

Charity Registration No. SC018180

Company Registration No. SC133649 (Scotland)

YOUNG ENTERPRISE - SCOTLAND

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 JANUARY 2021

YOUNG ENTERPRISE - SCOTLAND

LEGAL AND ADMINISTRATIVE INFORMATION

Directors: K Bowie
N Cohen
C Gurevitz
O Kozlova
E Lambley
R Little
J MacKay
G McCluskey
W J McDonald (Chair)
N McMillan

Secretary: A Brown

Chief Executive: G Leask

Charity Number: SC018180

Company Number: SC133649

Registered Office: Rouken Glen Park
Thornliebank
GLASGOW
G46 7UG

Auditor: Johnston Carmichael LLP
227 West George Street
GLASGOW
G2 2ND

Bankers: The Royal Bank of Scotland PLC
10 Gordon Street
GLASGOW
G1 3PL

Solicitors: MacRoberts LLP
Capella
60 York Street
Glasgow G2 8JX

YOUNG ENTERPRISE - SCOTLAND

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YOUNG ENTERPRISE - SCOTLAND

CHAIR'S STATEMENT FOR THE YEAR ENDED 31 JANUARY 2021

Our vision for Young Enterprise - Scotland remains to be the leading enterprise & financial education charity in Scotland, helping young people achieve a rewarding future in work and life, regardless of where their journey started. I am therefore pleased to share this positive report that after what has been the most unusual and challenging of years as we have worked through and begin to emerge from a global pandemic. Our YE Scotland Team under the leadership of our CEO Geoff Leask, has been able to accelerate our strategic plan, 'Enterprise for All', and continued to deliver outcomes for young people with our core values of Integrity, Collaboration, Enthusiasm and Creativity at the heart and centre of that delivery.

In the last year the organisation has taken significant steps forward and, by harnessing the support of the Scottish Tech Army, enabled a new digital learning environment to be developed and implemented to support the strong face to face delivery that we are well renowned for. This digitisation and the enhancement of centrally provided resources has ensured that young people this year have continued to be able to benefit from the suite of programmes that we deliver as the rungs on our 'Ladder of Enterprise' through Primary, Secondary and Tertiary education.

As Chair of this innovative organisation I have been delighted to see the fruits of our efforts in the Financial Education arena begin to take effect. Since we commenced our activity in this arena, we have been able to grow significantly developing the Scotland's Financial Schools portal in similar fashion to the very successful Scotland's Enterprising Schools portal, to showcase the wide range of support that is available. There is a strong synergy between our Enterprise and Financial programmes that will, in the course of time have great impact on the organisation's growth and most importantly add great value to the young people that we support.

Once again, we have been able to deliver a strong financial performance that has enabled us to show an operating surplus for the fifth year in succession. We are grateful to all our funders from across the public, private and third sectors as they have shown understanding of our work and allowed us to pivot where required to meet the needs of the young people and achieve the desired outcomes.

In particular, our strong partnership with the Scottish Government continues to grow as we see continuing endorsement of our work from Ministers during the last year and the request for YE Scotland to lead the CAN DO Youth and Next Gen Collab on behalf of the Scotland Can Do Collective.

Our people at YE Scotland have been, and will continue to be, critical to our success as we seek to deliver even more meaningful activity for young people. Whilst we continue to aspire to achieve Investors in People (IIP) and Investors in Young People (IYYP) frameworks at Platinum, currently at Gold we have now embarked upon the journey to achieve the Investors in Volunteering recognition. This will ensure that one of our most valuable and unique resources, our Scotland-wide volunteer team, are given the best experience from recruitment through until exit and that they will be supported through our new online Volunteer Gateway portal.

There have been many wonderful events during the last year for the organisation, many of which are highlighted in the Directors Report however, one that I wish to note personally is the continued growth in adding qualifications for young people who participate in our programmes. This year at the first time of asking our Team programme has enabled young people aged 15 plus, with mild to moderate learning difficulties, to secure a Scottish Credit and Qualifications Framework Partnership (SCQFP) Level 3 qualification. Scotland is leading the way here across the UK and in this first year 38 students gained this valuable qualification. This is in addition to the 286 students who gained a Level 6 qualification for the Company Programme, equivalent to 26-30 Credit Points and is also the result of a collaboration between Glasgow Kelvin College and Young Enterprise - Scotland.

We look forward to the year ahead in the knowledge that we are developing significantly strong alliances with organisations such as Elevator whose vision for enterprising young people is the same as ours. Enterprise for All continues to be our ambitious aim and I am delighted to say that we have formed a Youth Advisory Group and are in the process of recruiting two young Trustees for the Board of Directors which will ensure there is a line of connectivity between Governance and the work that we deliver directly with young people.

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CHAIR'S STATEMENT FOR THE YEAR ENDED 31 JANUARY 2021

I am grateful to my fellow Directors for their additional efforts during the last year which has been one that we will never forget and pay tribute to the YE Scotland staff team who have '*walked the walk of entrepreneurship*' and ensured that we are well placed for the years ahead.

I am therefore pleased to be signing these accounts and look forward with anticipation of further success in the next 12 months.



.....
W J McDonald (Chair)
Director

18 / 10 / 2021

YOUNG ENTERPRISE - SCOTLAND

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JANUARY 2021

The directors have pleasure in presenting this report and the financial statements for the year ended 31 January 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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).

Objectives and activities

Young Enterprise Scotland's mission is 'to inspire and equip young people, irrespective of their background, to learn, develop and reach their full potential through enterprise education.'

Our Vision is for Scotland to be a place where all young people are given the opportunity to have a rewarding future in work and life - no matter where they start their journey.

Achievements and Performance

We have continued to deliver impactful work over the last year within Primary, Secondary and Tertiary education as well as at our environmentally conscious centre within Rouken Glen Park. Here we take a circular economy approach and play host to a growing number of social enterprises and community groups and in the last year 20 different social enterprise and charities have benefitted from the use of the centre.

As one of our organisational core values, collaboration is critical in everything that we do and wherever possible we have sought to work with others within the private, public and third sectors so that the young people that we engage with are given the most positive and impactful experience possible.

The Key Programme achievements are as follows:

Bridge 2 Business

With the continued support of The Scottish Government via the Scottish Funding Council, the Bridge 2 Business programme, now in its seventh year, is very much recognised as being a key part of the Tertiary Education Enterprise Landscape. Through the programme we inspire, connect and support students into business, awarding small grants to test the market, enable networking through events organised with partners, and provide sales training and practical sales experience with our trade stands.

The Bridge 2 Business website is now incorporated within the YE Scotland site and has had a complete brand refresh led by a former Bridge 2 Business Programme beneficiary from Forth Valley College.

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During the last year the Bridge 2 Business Programme has been completely delivered using technology on an online basis. This has included the delivery of workshops, the development of our Virtual Learning Environment (VLE) via Moodle and ongoing 121 support for students taking their next step on the enterprise ladder by utilising one of the small grants available and mentorship from our team and volunteers.

New initiatives have been launched including #FemaleBoss and Social Innovators Challenge.

Young Enterprise - Scotland and Royal Bank of Scotland joined forces to launch the #FemaleBoss programme for Scotland's college students, to encourage and inspire more women to set up their own businesses.

In total 66 students from 10 colleges participated in the joint venture which included inspiring support from young female founders such as Lauren Leisk from Fodilicious.



Bridge 2 Business, FirstPort, Good Ideas, and PawPrint delivered the second Social Innovators Challenge for college students in Scotland.

The spring-time competition had an award pot of £5,000 and challenged Scottish students to think outside the box and create a sustainable, purpose-led business that will actively reduce the carbon footprint of Scotland.

The Social Innovators Challenge was looking for students to explore an idea that will ultimately protect our communities in Scotland from the effects of climate change. From the challenge, which was participated in by 20 students, 5 business ideas were supported by First Port to take the next step up on their enterprise ladder.

School Programmes

The Company Programme has continued to deliver the ultimate business experience for S5 and S6 pupils. Young people set up and run their own company and develop a wide range of skills throughout this year long entrepreneurial experience. The programme was impacted, as one would expect, by the school closures and disruption to education. However, the organisation successfully adapted and enabled a remote package of support to be put in place digitally and we are grateful to supporters including the Royal Bank of Scotland, CityFibre, IOD Scotland, ICAS, Accenture and Marketing Society of Scotland for enabling this.

The ability for students to gain a Level 6 qualification for the Company Programme, equivalent to 26-30 Credit Points, which is the result of a collaboration between Glasgow Kelvin College and Young Enterprise Scotland enabled us, even during this period of uncertainty, to increase the number of students who gained a full qualification from 279 to 286 and we look forward to continuing that growth trajectory next year.

We continue to deliver programmes in schools where requested by Local Authority and/or individual Schools when funding is available either from schools and/or specific Trusts & Foundations income.

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Through Young Enterprise, we offer the “TenX” and “Fiver” programmes. These programmes are enterprise challenges run in the months of March and May respectively. Each individual or team is given £10 or £5 to be more entrepreneurial. Tenner is for young people from the ages of 11 to 19 and Fiver is for young people under the age of 11.

Through the alignment of the Tenner Challenge to appropriate SQA qualifications to ensure that young people gain accreditation for their efforts in this ‘learning by doing’ activity we see an increase in participation in future through this and we continue to promote this in community settings through the Young Enterprise Scotland membership of the Awards Network.



For the first time this year we have delivered the Team Programme which now has an SCQF level Three qualification attached. The Team Programme is an enterprise journey, like our Company Programme, but designed specifically for students with mild to moderate learning difficulties.

Created to aid young people's transition from education into independent living and employment, the programme develops confidence and life skills through working as a team to set up and run an enterprise.

In this first year with the qualification, we successfully enabled six teams competing from across Scotland from Stranraer to Inverness to assist 38 young people gain this

award for their efforts.

The young people also picked up two national UK awards as well as Burn Unlimited from Carrongrange High School in Forth Valley winning the Best Overall Company Award.

Using a laser cutter in the school, the team created their own wooden Christmas decorations and gifts which were extremely popular within the local community.

Scotland's Enterprising Schools (SES)

Young Enterprise Scotland has again successfully hosted and been a key partner for the above Scottish Government initiative.

The SES mission is to support and challenge education practitioners to cultivate an innovative, flexible and creative approach to learning, teaching and enterprise education that motivates and equips young people with the skills they need to flourish.

One of the key highlights for SES this year has been the participation in ‘World Education Week’ with the award-winning Dunoon Grammar School.

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World Education Week (WEW) is an opportunity for 100 schools across the world to present their best practice and show off a little about all the great work they do and Dunoon were able to showcase how they put enterprise education at the heart of their schools' vision and embedded this in their high level plans.

Membership of the platform continues to grow and ongoing new digital resources are developed that are curriculum relevant in partnership with Young Enterprise Scotland.

Pathway to Enterprise Programme

The Pathways to Enterprise Programme is a 10-week enterprise course for young people aged 12-21 who have experienced barriers to accessing formal education.

The programme is flexible to allow 1,2 and 3 days per week for the duration of the course and can be adapted to meet the needs of the school and its participants.

It has been a very rewarding year for this area of work as it continued to deliver support in a face-to-face manner in a safe manner at Rouken Glen. The target group of young people being those vulnerable young people, including those with additional support needs, who needed engagement during the last year when mainstream education was not available.

This work has been funded by Big Lottery, Dulverton Trust, Children's Lottery, Gannochy Trust, Robertson Trust, and others beside whist schools also contribute to costs through their Personal Equity Fund (PEF) monies.

The outcomes being achieved by young people are very strong and planned engagement by schools for 2021/2022 is very positive.



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Rouken Glen Centre

Our Centre continues to grow with a significant number of new organisations using our space and being able to call it 'home' when they are on site. A broad range including Dechomai, Veloworld, Cosgrove Care, St Margaret's Adoption Society, AR26 and many more besides.

The Centre now houses two sculptures through the Sculpture Adoption Scheme.

Future plans underway include the development of a community start up enterprise space called 'Square Go' which will enable young people who have participated in our Programmes to have a supportive environment from which to take their next step on the ladder of enterprise by beginning their own business.

We are very grateful for the continued support of East Renfrewshire Council for our Centre and the facilities at Rouken Glen.

Festival of Youth Enterprise

In June 2020, as the key enterprise event in Scotland for young people, Young Enterprise Scotland delivered the Festival of Youth Enterprise over an extended full week Programme of activity which was delivered virtually.

Over the course of the week young people from Colleges' Primary and Secondary schools together with the business community engaged in a series of activities designed and developed to help inspire the next generation to be aware of enterprise and the skills benefits gained from engaging in practical learning by doing activity.



Financial review & reserves policy

The charity objectives are to build reserves to at least 6 months expenditure, to provide comfort to the trustees that the organisation has adequate ability to manage the peaks and troughs of charitable donations and fund raising.

Restricted funds comprise £576,173 (2020: £403,647) of the total reserves of £760,396 (2020: £556,108) and hence are not available to support the general purposes of the charity. Of the remaining reserves, £141,763 (2020: £130,943) have been designated to the Local Area Teams of Young Enterprise Scotland to support their activities (see further below as part of the charity structure).

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Unrestricted general reserves, however, total £42,460 (2020: £21,518), which are comprised £31,851 (2020: £45,452) of fixed assets and investments and £10,609 (2020: £23,934 current liabilities) of current assets (see note 21). Ongoing measures are therefore required to build unrestricted general reserves to the target level of 6 months expenditure.

As previously indicated in prior years, the directors have streamlined the administration and finance structure of the organisation, which has, and will continue to, yield cost savings. This will ensure that Young Enterprise Scotland continues to generate surpluses and deliver a sustainable level of unrestricted reserves.

Young Enterprise Scotland has again returned an overall surplus across all funds of the charity in the year resulting in a net asset position of £760,396 at 31 January 2021. This positive asset position provides Young Enterprise Scotland with an improved financial position to support its charitable activities in the forthcoming years ahead.

Impact of COVID-19 and consideration of Going Concern

Young Enterprise Scotland was quick and effective to implement additional financial and operational safeguards in response to the COVID-19 crisis.

Our Rouken Glen Centre was closed from 23rd March 2020, until 4th July 2020. We ensured that our delivery in schools and colleges was maintained where possible via the online resources to safeguard the health of both our team and the young people we work with.

Over the last 3-4 years we have worked hard to build our reserves, in particular our unrestricted reserves, to ensure we are financially resilient. Our improved reserves position gives us a strong platform to re-emerge from the current Pandemic into new curricular year 2021/2022.

We prepare weekly cash flow forecasts based on our confirmed income and current cost base. This provides high-level oversight to the Audit and Risk sub-group so that they may consider our cash runway and make decisions on any actions that need to be taken.

Whilst we are confident that we are emerging from the crisis in reasonably good financial health, we must remain vigilant to any changes in the funding landscape. We receive a significant proportion of our income from Trust & Foundations and from corporate donations. We anticipate that there will be increasing competition for funding at the same time as availability may drop due to prevailing economic conditions.

We continue to communicate with Scottish Government, which provides funding for core delivery programmes, and we are confident that our current level of funding will receive ministerial approval soon.

We have been able to accelerate the digital transformation of our delivery as per our Strategic Plan that was in place prior to the pandemic. We have developed a new Virtual Learning Environment (VLE) via the Moodle platform for our Bridge 2 Business resources, refreshed and combined our three websites into one platform and developed our links to Education Scotland virtual delivery and now share content directly to schools via this link.

Investment powers

The board has the power to invest any surplus funds of the charity not immediately required for its purposes as it sees fit.

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DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JANUARY 2021

Structure, management, and governance

The board of directors

The board of directors who served the charity during the period and since the period end date were as follows:

N Archibald (Resigned 8 March 2021)
K Bowie
N Cohen
C Gurevitz
O Kozlova
E Lambley
R Little (Vice Chair)
J MacKay
G McCluskey
W J McDonald (Chair)
N McMillan

The board of directors approve the appointment of any new directors by consensus or a vote at board meetings. Prospective directors are initially interviewed by the Chair or Vice Chair together with the Chief Executive and briefed on the role of being a director and the scope of operations of Young Enterprise Scotland. Once appointed by the Board they are then taken through a formal induction process which includes a series of briefings and receipt of an Induction Pack which includes various materials including copies of recent minutes of Board Meetings.

The board of directors are responsible for setting a strategy and overseeing the overall operation of the organisation. The Chief Executive, Geoff Leask, is responsible for the day-to-day operational matters.

One of our unique selling points is our method of delivery. Operating with a relatively small team of paid staff, either full or part time together with a wide network of volunteers, we work in partnership with 17 Local Area Teams who mainly deliver the Company Programme Activities within their local area which ensures cost effective delivery of service. We currently have over 600 volunteers associated with Young Enterprise Scotland.

Local Area Teams are not independent legal entities; they operate through a yearly refreshed Memorandum of Understanding (MoU) with nominated Chairs, Vice Chairs and Treasurers. They also have their own individual financial arrangements which are under a common banking structure within the Charity's banking facilities with the Royal Bank of Scotland. Specific people from each Local Area Team are linked to schools who nominate Centre Leads and with the aid of a volunteer Business Advisor support students participating in the Company Programme. Local Area Teams host local training events to support all the volunteers operating in their area, they also host a Trade Fair and an end of year Local Area final.

Appointment of directors

The board of directors approves the appointment of each new director by consensus or a vote at the first available board meeting. The relevant forms are completed and submitted to Companies House as soon as possible thereafter. The appointment is endorsed at the next Annual General Meeting. The term of office is normally 3 years which can be extended by agreement to a maximum of 2 additional terms.

Decision making and governance

The company is a registered charity governed by its Memorandum and Articles of Association.

The board of directors meet on a quarterly basis and are responsible for setting the strategy for the organisation. The Strategic plan was updated by the Board and implemented from 1st February 2020. The Chief Executive is tasked with controlling the operation of the business within the parameters of that Strategic Plan.

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To ensure ethical standards are maintained, the guiding principles of the best practice in corporate governance have been adopted and these apply equally to the central operation and the Area Boards. In addition, the Board has approved a Code of Practice of financial procedures and delegated authority. This code is kept under review in the light of changing circumstances and procedures.

Young Enterprise Scotland's Audit & Risk Group at present comprises 2 directors and one other nonexecutive member, supported by the Chief Executive and the Head of Finance who meet on a quarterly basis in order to ensure robust financial management is maintained. The Chair of the Finance Sub Committee then reports to the board of directors at the subsequent board meetings.

A strategic Sub-group that was formed in September 2019 has worked collectively since that date to enable the advancement and update of the Strategic plan.

Management

Young Enterprise Scotland operates with a Strategic Leadership Group (SLG) of three: Chief Executive, Head of Operations and Head of Finance. The SLG is supported by the Financial Leadership Group led by Head of Finance and Operational Leadership Group led by Head of Operations.

Legal status

Young Enterprise Scotland is a company limited by guarantee and has received HM Revenue and Customs approval as a charity. It is an independent organisation, operating within the framework for the programme licensed from Young Enterprise, whose national office is at The Coram Campus, 41 Brunswick Square, London, WC1N 1AZ

Related parties

YES Works Limited (YES Works) is a wholly owned subsidiary of Young Enterprise Scotland. The subsidiary did not trade in the year. Geoff Leask, Chief Executive Officer of Young Enterprise Scotland is the sole director of YES Works Limited.

Disclosure of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

The auditor, Johnston Carmichael LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006

The directors' report was approved by the Board of Directors on 19 / 10 / 2021



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A Brown

Company Secretary

YOUNG ENTERPRISE - SCOTLAND

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JANUARY 2021

The directors, who also act as trustees for the charitable activities of Young Enterprise - Scotland, 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 law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 JANUARY 2021

Opinion

We have audited the financial statements of Young Enterprise - Scotland (the 'charitable company') for the year ended 31 January 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 January 2021 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.

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 charitable company 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 directors' 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 charitable company'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 directors 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 directors 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.

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INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 JANUARY 2021

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate and proper accounting records have not been kept 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 and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors 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 directors 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 directors are responsible for assessing the charitable company'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 directors 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 under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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.

Extent to which an audit is considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include FRS 102, the Charities SORP (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

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INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 JANUARY 2021

We gained an understanding of how the company is complying with these laws and regulations by making enquiries of management and the trustees. We corroborated these enquiries through our review of submitted regulatory returns and board meeting minutes.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur, by meeting with management and trustees to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management and trustees were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management and trustees oversee the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk.

The following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- reviewing minutes of meetings of those charged with governance;
- reviewing the level and reasoning behind the charitable company's procurement of any legal and professional fees;
- performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, and reviewing judgements made by management in their calculation of accounting estimates for potential management bias.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material risk due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and 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 charitable company's members and trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body, and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Keith Macpherson (Senior Statutory Auditor)
for and on behalf of Johnston Carmichael LLP

20 / 10 / 2021

Chartered Accountants
Statutory Auditor

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

YOUNG ENTERPRISE - SCOTLAND

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2021

	Notes	Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2021 £	Total 2020 £
<u>Income and endowments from:</u>						
Donations and legacies	3	244,362	6,810	295,450	546,622	195,704
Charitable activities	4	49,102	20,278	553,718	623,098	847,459
Other trading activities	5	50,459	-	-	50,459	126,317
Investments	6	280	-	-	280	592
Other	8	-	-	-	-	1,507
Total income		344,203	27,088	849,168	1,220,459	1,171,579
<u>Expenditure on:</u>						
Raising funds	7					
	9	49,417	-	-	49,417	104,793
Charitable activities	10	273,844	16,268	676,642	966,754	1,052,587
Total expenditure		323,261	16,268	676,642	1,016,171	1,157,380
Net income for the year/ Net movement in funds		20,942	10,820	172,526	204,288	14,199
Reconciliation of Funds						
Fund balances at 1 February 2020		21,518	130,943	403,647	556,108	541,909
Fund balances at 31 January 2021		42,460	141,763	576,173	760,396	556,108

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.

YOUNG ENTERPRISE - SCOTLAND

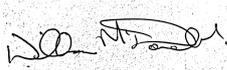
BALANCE SHEET

AS AT 31 JANUARY 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	14		31,751		60,062
Investments	15		100		100
			<u>31,851</u>		<u>60,162</u>
Current assets					
Debtors	16	66,946		79,483	
Cash at bank and in hand		842,692		541,282	
		<u>909,638</u>		<u>620,765</u>	
Creditors: amounts falling due within one year	17	(181,093)		(124,819)	
Net current assets			<u>728,545</u>		<u>495,946</u>
Total assets less current liabilities			<u>760,396</u>		<u>556,108</u>
The funds of the charity:					
Restricted funds	20		576,173		403,647
Unrestricted funds - designated	21		141,763		130,943
Unrestricted funds - general			42,460		21,518
			<u>760,396</u>		<u>556,108</u>

18 / 10 / 2021

The financial statements were approved by the Directors on



W J McDonald

Trustee

Company Registration No. SC133649

YOUNG ENTERPRISE - SCOTLAND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	27		306,881		134,449
Investing activities					
Purchase of tangible fixed assets		(6,314)		(19,852)	
Proceeds on disposal of tangible fixed assets		563		-	
Investment income received		280		592	
Net cash used in investing activities			(5,471)		(19,260)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			301,410		115,189
Cash and cash equivalents at beginning of year			541,282		426,093
Cash and cash equivalents at end of year			<u>842,692</u>		<u>541,282</u>

YOUNG ENTERPRISE - SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

Charity information

Young Enterprise - Scotland is an incorporated charity limited by guarantee in the United Kingdom and is registered in Scotland. The registered office is Rouken Glen Park, GLASGOW, G46 7UG.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") 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 charitable company is a Public Benefit Entity as defined by FRS 102.

The charity has availed itself of S396 of the Companies Act 2006, as permitted in paragraph 4(1) of Schedule 1 of SI 2008 No 409, and adapted the Companies Act formats to reflect the special nature of the charity's activities.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

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

In accordance with paragraph 24.13A of the Charities SORP, consolidated accounts have not been prepared as the charity's subsidiary did not trade in the year and so is not material to Young Enterprise Scotland. As a result, the directors have determined that preparation of consolidated accounts is not required.

A reconciliation of net debt in the cash flow statement has not been prepared as the charity only holds cash and has no debt.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. This expectation is based on the weekly cash flow forecasts prepared by management which considers confirmed funding as well as control of costs. While the directors are continually seeking to build a higher level of unrestricted free reserves to provide the charity with additional flexibility and security, they have not identified any material uncertainty regarding the financial position of the charitable company. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds are set aside by the directors to be used for particular designated purposes.

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.

YOUNG ENTERPRISE - SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

1.4 Income

Income, including other income, is recognised when the charitable company is 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.

Donations and patron support are usually recognised when receivable, unless performance conditions satisfy early recognition or deferral of income.

Donated services and facilities are brought into the financial statements as income at their expected costs, or a reasonable estimate thereof, with an equivalent amount reflected under expenditure.

Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Income from charitable trading activities is accounted for when earned, it is probable that the income will be received, and the amount can be measured reliably.

Event and programme trading income is recognised in the year to which it relates.

1.5 Expenditure

Expenditure is recognised on an accruals basis when there is a present legal or constructive obligation as a result of a past event, a transfer of economic benefits is probable, and the amount can be measured reliably. Expenditure includes any VAT which cannot be fully recovered and is reported as part of expenditure to which it relates. All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of resources. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Charitable expenditure comprises those costs incurred by the company 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.

Raising funds expenditure comprises costs incurred with attracting donations income.

Other expenditure comprises those costs incurred by the charitable company that are not related to its activities.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, 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:

Leasehold improvements	33% straight line
Pathways Equipment	25% to 50% straight line
Pathways Motor Vehicles	33% 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 net income/(expenditure) for the year. At each reporting date, the charitable company reviews the carrying amount of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

YOUNG ENTERPRISE - SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

1.7 Fixed asset investments

Fixed asset investments are initially measured at cost and are subsequently measured at cost less impairment at each reporting date. An impairment review is carried out at each reporting date.

A subsidiary is an entity controlled by the charitable company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price and are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes. It is therefore potentially exempt from taxation in respect of income or capital gains to the extent that such income or gains are applied for charitable purposes. It is recognised by HMRC as a charity.

1.11 Employee benefits

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

1.12 Retirement benefits

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

YOUNG ENTERPRISE - SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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

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

Key sources of estimation uncertainty

Depreciation

The depreciation of tangible fixed assets is a key area of estimation. The useful life and residual value of fixed assets is considered, and a depreciation rate applied accordingly. Details of the depreciation policies applied can be found in the accounting policies section of the notes to the financial statements. The depreciation charge for the year amounts to £34,062 (2020: £38,923). The carrying value of fixed assets at the year-end amounts to £31,751 (2020: £60,062).

YOUNG ENTERPRISE - SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

3 Donations and legacies

	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £
Donations - Monetary	205,362	6,810	295,450	507,622	77,605	-	79,099	156,704
Donations - In Kind	39,000	-	-	39,000	7,364	31,636	-	39,000
	<u>244,362</u>	<u>6,810</u>	<u>295,450</u>	<u>546,622</u>	<u>84,969</u>	<u>31,636</u>	<u>79,099</u>	<u>195,704</u>

YOUNG ENTERPRISE - SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

4 Charitable activities

	2021 £	2020 £
Area Boards	20,278	34,218
School delivery	293,678	295,470
Pathways	21,230	186,168
Bridge 2 Business	287,912	331,603
	<u>623,098</u>	<u>847,459</u>
Analysis by fund		
Unrestricted funds - general	49,102	80,924
Unrestricted funds - designated	20,278	29,218
Restricted funds	553,718	737,317
	<u>623,098</u>	<u>847,459</u>

We received income from the following funders as detailed below:

- The Big Lottery Fund for our work at the Pathways £24,640 (2020: £24,640)
- City of Glasgow College for Bridge 2 Business £201,425 (2020: £200,000)
- The Scottish Government for Bridge 2 Business £60,000 (2020: £nil)

5 Other trading activities

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Rental income	15,560	2,923
Event income	32,086	39,403
YES Works	2,813	83,991
	<u>50,459</u>	<u>126,317</u>

YOUNG ENTERPRISE - SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

6 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Interest receivable	280	592

7 Government grants

The company received £348,193 (2020: £484,651) in government grants during the year which have been recognised in income from charitable activities.

8 Other

	Total 2021 £	Unrestricted funds general 2020 £
Other income	-	1,507

9 Raising funds

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Event costs	-	34,188
Fundraising costs	49,417	70,605
	<u>49,417</u>	<u>104,793</u>

YOUNG ENTERPRISE - SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

10 Charitable activities

	Core	School	Pathways	Bridge 2	Area board	Total
	2021	2021	2021	2021	2021	2021
	£	£	£	£	£	£
Staff costs	115,202	283,149	95,831	124,997	-	619,179
Depreciation and impairment	8,787	2,029	22,419	755	72	34,062
Travel and subsistence	-	1,774	957	1,201	-	3,932
Waste costs	851	-	-	-	-	851
Rent, rates and service charge	2,069	5,986	2,929	3,820	-	14,804
Premise and office costs	10,629	13,768	6,366	16,407	(636)	46,534
Programme costs	16,761	45,181	10,283	1,740	11,862	85,827
Licence fees	-	20,004	-	-	-	20,004
Motor vehicle costs	736	797	390	509	-	2,432
Materials	-	234	1,795	29	-	2,058
Bank charges and interest	1,555	-	-	-	-	1,555
IT and equipment costs	2,437	8,517	4,147	5,409	(772)	19,738
Irrecoverable VAT	13,056	-	-	-	5,403	18,459
Professional fees	58,862	12,526	5,025	-	339	76,752
Grant awards	-	-	-	1,200	-	1,200
	<u>230,945</u>	<u>393,965</u>	<u>150,142</u>	<u>156,067</u>	<u>16,268</u>	<u>947,387</u>
Share of governance costs (see note 11)	19,367	-	-	-	-	19,367
	<u>250,312</u>	<u>393,965</u>	<u>150,142</u>	<u>156,067</u>	<u>16,268</u>	<u>966,754</u>
Analysis by fund						
Unrestricted funds - general	200,769	-	-	-	-	273,843
Unrestricted funds - designated	-	-	-	-	16,268	16,268
Restricted funds	49,543	393,965	150,142	156,067	-	676,642
	<u>250,312</u>	<u>393,965</u>	<u>150,142</u>	<u>156,067</u>	<u>16,268</u>	<u>966,754</u>

YOUNG ENTERPRISE - SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

10 Charitable activities

For the year ended 31 January 2020

	Core £	School delivery £	Pathways £	Bridge 2 Business £	Area board £	Total 2020 £
Staff costs	73,503	252,208	128,528	187,043	1,401	642,683
Depreciation and impairment	31,519	1,781	2,383	341	-	36,024
Travel and subsistence	742	8,515	7,824	15,566	-	32,647
Waste costs	147	69	62	92	-	370
Rent, rates and service charge	15,868	6,869	3,824	9,254	-	35,815
Premise and office costs	1,060	3,780	2,891	4,350	692	12,773
Programme costs	682	9,865	20,722	12,994	61,175	105,438
Event costs	283	6,483	41	1,590	-	8,397
Licence fees	-	9,824	-	-	-	9,824
Motor vehicle costs	3,606	5,669	5,249	7,662	-	22,186
Other costs	-	2,670	5,126	7,422	8,165	23,383
Materials	350	1,739	1,026	41	-	3,156
Bank charges and interest	2,523	946	258	389	-	4,116
IT and equipment costs	6,159	3,805	3,688	4,954	-	18,606
Irrecoverable VAT	3,719	8,505	2,325	3,501	-	18,050
Professional fees	45,646	4,196	1,388	2,314	-	53,544
Grant awards	-	-	-	3,450	-	3,450
	<u>185,807</u>	<u>326,924</u>	<u>185,335</u>	<u>260,963</u>	<u>71,433</u>	<u>1,030,462</u>
Share of governance costs (see note 11)	22,125	-	-	-	-	22,125
	<u>207,932</u>	<u>326,924</u>	<u>185,335</u>	<u>260,963</u>	<u>71,433</u>	<u>1,052,587</u>
Analysis by fund						
Unrestricted funds - general	207,932	-	-	-	-	207,932
Unrestricted funds - designated	-	-	-	-	71,433	71,433
Restricted funds	-	326,924	185,335	260,963	-	773,222
	<u>207,932</u>	<u>326,924</u>	<u>185,335</u>	<u>260,963</u>	<u>71,433</u>	<u>1,052,587</u>

YOUNG ENTERPRISE - SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

11 Governance costs

	2021 £	2020 £
Audit fees	7,000	6,300
Other services - tax	-	525
Accountancy fees	12,367	15,300
	<u>19,367</u>	<u>22,125</u>
Analysed between Charitable activities	<u>19,367</u>	<u>22,125</u>

12 Directors

None of the directors (or any persons connected with them) received any remuneration or reimbursement of expenses, or had expenses paid on their behalf during the year.

13 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	<u>23</u>	<u>27</u>

Employment costs

	2021 £	2020 £
Wages and salaries	599,867	581,995
Social security costs	49,898	49,000
Other pension costs	15,385	15,807
	<u>665,150</u>	<u>646,802</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
£60,000 - £69,999	<u>1</u>	<u>1</u>

There was £2,045 (2020: £1,894) of pension contributions made in respect of this employee in the current and prior year.

YOUNG ENTERPRISE - SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

14 Tangible fixed assets

	Pathways Equipment £	Office Equipment £	Bridge 2 Business £	Pathways Motor Vehicles £	Total £
Cost					
At 1 February 2020	24,652	72,463	15,350	70,994	183,459
Additions	-	6,314	-	-	6,314
Disposals	-	-	-	(840)	(840)
At 31 January 2021	24,652	78,777	15,350	70,154	188,933
Depreciation and impairment					
At 1 February 2020	22,908	27,111	15,350	58,028	123,397
Depreciation charged in the year	1,744	18,565	-	13,753	34,062
Eliminated in respect of disposals	-	-	-	(277)	(277)
At 31 January 2021	24,652	45,676	15,350	71,504	157,182
Carrying amount					
At 31 January 2021	-	33,101	-	(1,350)	31,751
At 31 January 2020	1,744	45,352	-	12,966	60,062

15 Fixed asset investments

	Other investments £
Cost or valuation	
At 1 February 2020 & 31 January 2021	100
Carrying amount	
At 31 January 2021	100
At 31 January 2020	100

	Notes	2021 £	2020 £
Other investments comprise:			
Investments in subsidiaries	26	100	100

YOUNG ENTERPRISE - SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

16 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	27,307	41,824
Other debtors	6,709	2,471
Prepayments	32,930	35,188
	<u>66,946</u>	<u>79,483</u>

17 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	13,795	19,461
Deferred income	98,069	50,294
Trade creditors	22,951	10,304
Amounts owed to subsidiary undertakings	100	100
Other creditors	3,288	23,140
Accruals	42,890	21,520
	<u>181,093</u>	<u>124,819</u>

18 Deferred Income

	2021	2020
	£	£
Other deferred income	98,069	50,294

The deferred income relates to income received in the year for programmes whereby delivery was delayed due to Covid related restrictions.

19 Retirement benefit schemes

Defined contribution schemes

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The charge to net income/(expenditure) in respect of defined contribution schemes was £15,385 (2020 - £15,807).

YOUNG ENTERPRISE - SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

20 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			Balance at 1 February 2020	Movement in funds		Balance at 31 January 2021
	Balance at 1 February 2019	Income	Expenditure		Income	Expenditure	
	£	£	£	£	£	£	£
School delivery	18,875	319,482	(326,924)	11,433	425,801	(359,620)	77,614
Bridge 2 Business	132,730	331,603	(260,963)	203,370	287,912	(134,144)	357,138
Pathways	157,741	164,967	(185,335)	137,373	135,455	(133,335)	139,493
Other	51,107	364	-	51,471	-	(49,543)	1,928
	<u>360,453</u>	<u>816,416</u>	<u>(773,222)</u>	<u>403,647</u>	<u>849,168</u>	<u>(676,642)</u>	<u>576,173</u>

Restricted funds at 31 January 2021 and 31 January 2020 consisted of the following:-

- School delivery relates to various programmes run in primary and secondary schools
- Bridge 2 Business is a business style programme designed to encourage FE college students to build careers and become entrepreneurs
- Pathways is comprised of various programmes run to re-engage young people back into mainstream education or work
- Other reserves relate to grants received in respect of a classroom build

21 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:

	Movement in funds			Balance at 1 February 2020	Movement in funds		Balance at 31 January 2021
	Balance at 1 February 2019	Income	Expenditure		Income	Expenditure	
	£	£	£	£	£	£	£
Area Teams	141,522	60,854	(71,433)	130,943	27,088	(16,268)	141,763
	<u>141,522</u>	<u>60,854</u>	<u>(71,433)</u>	<u>130,943</u>	<u>27,088</u>	<u>(16,268)</u>	<u>141,763</u>

Designated funds consist of funds made available to the Local Area Teams, which are not independent legal entities, but which operate under Memorandum of Understanding with Young Enterprise - Scotland and have their own nominated Chairs, Vice-chairs and Treasurers.

YOUNG ENTERPRISE - SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

22 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted funds	Designated funds	Restricted funds	Total
	2021	2021	2021	2021	2020	2020	2020	2020
	£	£	£	£	£	£	£	£
Fund balances at 31 January 2021 are represented by:								
Tangible assets	31,751	-	-	31,751	45,352	-	14,710	60,062
Investments	100	-	-	100	100	-	-	100
Current assets/(liabilities)	10,609	141,763	576,173	728,545	(23,934)	130,943	388,937	495,946
	<u>42,460</u>	<u>141,763</u>	<u>576,173</u>	<u>760,396</u>	<u>21,518</u>	<u>130,943</u>	<u>403,647</u>	<u>556,108</u>

YOUNG ENTERPRISE - SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

23 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	5,914	11,015
Between two and five years	19,196	5,000
	<u>25,110</u>	<u>16,015</u>

24 Events after the reporting date

After the balance sheet date, the ongoing Covid-19 crisis continued to have an impact on the operational activity of the charitable company. The Directors have set out their assessment of the impact within the Directors' Report.

The Stewart Ivory Financial Education Trust (SIFET), has agreed to transfer its whole assets and undertaking to the Young Enterprise Scotland to enable the assets and undertaking to continue to be operated by an organisation with charitable status and related objectives.

Young Enterprise Scotland has agreed to undertake the delivery of financial education programmes to young people in Scotland and it has accepted the trust's assets, which include c £500k of cash, to meet the costs of delivery. OSCR accepted this transfer of assets to Young Enterprise Scotland on 23 September 2021.

Set up in 2003 as part of the Stewart Ivory Foundation to promote financial awareness and understanding in school leavers, SIFET's programme reaches over 18,500 students across every local authority in Scotland annually. In 2020, the Trust concluded that to meet the growing needs of a larger cohort of young people, it needed to pass on its expertise to an organisation with greater resources and chose YE Scotland. Once the transfer is complete, SIFET will cease to operate.

25 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	79,970	76,768

Aggregate compensation includes gross wages and salaries, employer national contributions and employer pension contributions.

Transactions with related parties

During the year the charitable company entered into the following transactions with related parties:

YOUNG ENTERPRISE - SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

25 Related party transactions (continued)

During the year, purchases of £14,761 (2020: £4,171) were made from Arrow Communications Limited (formerly PCR IT Limited), where N Cohen, director, holds directorship status. At the year end there was no amount outstanding.

Indigo PR Limited, where Elizabeth Lambley, director, holds directorship status, provided the charity with public relations and media advice to the value of £9,000 (2020: £19,000) during the year free of charge and this is reflected in the Statement of Financial Activities.

Avlo HR Limited, where Caroline Gurevitz, director, holds directorship status, provided the charity with advice to the value of £15,000 (2020: £2,000) during the year free of charge and this is reflected in the Statement of Financial Activities.

MacRoberts LLP, where Gillian McCluskey, director, holds directorship status, provided the charity with advice to the value of £10,000 (2020: £15,000) during the year free of charge and this is reflected in the Statement of Financial Activities.

26 Subsidiaries

Details of the charitable company's subsidiaries at 31 January 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
YES Works Limited	Scotland	Educational support services	Ordinary	100.00	

The registered office of YES Works Limited (SC258809) is Rouken Glen Park, Thornliebank, Giffnock, G46 7UG. The subsidiary did not trade in the year.

27 Contingent liabilities

There is an agreement with Social Investment Scotland that if surpluses are generated by Young Enterprise Scotland in years ending 31 January 2020 to 31 January 2023 inclusive, they will be subject to claw back provisions. The agreement is that Young Enterprise Scotland will pay back 50% of any surplus generated over £15,000 rising to 75% of any surplus generated in excess of £100,000 during 31 January 2020 to 31 January 2023. At the year ended 31 January 2021, £16,761 has been accrued in respect of the surplus reported in the year. As the level of subsequent years' future claw back provision cannot be estimated at this time any further liability is contingent on future reported results and not provided in the financial statements.

YOUNG ENTERPRISE - SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

28 Cash generated from operating activities	2021	2020
	£	£
Net income for the year	204,288	14,199
Adjustments for:		
Investment income recognised in statement of financial activities	(280)	(592)
(Gain)/loss on disposal of tangible fixed assets	-	834
Depreciation and impairment of tangible fixed assets	34,062	38,923
Movements in working capital:		
Decrease in debtors	12,537	57,202
Increase in creditors	8,499	14,766
Increase in deferred income	47,775	9,117
Cash generated from operating activities	306,881	134,449
29 Analysis of changes in net funds		
The charitable company had no debt during the year.		