400	-	(10,400)	-	-	-
- The Communities Recovery Fund	14,925	-	(14,925)	-	-	-
- City of Edinburgh Council	-	91,987	(91,987)	-	-	-
- Robertson Trust	-	-	(6,216)	-	6,216	-
	-----	-----	-----	-----	-----	-----
	30,749	91,987	(129,297)	-	6,561	-
	-----	-----	-----	-----	-----	-----
	340,835	119,659	(167,164)	17,274	-	310,604
	=====	=====	=====	=====	=====	=====

LAYC**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2023****10. Funds (continued)****Restricted Funds**

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

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

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

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

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

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

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

Robertson Trust – Delivery of annual youth work led training and capacity building programme and delivery of representation programme of work to support Member Groups.

11. Net assets analysis of funds	Unrestricted Funds	Designated Funds	Restricted Funds	Total
	£	£	£	£
Fixed assets	173,799	-	5,617	179,416
Net current assets	71,583	40,716	11,601	123,900
DB pension liability	(1,634)	-	-	(1,634)
	-----	-----	-----	-----
At 31 March 2023	234,748	40,716	17,218	301,682
	=====	=====	=====	=====
Fixed assets	180,971	-	-	180,971
Net current assets	91,919	40,716	-	132,635
DB pension liability	(3,002)	-	-	(3,002)
	-----	-----	-----	-----
At 31 March 2022	269,888	40,716	-	310,604
	=====	=====	=====	=====

LAYC**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2023****12. Pension commitments***(a) Defined contribution pension arrangements*

LAYC contributes to the individual personal pension plans of employees. The contributions made in the year were £9,161 (2022: £9,641) representing an employer contribution of 7% of pensionable pay.

(b) Defined benefit pension arrangements

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

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

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

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

Deficit contributions;

From 1 April 2019 to 30 September 2026:	£1.4m per annum (payable monthly and increasing by 3% each year on 1 April)
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From 1 April 2019 to 31 March 2027:	£136,701 per annum (payable monthly and increasing by 3% each year on 1 April)
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The contributions to 30 September 2027 are in respect of those employers that have agreed concessions (both past and present) with the Trustee.

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

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

LAYC**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2023****12. Pension commitments (continued)**

Present values of provision	2023 £	2022 £	2021 £
Present value of provision	1,634	3,002	24,313
	=====	=====	=====

Reconciliation of opening and closing provisions

		2023 £	2022 £
Provision at start of year		3,002	24,313
Unwinding of the discount factor (interest expense)		52	191
Deficit contribution paid		(1,393)	(4,228)
Re-measurements – impact of any change in assumptions		(27)	(45)
Re-measurements – amendments to the contribution schedule		-	(17,229)
Provision at end of year		1,634	3,002
		=====	=====

Income and expenditure impact

		2023 £	2022 £
Interest expense		52	191
Re-measurements – impact of any change in assumptions		(27)	(45)
Re-measurements – amendments to the contribution scheme		-	(17,229)
		25	(17,375)
		=====	=====

Assumptions

	2023 %	2022 %	2021 %
	per annum	per annum	per annum
Rate of discount	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.

13. Related party transactions

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