

LGBT Youth Scotland

**REPORT AND
FINANCIAL STATEMENTS**

For the year ended 31 March 2011

**Charity No SC024047
Company No SC244805**



**WHITELAW WELLS
Chartered Accountants**

EDINBURGH

GLASGOW

LGBT Youth Scotland
REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2011

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LGBT Youth Scotland

DIRECTORS' REPORT

For the year ended 31 March 2011

The directors have pleasure in presenting their report for the year ended 31 March 2011.

Reference and Administrative Information

Board of Directors

Sean Stronach	Convenor
Patrick McGlinchey	Vice Convenor from 26 February 2011
Christopher Pirie	Vice Convenor to 27 November 2010 (resigned 27 November 2010)
Stewart Marks	Treasurer
Moray Paterson	
Maxwell Tcheunou	
Michael Tonks	(appointed 15 May 2010)
Rosie McGinley	(appointed 15 May 2010, resigned 27 November 2010)
Sinead Russell	(appointed 27 November 2010)
Ryan McNaughton	(appointed 27 November 2010)
Craig Cochrane	(appointed 27 November 2010)
Elizabeth McIntyre	(resigned 27 November 2010)
Julie Redman	(resigned 27 November 2010)

Company Secretary

Fergus McMillan

Senior Management Team

Fergus McMillan	Chief Executive
Mhairi Logan	Director of Policy & Mainstreaming
Hugh Torrance	Director of Development
Grace Cardozo	Dumfries & Galloway Service Manager
Michelle Sodo	Head of Business Support

Registered Office and Operational Address

The Citadel, 39-40 Commercial Street, Edinburgh, EH6 6JD

Company Number

SC244805

Senior Statutory Auditor

David Main

Statutory 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 Semple Street, Edinburgh, EH3 8BL

LGBT Youth Scotland

DIRECTORS' REPORT

For the year ended 31 March 2011

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 establishes the objects and powers of the company and is governed under its Memorandum and Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of 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 Memorandum and 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 of Directors 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, individuals are approached to offer themselves for election to the board.

Directors Induction and Training

Most 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. Additionally new Directors are invited to attend a short induction meeting with the Convener and Chief Executive that covers:

- The obligations of Board Members
- The main documents which set out the operational framework for the charity including the Memorandum and Articles
- The Vision of the charity, current work and future objectives.

Members of the Board of Directors

Members of the Board of Directors who served during the year and up to the date of this report are set out on page 1 of the financial statements.

Risk Management

The Directors have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, to ensure that systems are in place to mitigate their exposure to the major risks. Funding has been a particular focus given the current economic climate but a funding risk assessment was carried out during the year and the Directors are satisfied that the systems are in place to manage exposure to major risks.

LGBT Youth Scotland

DIRECTORS' REPORT

For the year ended 31 March 2011

Structure, Governance and Management (continued)

Organisational Structure

The charity has a Board of Directors of up to fifteen members who meet quarterly and are responsible for the strategic direction and policy of the charity. At the year-end there were nine members of the Board from a variety of backgrounds relevant to the work of the charity.

The Board has two sub-committee structures; one formal committee to scrutinise and make recommendations to the Board on the organisation's finance and human resources; and another less formal structure, the LGBT National Youth Council, made up of elected members of the network of LGBT youth groups from across Scotland. At present the National Youth Council has a membership of 17 young people and 62 youth champions from 15 local authority areas across Scotland. In addition, work is undertaken in a further 11 local authorities, supporting their own group provision, and providing outreach and awareness raising opportunities within mainstream settings. The LGBT National Youth Council put forward up to four members to participate in the National Board 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 also reports, via the Treasurer and Finance and HR Sub-committee, on the financial position of the organisation. Management accounts are received and reviewed quarterly by the Board and Finance and HR Sub-committee.

Objectives and Activities

The principal objective of LGBT Youth Scotland is to improve the life chances of LGBT young people, through the direct provision of services for young people, building the capacity of other organisations to support young people and campaigning for the rights of lesbian, gay, bisexual and transgender (LGBT) young people between the ages of 13 and 25 years. Our mission is to empower lesbian, gay, bisexual and transgender young people and the wider LGBT community so that they are embraced as full members of the Scottish family at home, school and in every community.

LGBT Youth Scotland has six strategic outcomes for its work over the next five years:

- LGBT young people will have good opportunities to meet and socialize with their peer group in a safe, friendly and informal environment, with access to informal learning.
- Young people are able to be themselves and forge their own identity growing up and coming out, free from bullying and harassment at home and in their local communities.
- LGBT young people will be able to have their voices heard at all levels of society and in all walks of life.
- Schools and the wider learning community are safe and welcoming environments for LGBT young people in order that they can become successful learners, confident individuals, responsible citizens and effective contributors.
- LGBT young people will have better mental, physical, sexual health and wellbeing.
- Organisations and professionals will understand the rights of LGBT young people and have the skills and knowledge to develop more inclusive services.

LGBT Youth Scotland

DIRECTORS' REPORT

For the year ended 31 March 2011

Achievements and Performance

The Board and Chief Executive led the development of a new three year strategic plan which was launched in March 2011. This followed a very positive review of the organisation by HM Inspectorate of Education. The review highlighted good practice in inclusion, equality and fairness, participation of service users and stakeholders and on tackling homophobic bullying in schools. The organisation has continued to build on these strengths during the year.

Funding was secured for two new European projects during the year; one will enable partner organisations to work with teachers across Europe and allow LGBT Youth Scotland to work with universities and colleges to strengthen the impact of LGBT work in education. The second project will widen the scope of LGBT History Month by working with partner organisations in nine countries across Europe.

Project highlights 2010-11:

Challenging Homophobia Together Project: The project delivered sessions in schools to challenge homophobia and homophobic bullying. During the year the project worked with over three thousand young people in schools around Scotland in Glasgow, Dumfries and Galloway, the Scottish Borders and Dundee. Eighty one teachers received training in how to challenge homophobia within their schools.

European project work: LGBT Youth Scotland hosted a European conference in Edinburgh entitled, 'Challenging Homophobia Together and Promoting Good Practice' to work with schools across Scotland and Europe to share good practice. The conference brought together professionals from across Europe to discuss and debate the issues affecting LGBT young people in education.

Adult Volunteering: One hundred adult volunteers now work in Edinburgh, Glasgow, Dumfries & Galloway, the Lothians, Dundee, Perth, Stirling and the Borders. A volunteer and staff conference was held in Edinburgh entitled 'Vision', with the theme of reaching out to remote areas to reduce isolation to LGBT young people. Two large projects were planned and coordinated by the volunteers; the Volunteer Review and the Service User Review. The outcomes from these projects will help to determine service development. Three volunteers won awards from Edinburgh City Council and Glasgow Council for outstanding contributions to volunteering in Scotland.

Community Capacity Building: Work was launched in Forth Valley (Stirling and Clackmannanshire), Tayside (Perth and Dundee), as well as in East Dunbartonshire, Stranraer and Inverness. This work will build the capacity of local communities to support and include LGBT young people and the wider LGBT community. The National Gathering was held at the Scottish Police College at Tulliallan with the theme 'Go Global'. Ninety four young people attended the event and delegates discussed the issues faced by LGBT young people internationally. Eight young people from external organisations also attended this event from organisations supporting disabled and disadvantaged young people.

Domestic Abuse: The Voices Unheard research project was launched at Dynamic Earth in March with 60 delegates representing youth groups, voluntary organisations, community safety services, local councils and the Scottish Government. The project is developing website resources and offers training to domestic abuse support services.

LGBT Youth Scotland

DIRECTORS' REPORT

For the year ended 31 March 2011

Achievements and Performance (continued)

LGBT History Month: this year the work included the development of a new History Month toolkit and film to aid organisations and networks to celebrate History Month within their own setting, whether a school, youth project, workplace or any community setting. The toolkit gives examples of good practice and successful partnerships and will enable groups to learn from their own and others experiences and make LGBT History Month a long term project with a place in Scotland's cultural calendar.

Dumfries & Galloway Services: The service has launched several new initiatives this year, aimed at reaching out to the most isolated individuals within the LGBT community. This has included the launch of a new online befriending service for isolated young people, a new transgender group, as well as a new social group. Work has also been ongoing to target LGBT people from black and minority ethnic communities, disabled LGBT people and men who have sex with men.

The LGBT Charter Mark Scheme has also been going from strength to strength in Dumfries and Galloway.

Youth Programmes: The organisation delivers weekly youth work provision in 8 local authority areas in Scotland. At the current time there are 14 weekly groups for young people, including; under 18 and over 18 age groups; and specialist groups which include groups for young women and transgender young people. Approximately 160 young people regularly attend sessions.

Plans for Future Periods

The Board and Chief Executive will work closely to monitor performance and evaluate impact against the Strategic Plan. Strategy will be reviewed where required and in response to the external environment. Resource allocation for future development will be focused on our strategic objectives, devised and agreed by the Board during this financial year.

Financial Review

The net incoming resources for the year, before movements on investments, amounted to £133,553 (2010 – outgoings £25,780). Unrealised gains on investments of £7,446 (2010 – gain £27,170) resulted in an overall surplus on unrestricted funds for the year of £49,830 (2010 - surplus £23,984). The total surplus on restricted and unrestricted funds for the year was £140,999 (2010 – surplus £1,390).

Reserves policy

The unrestricted reserves arising from past operating results amounted to £156,558 (2010 - £106,728) as at the year-end. The free reserves, being unrestricted funds not tied up in tangible fixed assets, amounted to £156,558 (2010 - £104,721). It is the policy of the Directors to have at least three months operating costs in free reserves, which amounts to approximately £265,000. Given the current financial climate, it is difficult to build up free reserves and the fund currently falls short of the desired amount. However, given the revenue funding secured for 2011/12, the Directors are satisfied that the balance is sufficient to meet contractual obligations to staff. The Directors continue to examine the requirement to maintain reserves and will include this in financial planning moving forward.

LGBT Youth Scotland

DIRECTORS' REPORT

For the year ended 31 March 2011

Financial Review (continued)

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 modest rate of return. Income generated by these investments is reinvested and the Directors are considering the level of investments given the position of the organisation at the year end.

Principal funding

Principal funders during the year included the Scottish Government, local authorities, the European Union, the Big Lottery Fund, the NHS, Comic Relief, Children in Need and other grants and trusts. In addition, a significant amount of income was generated by way of fees for services. The charity is grateful for all of the funding support it received in the year to deliver its work.

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 SORP;
- 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 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. 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

LGBT Youth Scotland

DIRECTORS' REPORT

For the year ended 31 March 2011

Auditors

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

Volunteers

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. We are greatly indebted to these volunteers for their commitment and support.

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 8 December 2011 and signed on their behalf by:



Stewart Marks
Director

LGBT Youth Scotland

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND DIRECTORS

For the year ended 31 March 2011

We have audited the financial statements of LGBT Youth Scotland for the year ended 31 March 2011, which comprise the Statement of Financial Activities incorporating the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the company'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. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Responsibilities of the Directors set out on page 6, the trustees (who are the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

LGBT Youth Scotland

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND DIRECTORS

For the year ended 31 March 2011

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 or the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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



David Main

Senior Statutory Auditor

for and on behalf of Whitelaw Wells, Statutory Auditors

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

9 Ainslie Place

Edinburgh

EH3 6AT

8 December 2011

LGBT Youth Scotland

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 March 2011

	Notes	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
Incoming resources					
Incoming resources from generated funds					
<i>Voluntary income:</i>					
Donations and grants		1,358	5,164	6,522	9,070
<i>Activities for generating funds:</i>					
Investment income		147	-	147	2,209
Incoming resources from charitable activities					
Grants	2	208,080	850,166	1,058,246	948,416
Fee income		21,631	33,067	54,698	62,761
Other income		5,012	875	5,887	4,300
Total incoming resources		236,228	889,272	1,125,500	1,026,756
Resources expended					
Charitable activities	3	218,630	797,222	1,015,852	1,047,246
Governance costs	4	4,808	-	4,808	5,290
Total resources expended		223,438	797,222	1,020,660	1,052,536
Net incoming/(outgoing) resources for the year before transfers		12,790	92,050	104,840	(25,780)
Transfers between funds	16	881	(881)	-	-
Net incoming/(outgoing) resources for the year before other recognised gains/(losses)		13,671	91,169	104,840	(25,780)
Other recognised gains/(losses)					
Unrealised gain/(loss) on investments	9	7,446	-	7,446	27,170
Net movement in funds for the year		21,117	91,169	112,286	1,390
Reconciliation of funds	16				
Total funds brought forward		106,728	140,829	247,557	246,167
Total funds carried forward		127,845	231,998	359,843	247,557

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.

LGBT Youth Scotland

BALANCE SHEET

As at 31 March 2011

	Notes	£	2011 £	2010 £
FIXED ASSETS				
Tangible assets	8		-	2,007
Investments	9		141,711	134,264
			<hr/>	<hr/>
			141,711	136,271
				<hr/>
CURRENT ASSETS				
Debtors	10	74,843		81,654
Cash at bank and in hand		405,926		140,081
		<hr/>		<hr/>
		480,769		221,735
CURRENT LIABILITIES				
Creditors: Amounts due within one year	11	(233,924)		(110,449)
Provisions for liabilities due within one year	12	(9,571)		-
		<hr/>		<hr/>
NET CURRENT ASSETS			237,274	111,286
			<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES			378,985	111,286
Provisions for liabilities due after more than one year	12		(19,142)	-
			<hr/>	<hr/>
NET ASSETS	15		359,843	247,557
			<hr/>	<hr/>
FUNDS				
Restricted	16		231,998	140,829
Unrestricted	16		127,845	106,728
			<hr/>	<hr/>
TOTAL FUNDS			359,843	247,557
			<hr/>	<hr/>

These accounts are prepared in accordance with the special provision of Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Directors on 8 December 2011 and signed on their behalf by:



Stewart Marks
Director

LGBT Youth Scotland
NOTES TO THE ACCOUNTS
For the year ended 31 March 2011

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention as modified by the inclusion of fixed asset investments at market value and are in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) issued in March 2005 except for the matters referred to below.

The Financial Reporting Standard for Smaller Entities requires that any surplus or deficit on the defined benefit pension scheme be recognised in the financial statements. The charity is a member of the Pensions Trust SCVO Final Salary Pension Scheme, a multi-employer defined benefit pension scheme, which is unable to identify LGBT Youth Scotland's share of underlying assets or liabilities in the scheme. Consequently, the Board of Directors have followed the FRS17 requirement to account for the contributions to the scheme as if it were a defined contribution scheme.

The financial statements contain information about LGBT Youth Scotland as an individual company and do not contain consolidated financial information as the parent of a group. The subsidiary undertaking is dormant.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Income is only deferred where it is specifically stated as being for a future period by the funder or where pre-entitlement conditions have not been met. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants and donations and is included in full in the Statement of Financial Activities when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Incoming resources from charitable activities comprises grants and fee income and is included in full in the Statement of Financial Activities when the charity becomes unconditionally entitled to the income. Where related to performance and specific deliverables, income is accounted for as the charity earns the right to consideration by its performance.
- The value of services provided by volunteers cannot be quantified and has not been included in these accounts.

Resources expended

Expenditure is recognised on an accruals basis as the liability is incurred. Expenditure includes VAT which cannot be fully 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 costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.
- An organisational management charge is allocated to restricted projects as a contribution to core overhead costs.

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2011

1. ACCOUNTING POLICIES (continued)

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.

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 held as fixed assets are re-valued at mid-market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the directors in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market values.

Designated funds are unrestricted funds earmarked by the directors for a specific purpose.

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

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2011

2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES: GRANTS

	Unrestricted Funds £	Restricted Funds £	2011 Total £	2010 Total £
<u>Core grants</u>				
City of Edinburgh Council	29,970	-	29,970	29,970
NHS Lothian	88,773	-	88,773	85,358
Scottish Government	89,187	-	69,187	89,187
West Lothian Council	-	-	-	2,000
Other Small Grants	150	-	150	1,454
<u>Project grants</u>				
Big Lottery Fund – Challenging Homophobia Together	-	181,284	181,284	-
Big Lottery Fund – Coming Out/Young Volunteers	-	69,770	69,770	83,184
Big Lottery Fund – Dumfries and Galloway Project	-	-	-	62,500
British Council – Beyond Gender	-	7,189	7,189	-
CCSF – Borders Project	-	15,000	15,000	11,000
Children in Need – Glasgow Outreach	-	23,666	23,666	-
Choose Life – Dumfries and Galloway	-	5,000	5,000	-
Comic Relief – Glasgow Outreach	-	15,416	15,416	-
Dumfries and Galloway Council Projects	-	65,033	65,033	79,445
Dumfries and Galloway FSF	-	10,000	10,000	25,000
Dumfries and Galloway – LGBT Adult Project	-	-	-	1,500
East Dunbartonshire	-	-	-	3,500
EHRC	-	-	-	3,499
EHRC IGLYO	-	-	-	16,000
Escape Youth Café – Borders	-	-	-	150
European Commission – Promoting Good Practice	-	61,102	61,102	15,842
Fife Community Service – Community Capacity Building	-	-	-	5,000
Fife Community Service – Coming Out/Young Volunteers	-	-	-	5,000
Fife Council – Fife	-	2,800	2,800	-
Glasgow City Council – Glasgow Outreach	-	700	700	14,000
NHS Borders	-	-	-	11,000
NHS Greater Glasgow – Glasgow Outreach	-	-	-	10,000
Respect Me	-	-	-	10,601
The Robertson Trust – Coming Out/Young Volunteers	-	6,000	6,000	6,000
Scottish Borders Council – Borders	-	-	-	1,910
Scottish Government – Community Capacity Building	-	95,000	95,000	96,500
Scottish Government – CYPEDA	-	60,588	60,588	32,970
Scottish Government – Domestic Abuse	-	60,000	60,000	60,000
Scottish Government – LGBT History Month	-	55,000	55,000	55,000
Scottish Government – Policy	-	60,000	60,000	60,000
Scottish Police Services Authority – Glasgow Outreach	-	9,970	9,970	-
Youthlink – Adult Volunteer Project	-	46,648	46,648	42,584
Youthlink – Borders	-	-	-	5,434
Youthlink – Coming Out/Young Volunteers	-	-	-	6,556
Youth Projects Fife – Fife	-	-	-	6,272
	208,080	850,166	1,058,246	948,416

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2011

3. RESOURCES EXPENDED: CHARITABLE ACTIVITIES

	HQ £	Policy & Main- streaming £	Youth Programs £	National Develop- ment £	Total 2011 £	Total 2010 £
Staff costs (note 7)	159,515	194,149	184,593	170,098	708,355	738,936
Payroll costs	2,152	-	-	-	2,152	1,156
Project costs	809	7,103	27,900	35,965	71,777	86,835
Staff travel	9,847	5,515	10,721	10,335	36,418	23,641
Recruitment costs	3,290	-	82	-	3,372	883
Training and conferences	354	224	233	575	1,386	3,613
Meetings	562	130	529	205	1,426	1,922
Rent	47,524	-	1,000	-	48,524	77,836
Heat and light	7,950	-	-	-	7,950	11,437
Insurance	2,947	-	315	165	3,427	1,968
Cleaning	-	-	-	-	-	4,871
Repairs	18,433	3,991	10,007	1,677	34,108	15,733
Postage	619	38	419	34	1,110	1,880
Stationery	2,351	874	2,523	449	6,197	3,951
Telephones and communication	27,223	207	159	51	27,640	34,986
Photocopier	1,575	-	-	-	1,575	2,171
Development and research	-	1,120	-	-	1,120	3,023
Miscellaneous	(13,409)	1,791	3,168	503	(7,947)	(251)
Bank charges	32	-	-	-	32	76
Affiliations	1,127	-	-	107	1,234	2,637
Depreciation	2,007	-	-	-	2,007	9,565
Dissemination of information and website costs	4,086	19,347	7,353	32,917	63,703	17,138
Legal and professional fees	286	-	-	-	286	3,161
Loss on disposal	-	-	-	-	-	-
Bad debts	-	-	-	-	-	78
Organisational charge	(174,899)	69,570	51,987	53,342	-	-
	<u>104,381</u>	<u>304,059</u>	<u>300,989</u>	<u>306,423</u>	<u>1,015,852</u>	<u>1,047,246</u>

Miscellaneous costs include a credit arising from the writing off of a number of old outstanding cheques and bank payments amounting to around £15,000.

4. RESOURCES EXPENDED: GOVERNANCE COSTS

Auditors' remuneration	<u>4,808</u>	<u>5,290</u>
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LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2011

5. NET INCOMING RESOURCES FOR THE YEAR

	2011 £	2010 £
This is stated after charging:-		
Depreciation	2,007	9,565
Auditor's remuneration: audit fees	4,808	5,290
	<u> </u>	<u> </u>

No director received any remuneration for services as a director in either the current or previous years.

One director received reimbursement of £47 (2010: £nil) for mileage expenses incurred while working on behalf of the charity.

6. TAXATION

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

7. STAFF NUMBERS AND COSTS

	2011 £	2010 £
Wages & salaries	613,097	666,538
Social Security costs	55,258	58,614
Pensions	11,287	13,784
Provision for pension scheme recovery payments (Note12)	28,713	-
	<u> </u>	<u> </u>
	708,355	738,936
	<u> </u>	<u> </u>

The average monthly number of employees during the period, calculated as full time equivalents, was as follows:

	2011 No.	2010 No.
Project workers	18	18
Operational staff	4	5
Sessionals	5	10
	<u> </u>	<u> </u>
	27	33
	<u> </u>	<u> </u>

No employee received remuneration of more than £60,000 in either the current or previous years.

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2011

8. TANGIBLE FIXED ASSETS

	Leasehold Improvements £	Fixtures & equipment £	Computer equipment £	Total £
Cost				
At 1 April 2010	7,892	7,349	40,535	55,776
Additions	-	-	-	-
Disposal	(7,892)	-	(4,176)	(12,068)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2011	-	7,349	36,359	43,708
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 April 2010	7,892	7,349	38,528	53,769
Charge for the period	-	-	2,007	2,007
Eliminated on disposal	(7,892)	-	(4,176)	(12,068)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2011	-	7,349	36,359	43,708
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 March 2011	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2010	-	-	2,007	2,007
	<hr/>	<hr/>	<hr/>	<hr/>

9. INVESTMENTS

	2011 £
Market value of quoted investments at 31 March 2010	134,263
Unrealised gain on investments	7,446
	<hr/>
Market value of quoted investments at 31 March 2011	141,709
Unquoted investments – dormant subsidiary	2
	<hr/>
Market value of total investments at 31 March 2011	141,711
	<hr/>
Historical cost of investments held at 31 March 2011	125,201
	<hr/>

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2011

9. INVESTMENTS (continued)

All investments are held in the UK. The following holdings of investments are 5% or more of the total portfolio value:

	%	£
Henderson Multi-Management Managed Fund	35	49,950
Gartmore Cautious Managed Fund	53	74,974

LGBT Youth Scotland owns 100% of the issued ordinary shares of £1 each in LGBT Scotland Limited, a dormant company registered in Scotland. The aggregate capital and reserves of LGBT Scotland Limited at its year-end of 30 April 2011 was £2. There was no profit or loss for the year ended 30 April 2011.

10. DEBTORS

	2011 £	2010 £
Grants receivable	49,257	62,396
Other debtors	7,833	6,804
Prepayments	17,753	12,454
	<u>74,843</u>	<u>81,654</u>

11. CREDITORS: Amounts falling due within one year

	2011 £	2010 £
Other creditors	10,125	8,163
Accruals	14,078	13,505
Deferred income (below)	189,891	72,231
PAYE & NI	19,279	16,550
Pension contributions	551	-
	<u>233,924</u>	<u>110,449</u>

Movement on deferred income – Grants received

	2011 £	2010 £
Balance at 1 April 2010	72,231	31,819
Add income received and deferred during the year	189,891	72,231
Less income released to Statement of Financial Activities	(72,231)	(31,819)
	<u>189,891</u>	<u>72,231</u>

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2011

12. PROVISION FOR LIABILITIES

	2011 £	2010 £
Provision brought forward	-	-
Provision for pension recovery plan contributions (Note 17)	28,713	-
	<hr/>	<hr/>
Provision carried forward	28,713	-
	<hr/>	<hr/>
Payable:		
Within 1 year	9,571	-
Between 1 and 2 years	9,571	-
Between 2 and 5 years	9,571	-
	<hr/>	<hr/>
	28,713	-
	<hr/>	<hr/>

13. COMMITMENTS UNDER OPERATING LEASES

At 31st March 2011 the company had annual commitments under operating leases for premises, as set out below.

	2011 £	2010 £
Operating leases expiring within 1 year	10,800	-
Operating leases expiring 1-2 years	10,070	18,309
Operating leases expiring in greater than 5 years	28,577	30,713
	<hr/>	<hr/>

14. RELATED PARTY TRANSACTIONS

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

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Investments	141,711	-	141,711
Net current assets	5,276	231,998	237,274
Provision for liabilities due after more than one year	(19,142)	-	(19,142)
	<hr/>	<hr/>	<hr/>
	127,845	231,998	359,843
	<hr/>	<hr/>	<hr/>

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2011

15. MOVEMENTS IN FUNDS (continued)

	At 31 March 2010 £	Incoming Resources and Gains £	Outgoing Resources and Losses £	Transfers £	At 31 March 2011 £
Restricted funds					
Adult Volunteer Project	18,280	47,351	(46,079)	-	19,552
Beyond Gender	-	7,309	(7,309)	-	-
Borders	39,431	15,083	(26,214)	-	28,300
Challenging Homophobia Together -					
Big Lottery Fund	-	181,284	(125,939)	-	55,345
Other Funders	-	3,300	(3,300)	-	-
Coming Out/Young Volunteers -					
Big Lottery Fund	25,059	69,770	(38,180)	-	56,649
Other Funders	-	7,571	(7,571)	-	-
Community Capacity Building	3,183	100,711	(95,362)	-	8,532
Dumfries and Galloway	12,973	47,455	(55,346)	-	5,082
Dumfries and Galloway Adults Project	638	23,115	(19,150)	-	4,603
Dumfries and Galloway FSF	15,839	10,000	(21,481)	-	4,358
Dumfries and Galloway: Young People -					
Big Lottery Fund	13,789	-	(13,789)	-	-
Other Funders	-	5,000	(1,504)	-	3,496
East Dunbartonshire	3,500	-	(2,940)	-	560
EHRC	3,499	-	360	-	3,859
Fife Project	4,588	2,800	(5,754)	-	1,634
Glasgow Outreach	(6,331)	67,721	(35,556)	-	25,834
LGBT History Month	2,171	55,873	(55,190)	-	2,854
Policy	606	61,607	(56,713)	-	5,500
Promoting Good Practice	-	61,102	(61,102)	-	-
Respect Me	881	-	-	(881)	-
Scottish Government - CYPEDA	346	60,590	(59,118)	-	1,818
Scottish Government - Domestic Abuse	2,377	61,630	(59,985)	-	4,022
Total restricted funds	140,829	889,272	(797,222)	(881)	231,998
Unrestricted funds					
General fund	97,584	236,228	(223,438)	881	111,255
Revaluation reserve	9,144	7,446	-	-	16,590
Total unrestricted funds	106,728	243,674	(223,438)	881	127,845
Total funds	247,557	1,132,946	(1,020,660)	-	359,843

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2011

16. MOVEMENTS IN FUNDS (continued)

Restricted Funds

Adult Volunteers is funded by Youthlink Scotland 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.

Beyond Gender is funded by the British Council for youth work with a Lothian transgender group.

Borders Project is mainly funded by the Changing Children Services Fund and the Scottish Borders Council, the project operates across the Scottish Borders offering drop-ins, one-to-one support, training and resources to professionals.

Challenging Homophobia Together is funded principally by the **Big Lottery Fund (SV/1/010329938)** to work with schools across Scotland to challenge perceptions and offer training to teaching professionals in LGBT issues.

Coming Out/Young Volunteers is funding principally from the **Big Lottery Fund (YSC/1/010268424)** for the 'Green Light Project', which raises awareness of coming out and increases the level of support available to LGBT young people.

Community Capacity Building is a Scottish Government funded project to build the capacity of local communities to support LGBT people.

Dumfries and Galloway Project is funded by Dumfries and Galloway Council and aims to develop youth work opportunities for LGBT young people by conducting an assessment of local needs and taking forward local development plans.

Dumfries and Galloway LGBT Adult Project is funded by Dumfries and Galloway Council and Choose Life to support work to design and deliver services appropriate to the needs of LGBT adults in Dumfries and Galloway.

Dumfries and Galloway FSF is a mentoring and befriending project using volunteers to support vulnerable LGBT adults and young people funded by Dumfries and Galloway Council.

Dumfries and Galloway: Young People is a continuation of a project previously funded by the **Big Lottery Fund (YSC/1/010247996)** to develop the services delivered to LGBT youth in Dumfries and Galloway. Funding this year came from the Hollywood Trust.

East Dunbartonshire was funded by East Dunbartonshire Council. The project operates in East Dunbartonshire offering drop-ins, one-to-one support, training and resources to professionals.

EHRC is funded by the Equality and Human Rights Commission to develop and deliver equality and human right training for the youth work sector in Scotland.

Fife Project is funded by Fife Council to provide individual and group support for LGBT young people in Fife.

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2011

16. MOVEMENTS IN FUNDS (continued)

Glasgow Outreach is funded by NHS Greater Glasgow & Clyde, Glasgow City Council, the Scottish Police Services Authority, Comic Relief and Children in Need to deliver programmes of outreach and sexual health work in the Glasgow area.

LGBT History Month is funded by the Scottish Government to support the development of LGBT History Month in Scotland.

Policy is funded by the Scottish Government to support young people to be involved in the development of national policy.

Promoting Good Practice is funded by the European Commission, an international programme of research and good practice involving youth exchange and participation at the heart of the project.

Respect Me is the national anti-bullying service funded by the Scottish Government and managed by SAMH and LGBT Youth Scotland. The project is now completed and the transfer represents the release of the small balance of funds.

Scottish Government CYPEDA is funding for participation and peer research project for LGBT young people affected by domestic abuse.

Scottish Government Domestic Abuse project is funded by the Scottish Government to develop good practice in supporting those victims of domestic violence in same sex relationships.

Unrestricted Funds

Revaluation reserve

The revaluation reserve fund is required by the Companies Act 2006 and represents the amount by which investments differ from their historical cost.

17. PENSIONS

LGBT Youth Scotland participates in the Scottish Voluntary Sector Pension Scheme (the Scheme). The Scheme is a multi-employer defined benefit scheme. The Scheme is funded and was contracted out of the state scheme until 31 March 2011, when the scheme was closed to future accrual.

The Scheme operated a single benefit structure, final salary with a 1/60th accrual rate until 30 September 2007. From October 2007 there were two benefit structures available. These were final salary with a 1/60th accrual rate and final salary with a 1/80th accrual rate, until the date of Scheme closure on 31 March 2011.

The Scheme closed to future accrual on 31 March 2011. There is currently no intention to wind-up the Scottish Vountary Sector Pension Scheme and it continues in paid-up form.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2011

17. PENSIONS (continued)

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

It is not possible, in the normal course of events, to identify on a consistent and reasonable basis the share 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. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS17 represents the employer contribution payable.

The last formal valuation of the Scheme was performed as at 30 September 2008, by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the 30 September 2008 was £45.1 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £20.438 million (equivalent to a past service funding level of 68.8%).

Financial assumptions

The financial assumptions underlying the valuation were as follows:

	% pa
Investment return pre retirement	6.8
Investment return post retirement	4.6
Rate of salary increases	4.2 for 5 years, 4.7 thereafter
Rate of pension increases for pensionable service pre 6 April 2005	3.0
Rate of pension increases for pensionable service post 5 April 2005	2.3
Rate of price inflation	3.2

The funding update at 30 September 2010 revealed that the estimated past service funding level has increased to 81.0%, but the shortfall of assets compared with the value of liabilities has fallen to an estimated £15.12m. This is primarily due to positive investment returns over the period concerned, the settlement of employer debts on leaving, the change in the basis of pension increases from RPI to CPI and the changes in actuarial assumptions.

If an actuarial variation reveals a shortfall of assets compared to liabilities the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

It was agreed that the following joint contribution rates shown in the table below would be payable until 31 March 2010.

Benefit structure	Joint contribution rate (% of pensionable salaries)
Final salary 1/60 th accrual rate	22.7% comprising employer contributions of 15.2% and member contributions of 7.5% or employer contributions of 16.7% and member contributions of 6.0%
Final salary 1/80 th accrual rate	18.0% comprising employer contributions of 12.0% and member contributions of 6.0%

LGBT Youth Scotland

NOTES TO THE ACCOUNTS

For the year ended 31 March 2011

17. PENSIONS (continued)

From 1 April 2010 contributions in respect of future service have ceased.

From 1 April 2010 a new recovery plan came into effect, following the finalisation of the 2008 valuation. Under the recovery plan LGBT Youth Scotland is required to make lump sum payments of £9,571 pa, increasing annually in line with the salary assumptions used in the valuation.

If the valuation assumptions are borne out in practice, this pattern of contributions should be sufficient to eliminate the past service deficit at the 2005 and 2008 valuations, on an ongoing funding basis, by 31 March 2022. The required level of deficit contributions will fall from 30 September 2018.

A copy of the recovery plan must be sent to the Pensions Regulator. The Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or the recovery plan are inappropriate. For example the regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the scheme liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Scheme (which would effectively amend the terms of the recovery plan).

The recovery plan from the 2008 valuation has been submitted to the Pensions Regulator. The next full actuarial valuation will be carried out as at 30 September 2011.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustees of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up.

The debt of the Scheme as a whole is calculated by comparing the liabilities of the Scheme (calculated on a buyout basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

Contingent liability

The directors of LGBT Youth Scotland have been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Scheme as at 31 March 2010. As at this date the estimated employer debt for the charity was £166,000.

Provision

As described above, the charity is required to make annual lump sum payments in order to eliminate the past service deficit arising from the 2005 and 2008 valuations. The amount will be revised in line with triennial actuarial valuations and provision has been made in the accounts for three years' worth of instalments payable under the recovery plan, as shown at note 12.