

Charity Registration No. SC028216 (Scotland)

Company Registration No. SC201393 (Scotland)

ELGIN YOUTH DEVELOPMENT GROUP
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

ELGIN YOUTH DEVELOPMENT GROUP

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	L J Williamson N D Grant D A Robertson A Lindsay S M Chalmers P J P Connor K J Delaney
Charity number	SC028216
Company number	SC201393
Principal location and Registered office	Elgin Youth Cafe Francis Place Elgin Moray IV30 1LQ
Auditor	Cathedral Accountancy 4 North Guildry Street Elgin Moray IV30 1JR

ELGIN YOUTH DEVELOPMENT GROUP

CONTENTS

	Page
Trustees' report	1 - 6
Independent auditor's report	8 - 10
Statement of financial activities	11
Statement of financial position	12
Notes to the financial statements	13 - 21

ELGIN YOUTH DEVELOPMENT GROUP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's current statutory requirements, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

Our objective is to provide a safe and inclusive place for young people in secondary education. Our youth café offers a full range of youth work related services and activities including open evenings, after school clubs, holiday clubs, cooking and fitness classes and employability opportunities.

Our aim is to guide and support young people to realise their full potential. We do this by providing:

- projects and activities that address the needs of our young people and help them develop their confidence, leadership skills and well being
- opportunities that positively influence them to become valued and active members of the community

Furthermore, we aim to increase our sustainability through The Inkwell, our social enterprise. This initiative allows us to offer employability opportunities to young people who need additional support to transition into work.

Achievements and performance

EYDG continues to provide support for the young people of Elgin and the wider community through our youth work and employability services.

Over the past year we worked hard to adjust and respond to an ever-changing backdrop. We introduced a new venture, the Café @ The Warehouse which offers paid work placements to young, unemployed people. In addition, working in partnership with Moray Pathways, we welcomed an employability hub to our building. Both initiatives have strengthened our commitment to boosting the employability of young people.

The Warehouse

At the start of the year, we were still experiencing restrictions due to covid-19 and were therefore limited in the sessions that we could provide for young people. As a result, we were engaging with significantly fewer young people than before the pandemic. Our lower reach is a result of many of our older members outgrowing our services and/or moving away. As well as this, local restrictions meant we were unable to access local schools to provide breakfast clubs, P7 transition days and break/lunchtime activities.

Despite this, we have continued to provide a range of youth work services for young people within our community through the following activities and projects:

ELGIN YOUTH DEVELOPMENT GROUP

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Generic Youth Work

As restrictions continued, our youth workers set about continuing to provide sessions in the safest way possible. We put on sessions in the park, outdoor film nights and gaming sessions in the Town Hall to ensure that we were able to keep our staff and members safe while providing vital youth work. We decided to take our Eat, Chat & Chill sessions on the road. Through this initiative, we provided young people and their families cooked meals which were delivered by our youth workers. Over the duration of this project we provided 896 meals to 72 different people.

Once we were able to meet indoors again, we resumed our indoor Eat, Chat & Chill sessions. We were able to hold 27 sessions in our premises over the year with young people coming into the café to share a free, hot meal with their friends. We are now seeing up to 30 young people at these sessions again which is almost at the same level as pre-covid. While these sessions are open to all young people, we attract a lot of young people who are entitled to free school meals meaning that we are able to support those who need it the most.

We were also able to restart our gaming sessions which see young people come into our building to play board games, video games including our VR headsets as well as playing pool & table football. This session is one of our most popular with young people and is an excellent way to attract new members.

Throughout this year, we were able to return to providing holiday programmes for young people within our community. Additional funding from Summer of Play fund meant that we were able to provide the amazing summer programme which meant young people re-engaged not only with us but with each other. Young people were given the opportunity to take part in outdoor activities including paddleboarding, bushcraft and kayaking as well as activities including film-making, sugar-craft & arts and crafts.

As a result of continued concerns around young peoples' mental health as we emerged from the pandemic, we focused on providing a more targeted service which supported smaller groups of young people. Our youth workers held over 140 one-to-one sessions with young people who were experiencing a variety of issues from bullying, low self-esteem, anxiety & depression. In addition, we have supported 36 young people to develop their confidence and build their resilience through our targeted mental health and wellbeing sessions.

Healthy Living

Our Healthy Living programme continues to be an important aspect of our provision, encouraging healthy choices through our cookery, fitness classes and outdoor challenges.

Over the course of the year, we were also able to hold 50 cooking classes – both virtual and in our community kitchen. Young people were able to come together to learn an important skill while having access to a nutritional homemade meal. These sessions have become popular amongst our members and we are able to reach full capacity most weeks.

Additionally, we have provided a number of health-oriented sessions including our swimming challenge, which resulted in 14 young people participate in a 6-week swimming challenge with 13 of them swimming 800m in an hour by the end of the 6 weeks, fitness in the park as well as participating in community football sessions. We were able to give young people who may not be able to afford or be confident enough to participate in sports the opportunity to try new things and gain confidence in their ability.

As well as this, we were particularly proud of the progress our young participants achieved through our 3 Bens Challenge. To complement our targeted wellbeing work, a group of 10 young people climbed 2 local hills before going on a camping trip where they climbed Ben Nevis. This challenge allowed the young people involved to develop resilience and confidence in their abilities as well as improving their mental wellbeing by reconnecting with nature and engaging with their peers after over a year of isolation.

ELGIN YOUTH DEVELOPMENT GROUP

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Social Enterprise

The Inkwell

Our social enterprise is home to spacious rooms and a purpose-built community kitchen. This year, we have been able to reopen this space after a year of closure due to the pandemic. We have continued to provide our employability project through our social enterprise, providing young people with opportunities to develop transferable skills, gain qualifications and gain support which will help them kickstart their career.

In order to help encourage local organisations to use our Community Kitchen again, we used funding from the Community Recovery Fund to host a programme of cooking classes for local organisations working with vulnerable people after the pandemic. In partnership with 6 organisations, we were able to host 42 sessions which taught people how to cook nutritious meals on a budget as well as re-engage with their community after lockdown.

Moray Pathways @ The Inkwell

In July 2021, our doors opened to an Employability Hub, Moray Pathways @ The Inkwell, within our building. In partnership with Moray Pathways - a network of organisations delivering employability services - 221 workshops have taken place for people in our community who are unemployed or are experiencing uncertainty surrounding their job security. Our space has been used as a hub for Moray Pathways partners to meet and help beneficiaries on a daily basis.

Café @ The Warehouse

In June 2021, we opened the doors to our brand-new training café, Café @ The Warehouse. After an uncertain year due to covid, we decided to set up a training café which supports our employability project. As well as this, this café space acts as an additional way of supporting our charitable aims with any profit made going towards the running of our youth work provision.

Through this supportive and friendly café space, we are able to provide hands-on experience for young people aged between 16-25 years old within the hospitality industry. Their placement includes learning the skills of a barista, serving customers, preparing food & learning how to use a till. As well as this, young people have access to relevant qualifications including Food Hygiene & First Aid at Work. The Café @ The Warehouse aims to support young people to become ready-for-work. Since opening, we have employed 10 trainees within our training café with one young person being kept on for an additional year through the MERI scheme.

Employability Project

While the Café @ The Warehouse has become the cornerstone of our employability provision, our whole organisation continues to work together to provide meaningful placements within our different sections. We currently offer placements within hospitality, facilities, admin and social media. Of 16 young people supported through our employability project, 8 have gone on to positive destinations, including full-time or part-time employment or further education since leaving us, with an additional 6 young people still on their placements with us. As we emerge from the pandemic, the support we provide through our employability project is more important than ever and we hope to be able to continue supporting young people within our community through this project.

ELGIN YOUTH DEVELOPMENT GROUP

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Moving Forward

As we look forward to the next year, we are enthusiastic about the impact that our organisation will continue to have on young people within our community. To re-establish the community-based aspect of our work we are now beginning to get back into schools to reconnect with a broader range of young people and grow our membership again.

We are excited to see the Café @ The Warehouse grow and develop over the coming year. As we come up to our 1-year anniversary, we are already seeing the café become more and more busy, a trend we hope will continue over the coming year. We hope to be able to support even more young people through this enterprise.

Additionally, Moray Pathways have decided to continue their contract with us until 2023 meaning that we will continue to work in partnership to support our wider community. We hope that this project will continue to positively impact our community.

We would not have been able to make the progress we have made over the past year without the continued dedication of our staff, volunteers and directors. Our funders have continued to support our endeavours and over the Covid period showed great understanding and flexibility as we adjusted to an ever-changing environment. Their commitment to EYDG has meant that we are able to continue supporting vulnerable young people.

Finally, we would like to acknowledge the young people that we work with. They are at the heart of our organisation and it is their enthusiasm that pushes us to continue making positive change within our community.

Financial review

The activities in the year continued to have been impacted by the effects of the COVID-19 pandemic. However, fundraising activities and grant applications were resumed in the latter half of the year resulting in total income increasing from £254,050 to £707,965. In line with accounting standards, these are recognised in the Statement of Financial Activities when applications are made - most of these grants relate to future income and have since been transferred to restricted funds.

In line with recognition of grant income on application, the charity has recognised appropriate debtors of £319,069 (2021 - £25,022). Please see note 12 for further information on this balance.

The facilities of the Inkwell also resumed during the year, with COVID-19 safety procedures followed where appropriate including PPE and social distancing. We are pleased however that we could resume our activities here resulting in an uplift in income from £3,493 to £77,234 offset by expenses of £12,258 (2021 - £296).

Expenditure has increased in line with activity and the effects of the rising cost of utilities is yet to be fully understood for its impact on the FY 23 financial statements.

The charity continues to hold cash levels appropriate for its funding of £268k (2021 - £218k). The board regularly reviews the level of unrestricted and restricted funds so that unrestricted funds are maintained at a level of equivalent to three and six months' expenditure.

All significant and material expenditure is approved by the board before being actioned and cash reserves are monitored monthly by ongoing review of cash flow forecasts and quarterly management accounts.

The charity would like to thank its funders, providers and consumers for their continued support during the year.

ELGIN YOUTH DEVELOPMENT GROUP

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

The company is a registered charity, number SC028216. It is a company limited by guarantee, not having a share capital and is governed by the rules set out in its Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

J F Paterson (Resigned 17 November 2021)

L J Williamson

N D Grant

D A Robertson

A Lindsay

S M Chalmers

P J P Connor

S W Tsotsi (Resigned 5 April 2022)

K J Delaney

The structure of the company consists of the directors who are also the company's only members and comprise the Board. The Board have important powers and take decisions on changes to the constitution itself, hold regular meetings, and generally control the activities of the company.

None of the trustees has any beneficial interest in the company and guarantee to contribute £1 in the event of a winding up.

Potential trustees are appointed by existing directors having regard to the skills available and required. New trustees are given appropriate training according to the requirements of the position.

Statement of trustees' responsibilities

The trustees, who are also the directors of Elgin Youth Development Group for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law 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, including the income and expenditure, of the charitable company for that year.

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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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, the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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.

ELGIN YOUTH DEVELOPMENT GROUP

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

Auditor

In accordance with the company's articles, a resolution proposing that Cathedral Accountancy be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

A Lindsay

Trustee

Dated: 22 September 2022

ELGIN YOUTH DEVELOPMENT GROUP

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors of Elgin Youth Development Group for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law 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, including the income and expenditure, of the charitable company for that year.

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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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, the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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.

ELGIN YOUTH DEVELOPMENT GROUP

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF ELGIN YOUTH DEVELOPMENT GROUP

Opinion

We have audited the financial statements of Elgin Youth Development Group (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the statement of financial position and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 2022 and of its incoming resources and application of resources, 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).

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ELGIN YOUTH DEVELOPMENT GROUP

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ELGIN YOUTH DEVELOPMENT GROUP

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit carried out under ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

The 2021 accounts were not subject to audit.

ELGIN YOUTH DEVELOPMENT GROUP

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ELGIN YOUTH DEVELOPMENT GROUP

Use of our report

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

Munro Rankine CA (Senior Statutory Auditor)
for and on behalf of Cathedral Accountancy

22 September 2022

Chartered Accountants
Statutory Auditor

4 North Guildry Street
Elgin
Moray
IV30 1JR

Cathedral Accountancy is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

ELGIN YOUTH DEVELOPMENT GROUP

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
	Notes				
<u>Income and endowments from:</u>					
Donations	2	8,942	-	8,942	15,617
Grants		138,462	482,789	621,251	234,113
Investments	3	538	-	538	827
Commercial activities	4	77,234	-	77,234	3,493
Total income		225,176	482,789	707,965	254,050
<u>Expenditure on:</u>					
Raising funds	5	12,278	-	12,278	405
Charitable activities	6	38,948	297,445	336,393	302,352
Other expenditure	9	12,398	-	12,398	5,163
Total resources expended		63,624	297,445	361,069	307,920
Net incoming/(outgoing) resources before transfers		161,552	185,344	346,896	(53,870)
Gross transfers between funds		8,950	(8,950)	-	-
Net income/(expenditure) for the year/ Net movement in funds		170,502	176,394	346,896	(53,870)
Fund balances at 1 April 2021		749,949	105,334	855,283	909,153
Fund balances at 31 March 2022		920,451	281,728	1,202,179	855,283

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ELGIN YOUTH DEVELOPMENT GROUP

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Property, plant and equipment	10		609,223		613,484
Current assets					
Inventories	11	990		230	
Trade and other receivables	12	336,573		28,794	
Cash at bank and in hand		268,106		218,171	
		<u>605,669</u>		<u>247,195</u>	
Current liabilities	13	<u>(12,713)</u>		<u>(5,396)</u>	
Net current assets			592,956		241,799
Total assets less current liabilities			<u>1,202,179</u>		<u>855,283</u>
Income funds					
Restricted funds	14		281,728		105,334
<u>Unrestricted funds</u>					
Designated funds	15	609,223		613,484	
Unrestricted funds		<u>311,228</u>		<u>136,465</u>	
			920,451		749,949
			<u>1,202,179</u>		<u>855,283</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 22 September 2022

A Lindsay
Trustee

Company Registration No. SC201393

ELGIN YOUTH DEVELOPMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Elgin Youth Development Group is a registered charity (number SC028216) and a private company limited by guarantee incorporated in Scotland (number SC201393). The registered office is Elgin Youth Cafe, Francis Place, Elgin, Moray, IV30 1LQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of the charity.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees believe that the charity is well equipped to continue in operation for a period of 12 months from the date of approval of the financial statements. In coming to this conclusion, the trustees have prepared and reviewed cash flow forecasts that allows it to continue supporting and undertaking its activities in line with its core objectives and that there are expected to be sufficient reserves to do so. On that basis, the trustees believe it remains appropriate to continue adopting the going concern basis of accounting in preparation of the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. The charity does not place a financial value on the benefit which it receives from the contribution of volunteers as this would not be practical to estimate.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

ELGIN YOUTH DEVELOPMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Grant income is recognised when it has been unconditionally awarded to the charity rather than when it is received. Grants include payments received under the Job Retention Scheme.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and other sales related taxes.

1.5 Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay, when it is probable that a transfer of economic benefits will arise and when the amount can be measured reliably. As the charity is not VAT registered, all expenditure includes irrecoverable input VAT where appropriate.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Heritable property	2.5% straight line
Fixtures and fittings	25% and 50% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the Statement of Financial Activities for the year.

Expenditure under £500 is not capitalised.

1.7 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of twelve months or less.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.10 Employee benefits

The cost of any significant unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

ELGIN YOUTH DEVELOPMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	3,042	12,505
Government Grants	5,900	3,112
	<u>8,942</u>	<u>15,617</u>

3 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest income	538	827
	<u>538</u>	<u>827</u>

4 Commercial activities

	2022	2021
	£	£
Inkwell and related income	77,234	3,493
	<u>77,234</u>	<u>3,493</u>

ELGIN YOUTH DEVELOPMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity costs</u>		
Fundraising costs	20	109
	<hr/>	<hr/>
<u>Trading costs</u>		
Inkwell operating costs	12,258	296
	<hr/>	<hr/>
	12,278	405
	<hr/>	<hr/>

6 Charitable activities

	2022	2021
	£	£
Staff costs	238,406	211,872
Depreciation	27,577	21,614
Activities	23,698	15,192
Inkwell overheads	10,881	9,901
Bar/kitchen overheads	15,494	9,356
Community Kitchen overheads	3,420	4,592
General overheads	7,303	1,132
General property costs	902	2,902
General office costs	2,501	635
Feed in tariff	(1,672)	-
Youth Team overheads	7,883	7,091
Covid funds dispersed	-	18,065
	<hr/>	<hr/>
	336,393	302,352
	<hr/>	<hr/>

Included within expenditure for 2021 is £18,065 of funds which were in support of the local community and those most adversely affected by the pandemic.

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration, benefits or expenses from the charity during the year or prior year.

ELGIN YOUTH DEVELOPMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Full time employees	11	10
Part time employees	5	2
	<u>16</u>	<u>12</u>

Employment costs

	2022 £	2021 £
Wages and salaries	223,887	201,496
Social security costs	10,576	8,087
Other pension costs	3,943	2,289
	<u>238,406</u>	<u>211,872</u>

The estimate of full time equivalent staff for the year is 14 (2021 11).

There were no employees whose annual remuneration was £60,000 or more.

9 Other expenditure

	2022 £	2021 £
Audit fees	2,400	-
Independent examination fees	-	1,260
Professional fees	9,998	3,903
	<u>12,398</u>	<u>5,163</u>

Professional fees include £1,296 paid to the auditor for the preparation of accounts and £318 (2021 - £240) paid to the auditor (2021 independent examiner) for payroll services.

Other expenses are met from unrestricted funds.

ELGIN YOUTH DEVELOPMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Property, plant and equipment

	Heritable property £	Fixtures and fittings £	Total £
Cost			
At 1 April 2021	696,019	70,745	766,764
Additions	9,944	13,371	23,315
Disposals	(132)	(10,034)	(10,166)
At 31 March 2022	705,831	74,082	779,913
Depreciation and impairment			
At 1 April 2021	89,002	64,277	153,279
Depreciation charged in the year	17,647	8,790	26,437
Eliminated in respect of disposals	(3)	(9,023)	(9,026)
At 31 March 2022	106,646	64,044	170,690
Carrying amount			
At 31 March 2022	599,185	10,038	609,223
At 31 March 2021	607,017	6,467	613,484

11 Inventories

	2022 £	2021 £
Consumables	990	230

12 Trade and other receivables

	2022 £	2021 £
Trade receivables	14,539	1,784
Other receivables	319,562	25,022
Prepayments and accrued income	2,472	1,988
	336,573	28,794

Other receivables include grants receivable of £319,069 (2021 £23,070) which had been awarded before 31 March 2022 but were not received until after this date. Of this amount £129,021 is due to be received in more than one year, £132,208 is expected to be received by 31 March 2023 and £57,840 has been received since 31 March 2022.

ELGIN YOUTH DEVELOPMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Current liabilities

	2022	2021
	£	£
Taxation and social security	3,700	3,027
Trade payables	4,424	276
Other payables	939	843
Accruals and deferred income	3,650	1,250
	<hr/>	<hr/>
	12,713	5,396
	<hr/>	<hr/>

ELGIN YOUTH DEVELOPMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £
Youth Team Activities	970	12,940	(6,113)	-	7,797	11,999	(16,797)	-
Living Well	34,542	-	(34,542)	-	-	-	-	-
Social Enterprise Salaries	1,796	5,000	(6,796)	-	-	-	-	-
Rank Foundation Support	-	43,675	(15,078)	-	28,597	7,500	(36,097)	-
Youth Work Funding	99,701	10,000	(77,342)	-	32,359	347,096	(121,484)	-
Employability Project	13,493	44,318	(38,803)	-	19,008	80,033	(92,041)	-
Refurbishment	-	5,500	-	(5,500)	-	22,698	-	(8,950)
Covid recovery and support fund	-	45,752	(34,942)	(1,935)	8,875	13,463	(22,328)	-
Eat meet and cook fund	-	9,016	(318)	-	8,698	-	(8,698)	-
	150,502	176,201	(213,934)	(7,435)	105,334	482,789	(297,445)	(8,950)
								281,728

The transfers from restricted funds represent grants received for the purchase of fixed assets where the restriction is removed when the expenditure is incurred together with funds originally received for restricted purposes where the restriction has been lifted by the donor.

ELGIN YOUTH DEVELOPMENT GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2020 £	Resources expended £	Transfers £	Balance at 1 April 2021 £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Asset fund	627,099	(21,614)	7,999	613,484	(26,437)	22,176	609,223
	<u>627,099</u>	<u>(21,614)</u>	<u>7,999</u>	<u>613,484</u>	<u>(26,437)</u>	<u>22,176</u>	<u>609,223</u>

The asset fund comprises the net book value of fixed assets and is intended to cover future depreciation charges.

16 Analysis of net assets between funds

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Property, plant and equipment	609,223	-	609,223	613,484	-	613,484
Current assets/(liabilities)	<u>311,228</u>	<u>281,728</u>	<u>592,956</u>	<u>136,465</u>	<u>105,334</u>	<u>241,799</u>
	<u>920,451</u>	<u>281,728</u>	<u>1,202,179</u>	<u>749,949</u>	<u>105,334</u>	<u>855,283</u>

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