

**Project Scotland**  
(a company limited by guarantee)  
**Report and financial statements**  
**Year ended 31 March 2015**

Charity No: SC035464  
Company No: SC267476

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## **Directors' Report**

### **Legal and administrative details**

<b>Directors</b>	Ian McAteer (Chairman) Matthew Benson Jim Fraser (Resigned 11 November 2014) John Glen Laura Greatrex Julie-Anne Jamieson Emma Liddell (Appointed 22 January 2015) John Mulgrew (Resigned 24 April 2014) Mark Smith Stephanie Wade (Appointed 28 April 2015) Linda Holden (Appointed 9 June 2015)
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### **Senior Management Team**

<b>Chief Executive</b>	Paul Reddish
<b>Registered office</b>	20 Hopetoun Street Edinburgh EH7 4GH
<b>Auditor</b>	BDO LLP Citypoint 65 Haymarket Terrace Edinburgh EH12 5HD
<b>Bankers</b>	Lloyds TSB Hanover Street Edinburgh EH2 2DS
<b>Solicitors</b>	Lindsays WS 19a Canning Street Edinburgh EH3 8HE
<b>Investment Manager</b>	Brewin Dolphin 7 Drumsheugh Gardens Edinburgh EH3 7QH
<b>Company number</b>	SC 267476
<b>Charity number</b>	SC 035464

## **Directors' Report** *(continued)*

### **Directors and Advisors**

The directors and advisors of the charity and key administrative details of the charity are set out on page 1.

### **Structure, Governance and Management**

Project Scotland (hereinafter referred to as "ProjectScotland") is a company limited by guarantee incorporated on 6 May 2004 and registered as a charity on 18 May 2004. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed by the Articles of Association.

Under those Articles the Directors of the Board are elected at the AGM to serve a period of 6 years with the option to extend that appointment if necessary. The Board composition seeks to reflect the different stakeholders and environment in which ProjectScotland operates. ProjectScotland therefore appoints Directors based on the skills they can bring to the organisation whilst maintaining this cross representation of the Board. Directors are appointed and ratified by the Board following nomination by the officers of the company or other Directors. The Acting Chief Executive is responsible for the day to day management and operation of the charity on behalf of the Directors.

All new Directors are issued with an induction pack and meet the Chairman and senior management and are taken through the role of Director and the main activities of the charity. Any new Directors are also assessed for any initial training needs prior to taking up the role. Training is provided for existing Directors as identified on an annual basis.

### **Risk Management**

The major risks to which ProjectScotland is exposed are reviewed regularly by the Board and procedures have been established to mitigate these risks. The major risk which the organisation faces is failing to secure the projected voluntary income within the three year plan.

### **Objectives and Activities**

ProjectScotland's vision is to be Scotland's national youth volunteering programme, offering high quality full time volunteering opportunities to a significant number of young people thus bringing about a significant economic and cultural shift to the benefit of Scottish society.

We offer 18 to 30 year-olds the chance to make a positive contribution to their community and their country through volunteering. Young people get experience of work and a chance to develop themselves. Charities throughout the country get additional skills, talents and energy. Local communities are strengthened across generations. Scotland is a better place through social cohesion.

ProjectScotland's primary goal is achieving positive outcomes for young people which reflect a greater realisation of individual potential and skills development while instilling a culture of active citizenship.

In so doing, it aims to demonstrate maximum value for money to its funders.

This is achieved by:

- providing young people of all backgrounds the opportunity to benefit from a period of up to six months to develop personal skills and new social networks, enhance their life choices and become more active citizens.
- recruiting and training adult volunteers as mentors to young people.
- maintaining a strong brand to improve the image and opportunities available for volunteering and create a culture of service to support worthwhile community activity in Scotland.
- supporting not-for-profit organisations to build their capacity to involve and manage volunteers in meaningful and rewarding experiences.

## **Directors' Report** *(continued)*

- providing a stepping stone for all young people into opportunities in further education and training, employment and volunteering

## **Achievements and Performance**

2014/15 was another year in which ProjectScotland volunteers, mentors and partner charities continued to change lives and make a real difference to communities and individuals across Scotland.

Nearly eight out of ten ProjectScotland volunteers go on to employment, education and training and a recent survey showed 93% of volunteers said the experience had an impact on their long-term career and life choices.

Our philosophy is one of mutual benefit. In exchange for their energy and hard work, ProjectScotland volunteers get new skills and networks that help them get on in life. Our charity partners get additional resources, full time, for at least three months. For some of our smaller partners, this support makes a significant difference to the services they can offer their local community.

In these challenging financial times, charities across Scotland are finding it harder to plan with confidence for the future. In common with many charities we have experienced a significant drop in our annual revenue since 2008, but the need for our work has, if anything, increased since the recession.

This year saw the implementation of change in our approach and business plan which started last year with our new CEO being appointed. We continue to drive a growth strategy to allow us a platform to build from, both in terms of outcomes and sustainable income going forward.

We continued to seek and secure funding through Trusts and Foundations and have been working towards developing and strengthening our relationships with existing funders to ensure ongoing support in addition to sourcing new potential funders for the future. In the year we received funding from the Scottish Government to undertake specific work in rural areas.

## **Financial Review**

The incoming resources for the year amounted to £257k (2014: £96k). Resources expended amounted to £997k (2014: £941k) leaving net outgoing resources of £740k (2014: £844k outgoing). Gains on investment assets of £64k (2014: £21k) brought the total net reduction in funds to be £676k (2014: £823k reduction). The principal income came from trust donations, contractual income and investment income.

## **Reserves Policy**

The Board has established a reserves policy to cover known commitments through designated reserves and to ensure that the remaining general unrestricted and undesignated reserves held by the Company are greater than 3 months of costs. For the year ahead unrestricted expenditure over 3 months is expected to be £184k. With general unrestricted and undesignated reserves of £1,170k as at 31 March 2015 the Company is operating within its reserves policy.

## **Directors' Report** *(continued)*

### **Going Concern**

The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the next two years with plans to increase income and reduce costs where possible. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

### **Designated Reserves**

There was one designated reserve existing at the year end as follows (see note 13):

#### *Development Reserve*

These funds have been designated to align with the organisation's strategy to focus on future sustainability. This reserve will ensure that the organisation can focus on delivering 1,000 volunteering opportunities each year whilst remaining confident that the organisation is still a going concern. The amount set aside represents the estimated costs of business development, salaries, infrastructure and other costs less the minimum amount of income the organisation expects to raise whilst enabling the strategy to take effect. The reserve is expected to be drawn down over the next year.

### **Investments**

Day-to-day funds are held in a current account earning a low rate of interest. Excess funds which are not required for day to day operations are kept in a deposit account which achieves a better rate of interest. Brewin Dolphin continue to manage the investment portfolio valued at £1,013k at 31 March 2015. With rising inflation the Board continued to adopt a "cautious with risk" investment strategy aimed at outperforming RPI.

ProjectScotland owns two ordinary £1 shares in PS Enterprises Limited, a subsidiary company. The charity is exempt from producing group accounts as a result of the subsidiary company being considered immaterial. The subsidiary company has begun to trade with a view to providing commercial income to support the charity. In the year the turnover was £2,950.

### **Plans for Future Periods**

ProjectScotland's vision is to be Scotland's national youth volunteering organisation, offering high quality full time volunteering opportunities to a significant number of young people thus bringing about an economic and cultural shift to the benefit of Scottish society.

We aim to serve all of Scotland and be representative in all local authorities.

In 2015/16 we will help young people get on in life through volunteering with over 300 charity partners supported by a mentor from their local community.

We will recruit our volunteers through appropriate marketing channels including radio, online advertising and local PR. We have redeveloped our website so that volunteers find it easier to apply and understand better the ProjectScotland offering. We will use our Google Grant of up to £80k per annum to direct volunteers to ProjectScotland through cost-per-click advertising. Through analytical tracking we will monitor how we can improve both the number and relevance of applications through the various channels.

## **Directors' Report** *(continued)*

We will continue to build up our partners and the opportunities that they offer throughout Scotland to enable a choice of opportunities to our volunteers.

A significant amount of work has been undertaken to understand our operational pipeline and the number of applicants that go on to become volunteers. We will continue to monitor this and review ways in which we can engage with young people better so that we can match them with the opportunities that are right for them.

Delivering a successful national youth volunteering programme is an ambitious undertaking, but it is a challenge we relish. With our supporters' backing ProjectScotland can continue to help change the lives of thousands of young people, while supporting local charities across the whole country. In 2015/16 we will continue to seek sustainable funding to ensure that ProjectScotland can help young people for the long term.

## **Statement of Directors' Responsibilities**

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

Company and charity law requires the directors to prepare financial statements for each financial year. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including its income and expenditure, of the charity for the 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The directors are responsible for keeping adequate and proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment Scotland Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) the requirements of the Companies Act 2006. 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.

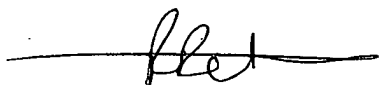
## **Provision of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are individually aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

## **Basis of preparation**

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

On behalf of the Board



Paul Reddish

Secretary

Date: 7/7/15

## **Independent Auditor's Report to the Trustees and Members of Project Scotland**

We have audited the financial statements of Project Scotland for the year ended 31 March 2015 which comprise the Statement of Financial Activities, 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 charity's trustees and members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees and members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees and members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 2015 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; 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 Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



## Independent Auditor's Report to the Trustees and Members of Project Scotland (Cont'd)

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

*BDO LLP*

Barbara Southern  
for and on behalf of BDO LLP, Statutory Auditor  
Edinburgh  
United Kingdom  
Date: *14 July 2015*

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

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

**Statement of Financial Activities (incorporating an income and expenditure account)**  
*for the year ended 31 March 2015*

		Unrestricted		Restricted	Total	Total
	Note	General funds	Designated funds	funds	funds	funds
		year to 31	year to 31	year to 31	year to 31	year to 31
		March 2015	March 2015	March 2015	March 2015	March 2014
		£	£	£	£	£
<b>Incoming resources</b>						
Incoming resources from generated funds:						
Voluntary income	2	47,691	-	73,639	121,330	55,322
Activities for generating funds	3	400	-	-	400	2,580
Investment income	4	14,762	11,229	-	25,991	38,436
Incoming resources from charitable activities	5	-	-	109,358	109,358	-
<b>Total incoming resources</b>		<b>62,853</b>	<b>11,229</b>	<b>182,997</b>	<b>257,049</b>	<b>96,338</b>
<b>Resources expended</b>						
Costs of generating funds:						
Cost of generating voluntary income		55,052	-	-	55,052	16,112
Cost of activities for generating income		-	-	-	-	1,056
Investment management costs		3,896	2,963	-	6,859	6,652
Charitable activities	6	-	669,901	259,837	929,738	883,449
Governance costs	7	5,474	-	-	5,474	33,392
<b>Total resources expended</b>		<b>64,422</b>	<b>672,864</b>	<b>259,837</b>	<b>997,123</b>	<b>940,661</b>
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(1,569)</b>	<b>(661,635)</b>	<b>(76,840)</b>	<b>(740,074)</b>	<b>(844,323)</b>
Transfers between funds		(109,358)	-	109,358	-	-
<b>Net (outgoing)/incoming resources before other recognised gains/losses</b>	13,14	<b>(110,927)</b>	<b>(661,635)</b>	<b>32,518</b>	<b>(740,044)</b>	<b>(844,323)</b>
<b>Other recognised gains/losses</b>						
Realised gain (loss) on investments assets		4,698	3,574	-	8,272	(1,156)
Gains on investment assets	10	31,794	24,182	-	55,976	22,412
<b>Net movement in funds during year</b>		<b>(74,435)</b>	<b>(633,879)</b>	<b>32,518</b>	<b>(675,796)</b>	<b>(823,067)</b>
Funds brought forward	13,14	1,066,650	811,305	11,723	1,889,678	2,712,745
<b>Funds carried forward</b>	13,14	<b>992,215</b>	<b>177,426</b>	<b>44,241</b>	<b>1,213,882</b>	<b>1,889,678</b>

None of the charity's activities were acquired or discontinued during the above two financial periods.

**Balance Sheet**  
 as at 31 March 2015

	<b>Note</b>	<b>2015 £</b>	<b>2014 £</b>
<b>Fixed assets</b>			
Investments	10a	1,012,747	1,146,758
Investment in subsidiary undertaking	10b	2	2
		<u>1,012,749</u>	<u>1,146,760</u>
<b>Current assets</b>			
Debtors due within one year	11	18,157	32,440
Cash at bank and in hand		249,755	757,829
		<u>267,912</u>	<u>790,269</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	12	(66,779)	(47,351)
<b>Net current assets</b>		<u>201,133</u>	<u>742,918</u>
<b>Net assets</b>		<u><u>1,213,882</u></u>	<u><u>1,889,678</u></u>
<b>Funds</b>			
Unrestricted funds			
General reserves	13	992,215	1,066,650
Designated reserves	13	177,426	811,305
Restricted funds	14	44,241	11,723
<b>Total funds</b>		<u><u>1,213,882</u></u>	<u><u>1,889,678</u></u>

The financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Approved and authorised for issue by the Board of Directors and signed on their behalf by:

Ian McAteer  
 Chair



Date: 7/7/15

**Notes***(forming part of the financial statements)***1. Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charity's financial statements.

**(a) Basis of preparation**

The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, in accordance with the Statement of Recommended Practice (SORP) Accounting & Reporting by Charities (revised 2005), the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Charities Accounts (Scotland) Regulations 2006.

Exemption from preparing a cash flow statement has been taken on the grounds that the company qualifies as a small company.

**(b) Going concern**

Following withdrawal of core Scottish Government funding in 2008/09, the principal risk for ProjectScotland continues to be the sourcing of alternative funding streams.

The current strategy outlined and approved by the charity's board is to use their substantial reserves to grow the organisation, then close the deficit. This reflects the desire of the charity to utilise its reserves for charitable purposes and reduce its reserves to a level in line with other comparable charities, to approximately 6 months of overall running costs. ProjectScotland has a current business plan in place to ensure the continued operation of the organisation and sufficient cash reserves to ensure this plan can be implemented.

The charity has incurred a further deficit of £675,796 in the year to 31 March 2015 (2014: deficit £823,067) and has net assets carried forward of £1,213,882 (2014: £1,889,678). The ability of the charity to continue with the current strategy and its expenditure beyond 31 March 2016 is dependent on the ability of the charity to secure increased additional income in order to support expenditure beyond 31 March 2016.

Should further income not be secure at a rate that allows this growth to be sustained, the charity is committed to ensuring the deficit is closed by cutting costs in line with the additional income it generates. The Board have prepared forecasts and budgets on this basis of a scale down of costs and on this basis and the confidence in obtaining new funding believe it is appropriate to prepare the accounts on the going concern basis.

**(c) Status**

The charity is a company limited by guarantee. The members of the charity are the directors named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member.

**(d) Reserves/Funds**

General funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the general objectives of the charity which have not been designated for any other purpose.

Designated funds comprise unrestricted funds that have been set aside by the directors for particular purposes. The aim and use of each designated fund is set out in note 13 to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of restricted funds is set out in note 14 of the financial statements.

**1. Accounting policies (continued)****(e) Incoming resources**

All incoming resources, except investment income, are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Investment income is recognised on a receivable basis. Gifts in kind and donated services/facilities are included in the Statement of Financial Activities at the commercial value agreed with the donor. The equivalent cost of the donated good/service is allocated to the appropriate expenditure line.

Investment income is allocated to funds based on a percentage calculated using the weighting of fund balances at the start of the year.

**(f) Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category.

Costs of generating voluntary income comprises those costs incurred by the charity in making grant applications to trusts and foundations, attending networking events, corresponding and meeting with company representatives etc. Costs include the salaries, expenses and administration of these fundraising activities. These costs are allocated based on an estimate of the proportion of time that personnel spend on generating voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. These costs are allocated based on an estimate of the proportion of time that personnel spend on charitable activities.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Support costs are those costs which are necessary to deliver an activity but do not themselves produce the output of the charitable activity. It includes the central office functions such as general management, finance, information technology and administration. All support costs are allocated to charitable activities, with a calculated cost per volunteer being calculated including direct and support costs and used to allocate costs to restricted funds. Some restricted funds have specific allocation allowed for administrative expenses and in these instances a percentage of direct costs is used to allocate support costs.

**Notes (continued)**

**(g) Capitalisation and depreciation**

The company capitalises tangible fixed assets with a cost greater than £10,000. Assets are held at historic cost and depreciated on a straight line basis over 3 years.

**(h) Operating leases**

Rentals in relation to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

**(i) Pension costs**

The company contributes to defined contribution money purchase pension schemes for its members. The assets of the schemes are held separately from those of the company in independently administered funds. The amount charged to the Statement of Financial Activities represents the contributions payable to the scheme in respect of the accounting year.

**(j) Taxation**

The company is a Scottish registered charity and is recognised as such by HMRC for UK taxation purposes. As a result there is no liability to UK taxation on any of its income or capital gains.

**(k) Investments**

Investments are shown at market value. Additions are shown at cost and gains and losses are recognised in the Statement of Financial Activities in the period in which they arise.

In addition, ProjectScotland has two £1 ordinary shares in PS Enterprises Limited, a subsidiary company. The investment is held at historic cost within the accounts. The charity is exempt from producing group accounts as the subsidiary is immaterial.

**Notes (continued)**

**2 Voluntary income**

	2015 £	2014 £
Donations and other grants	121,330	55,322

**3 Activities for generating funds**

	2015 £	2014 £
Social enterprise income	400	2,580

**4 Investment income**

	2015 £	2014 £
Bank interest receivable	2,355	15,322
Investment income	23,636	23,114
	25,991	38,436

**5 Incoming resources from charitable activities**

	2015 £	2014 £
Contractual payments for volunteering opportunities	109,358	-
	109,358	-

**6 Resources expended on charitable activities**

	2015 £	2014 £
Activities undertaken directly	704,546	646,410
Support costs	225,192	237,039
	929,738	883,449

Support costs are costs not related directly to delivering volunteering opportunities and include some salaries, rent, rates, insurance and other general infrastructure costs.

**7 Governance costs**

	2015 £	2014 £
External audit costs	5,160	4,800
Professional advice	-	28,500
Cost of trustee meetings	314	92
	5,474	33,392

**Notes (continued)****8 Directors' remuneration and expenses and related party transactions**

None of the directors received any remuneration for services as a director during the period. 2 directors received reimbursement of expenses amounting to £88 (2014: £86 for one director). The Memorandum of Association permits payment to directors for non-management services. Ian McAteer is a director of the Union Advertising Agency Ltd which produced some of the company's marketing material and assisted with website development at a cost of £37,465 (2014: £70,592). There was £12,225 (2014: £1,380) due to Union Advertising Agency Ltd at the year end.

**9 Staff costs**

	2015 £	2014 £
Gross wages	476,138	338,616
Social security costs	43,479	31,527
Pension costs	12,656	17,718
	<u>532,273</u>	<u>387,861</u>

The average number of employees, calculated on a full time equivalent basis, was 20 (2014: 12). The number of employees with emoluments greater than £60,000 in the period under review was as follows:

	2015 No.	2014 No.
£60,000 - £69,999	1	-
	<u>1</u>	<u>-</u>

During the year £3,250 (2014: £nil) was paid toward the provision of defined contribution pension schemes for this employee.

**10 Fixed Assets**

	2015 £	2014 £
<b>(a) Investments</b>		
Opening Market Value	1,101,725	1,034,619
Additions at cost	128,567	60,895
Disposals at opening market value	(304,771)	(16,201)
Unrealised gains	55,976	22,412
	<u>981,497</u>	<u>1,101,725</u>
Closing Market Value		

**Cost of Investments**

	2015 £	2014 £
Investments at cost	825,796	982,400
Cash held for investment	31,250	45,033
	<u>857,046</u>	<u>1,027,433</u>



**Notes (continued)**

**10 Fixed Assets (continued)**

	Market Value 2015 £	Market Value 2014 £
UK Bonds & Equities	554,471	727,718
North American Equities	39,214	46,721
Global investments	149,591	177,413
Absolute Return	160,776	130,625
Property	22,789	19,248
Other Investments	54,657	-
<b>Total</b>	<b>981,497</b>	<b>1,101,725</b>
<b>Cash</b>	<b>31,250</b>	<b>45,033</b>
	<b>1,012,747</b>	<b>1,146,758</b>

There are no individual shareholdings within the investment portfolio with a value over 5% of the total investment portfolio.

(b) Investment in subsidiary undertaking	Shares in group undertakings
<b>Cost</b>	<b>£</b>
At 1 April 2014 and 31 March 2015	2
<b>Net Book Value</b>	
At 31 March 2015	2
At 31 March 2014	2

ProjectScotland owns two ordinary £1 shares in PS Enterprises Limited, a subsidiary company. The charity is exempt from producing group accounts as the subsidiary is immaterial.

**11 Debtors**

	2015 £	2014 £
Trade debtors	6,542	-
Accrued income	7,168	23,427
Prepayments	4,447	9,013
	<b>18,157</b>	<b>32,440</b>

**Notes (continued)**

**12 Creditors: Amounts falling due within one year**

	2015 £	2014 £
Trade creditors	20,333	19,650
Other taxes and social security	10,700	10,781
Accruals and deferred income	34,357	15,629
Group personal pension scheme	1,389	1,291
	<u>66,959</u>	<u>47,351</u>

**13 Analysis of unrestricted reserves**

	Balance at 1 April 2014 £	Incoming Resources £	Resources Expended £	Transfers to/(from) reserves £	Other recognised gains/losses £	Fund at 31 March 2015 £
<b>General reserves</b>	1,066,650	62,853	(64,422)	(109,358)	36,492	992,215
<b>Designated reserves</b>						
Development reserve	811,305	11,229	(672,864)	-	27,756	177,426
<b>Total</b>	<u>1,877,955</u>	<u>74,082</u>	<u>(737,286)</u>	<u>(109,358)</u>	<u>64,248</u>	<u>1,169,641</u>

**Development Reserve**

These funds have been designated to align with the organisation's strategy to focus on future sustainability. This reserve will ensure that the organisation can focus on delivering 1000 volunteering opportunities each year whilst remaining confident that the organisation is still a going concern. The amount set aside represents the estimated costs of business development, salaries, infrastructure and other costs less the minimum amount of income the organisation expects to raise whilst enabling the strategy to take effect. The reserve is expected to be drawn down over the next year.

**14 Analysis of restricted reserves**

	Balance at 1 April 2014 £	Incoming Resources £	Resources Expended £	Transfers In (Out) of Reserves £	Fund at 31 March 2015 £
Scottish Government Rural Proj	-	109,358	(218,716)	109,358	-
Moffatt Charitable Trust	-	23,443	(5,861)	-	17,582
Crerar Hotels Trust	-	10,413	(5,207)	-	5,206
Big Lottery: Investing in Ideas	-	6,738	(3,369)	-	3,369
Bank of Scotland Foundation	-	4,988	-	-	4,988
Other restricted funds	11,723	28,057	(26,684)	-	13,096
<b>Total</b>	<u>11,723</u>	<u>182,997</u>	<u>(259,837)</u>	<u>109,358</u>	<u>44,241</u>

**Notes (continued)**

**14 Analysis of restricted reserves (continued)**

ProjectScotland had in excess of 20 restricted funds during the year. The analysis shows the individual funds which account for more than 5% of income during the year. It also shows any funds specifically required to be disclosed in accordance with grant giving terms. All of the donations were restricted to opportunities within Scotland in particular geographical locations and/or for particular charitable purposes.

The following are the description of the purposes of the material funds:

Scottish Government Rural Project – Volunteering in rural locations.

Moffatt Charitable Trust – Volunteering in South West locations (Renfrewshire and Inverclyde).

Crerar Hotels Trust – 12 Volunteers in Angus.

Big Lottery: Investing in Ideas – Staff costs for research role investigating potential social enterprise.

Bank of Scotland Foundation – 8 unemployed Glasgow volunteers from disadvantaged areas.

A transfer was made from general funds to the Scottish Government Rural Project fund which represents the match funding of 50% of the project costs.

**15 Commitments**

	Land and Buildings 2015 £	Land and Buildings 2014 £
Annual commitments under non-cancellable operating leases which expire:		
Within 1 year	25,916	25,916

**18 Allocation of funds**

	General £	Designated reserves £	Restricted reserves £	Funds at 31 March 2015 £
Fixed Assets	835,323	177,426	-	1,012,749
Current Assets	206,301	-	61,611	267,912
Current Liabilities	(49,409)	-	(17,370)	(66,779)
Total	992,215	177,426	44,241	1,213,882