

# FOR EVERY CHILD AND YOUNG PERSON

SCRIPTURE UNION SCOTLAND  
REPORT AND ACCOUNTS  
YEAR TO 31 MARCH 2023





# CHARITY INFORMATION

FOR THE YEAR ENDED  
31 MARCH 2023

**SCOTTISH CHARITY NUMBER**

SC011222

**COMPANY REGISTRATION  
NUMBER**

SC054297

**COUNTRY OF REGISTRATION**

Scotland

**REGISTERED OFFICE**

70 Milton Street  
Glasgow  
G4 0HR

**WEBSITE**

[suscotland.org.uk](http://suscotland.org.uk)

**TRUSTEES**

- Angus Allan
- Stephen Bell
- Rosie Bowker
- Dr Audrey Chalmers
- Rev James Dewar
- Pamela Fulton
- Dr Heather Haywood
- Jonathan Innes
- Martyn Link
- Christine Murison
- Rev Cara Wightman

**CHIEF EXECUTIVE**

Robin MacLellan

**COMPANY SECRETARY**

Robin MacLellan

**AUDITORS**

Mazars LLP, Chartered Accountants

**BANKERS**

The Royal Bank of Scotland plc  
Bank of Scotland plc  
Santander plc  
Nationwide Building Society

**SOLICITORS**

Balfour + Manson LLP



Over the last year our focus at SU Scotland was on rebuilding our ministries with children and young people following the Covid-19 pandemic.

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# OUR PURPOSE AND WHO WE ARE

SU Scotland's vision is to see every child and young person in Scotland exploring the Bible and responding to the significance of Jesus.

With 1,900 volunteers and over 100 staff, we connect with young people where they are at— in their local schools and communities, at our Holidays and annual Magnitude festival, through online groups, at our centres and through a myriad of other connections.

- **WE CONNECT WITH CHILDREN AND YOUNG PEOPLE THROUGH WORKING WITH SCHOOLS...** including SU Groups, curricular programmes and resources, and school residentials at our residential activity centres;
- **DURING HOLIDAYS...** where young people come together with volunteers to experience Christian community for a weekend, a few days or a whole week of exciting and varied activities;
- **THROUGH MISSIONS...** with community events in partnership with local churches throughout Scotland, where children and young people can make friends, have fun and discover more about God;
- **AND BY DEVELOPING YOUNG LEADERS...** older teens can join our leadership development and discipleship programmes, regular connect groups, residential training, prayer events and volunteering opportunities.

## OUR TWO KEY VALUES:



Scripture Union (SU) is an international Christian movement started in the UK in 1867, which now operates in over 120 countries around the globe. In most of these countries, SU operates as an autonomous, self-governing organisation, linked with other SU organisations through SU International. SU Scotland is one of four independent, national SU organisations operating within the UK and Ireland.



# A CLOSER LOOK AT SCOTLAND'S YOUTH

Our mission is to create life-changing outcomes for every child and young person in Scotland, recognising and responding to the challenges they face.

## YOUNG PEOPLE IN SCOTLAND TODAY...



**702,197**

pupils in **2,476** schools



**51%** of young people believe in a supernatural being; only **15%** think that is God



**37,000**

are young carers



**1:4** are officially recognised as living in poverty



**32%** have some form of additional support need

## THEIR TOP CONCERNS...



**CLIMATE CHANGE**



**POVERTY**



**DIGITAL INEQUALITY**



**MENTAL HEALTH**



**DISCRIMINATION**

Source: World of Children and Young People in Scotland 2021 Report, compiled by SU Scotland, © January 2021.



# WELCOME FROM OUR CHAIR & CEO

Welcome, and thank you for taking the time to read this Annual Report. We're delighted to be able to share some highlights from a busy year.

**We are so encouraged to look back on what God has done through the ministry of Scripture Union Scotland and see the thousands of young peoples' lives impacted for good.**

The impact of the Covid-19 pandemic has continued to be felt, with several restrictions not being lifted until the beginning of the 2022/23 academic year.

Since then, there has been a huge collective effort to rebuild levels of residential activities at our centres and our presence in schools, as well as online with the launch of our new youth communications channels. The information in this annual report provides a snapshot of the range and scale of what's been happening.

Most encouragingly, we've heard continual stories of individuals and whole groups of young people responding in faith to the good news of God's love for them.

Special thanks go to everyone who serves, gives and prays in any way, large or small. Your contribution is what makes SU Scotland's ministry with children and young people possible, right across Scotland. We're grateful that the numbers in the financial section of this report tell a positive story of God's faithfulness and provision, as we seek to not only sustain but grow the ministry against a backdrop of significant economic challenges and headwinds.

In line with SU Scotland's core values of dependence on God and deepening relationships, together, we are excited to see how yet more progress can be made towards our vision to see every child and young person in Scotland exploring the Bible and responding to the significance of Jesus.

All glory to God!

**Rev Jim Dewar, Board Chair**  
**Robin MacLellan, CEO**



# STRATEGIC REVIEW

Everything we do is about creating life-changing outcomes for children and young people on their faith journey to discover Jesus.

In 2020, the Covid-19 pandemic meant that much of our work had to stop; now it is taking time to re-establish our ministries. The rebuilding continues and this year, once again, we are so pleased to share the story of how children and young people are discovering, exploring, responding and flourishing as they understand more about Jesus. Throughout the year we've been continuing to deliver our 2021–24 strategic plan.

## TWO GOALS

Increase our engagement from 2% to 5% of the 702,000 pupils in 2,500 Scottish schools

Connecting with 35,000 children and young people per year by the beginning of 2024


## THREE PRIORITIES


Reimagine and rebuild our ministry—within each area and between areas


Focus on new areas in Digital ministry and increase the provision for those at the margins


Invest in enabling young people to become confident followers of Jesus and future influencers

## FOUR OUTCOMES

 **DISCOVER...** Discover God's love; encounter God's goodness through the service of his people; explore God's world

 **EXPLORE...** Explore and understand the Christian faith; read the Bible and understand its big story

 **RESPOND...** Respond to the gospel after having time and space to reflect; witness children and young people coming to faith

 **FLOURISH...** Flourish in confidence living for Jesus and sharing faith; grow as a disciple and young leader; help disciple others



**100 STAFF**  
**1,900 VOLUNTEERS**  
**3,500 DONORS**

**Holiday Club  
Team**

*...made  
it all  
happen*

Thank you to every single one of you who shares the vision, works so hard, volunteers with regular groups, supports events, contributes at our centres, prays and gives financially. SU Scotland is a massive joint effort and such a rewarding experience. There's not space to name everyone here, but each of you makes a vital contribution to our work.





# IMPACT OF OUR ACTIVITIES

There's lots going on across Scotland for every child and young person. Here's what we've been busy with...

## SCHOOLS

Connecting with more children and young people in schools and in their communities through growing relationships, SU Groups and developing high quality resources.



## MISSIONS

Partnering with churches to deliver more missions and holiday clubs where children and young people can have fun and learn about Jesus.

## HOLIDAYS, WEEKENDS & DAY EVENTS

Rebuilding breadth and depth of quality residential and day events to host even more children and young people.

## MAGNITUDE FESTIVAL

Raising a generation of young people secure in their identity and purpose in God's plan through hosting an in-person youth festival each summer.

## RESIDENTIAL ACTIVITY CENTRES

Rebuilding residential activities and expanding provision of day events and outreach programmes.



## YOUNG LEADER DEVELOPMENT

Growing our discipleship and leadership training programme and extending the age range to 25 years old.

## DIGITAL

Building on our lockdown experience by investing in Digital ministry and connections to support our face-to-face activities.

## MINISTRY AT THE MARGINS

Developing our approach and increasing our capacity and competence to work with more children and young people from disadvantaged backgrounds or with additional support needs.



# WITH SCHOOLS FOR EVERY CHILD AND YOUNG PERSON

Supporting pupils' spiritual development and learning, in schools and at residential activity centres.

**This year we connected with many more children and young people in schools and in their communities through growing relationships, running regular groups and developing high quality resources.**

SU Scotland connects with young people from 21% of Scottish schools. After two years of Covid-19 related restrictions, we have finally been able to begin the rebuilding our ministry with schools.

**SU GROUPS** are extra-curricular activity groups for children and young people that take place at lunchtime, breaktime or after school. They are run by accredited volunteers—pupils, teachers, parents or others. Re-establishing SU Groups has been slow, with many dedicated volunteers finding themselves unable to pick up where they left off, for a variety of reasons.

By March 2023 we had 215 SU Groups up and running again compared with 436 in 2019/20. Around 3,000 young people attend an SU Group.

**BIBLE ALIVE** shares the whole story of the Bible in 5–7 sessions. During 2022–23, this and similar programmes were delivered to over 3,500 young people in class in 80 primary schools.

**CHRISTMAS AND EASTER** provide important moments for schools to focus on the real meaning of the Christian faith. We were able to share the Christmas story with over 5,000 children in nearly 100 schools in December, plus a projected digital reach of around 4,000.

At Easter 2023, almost 4,000 primary pupils from 85 schools would have walked and talked through the Easter story in class or at a nearby church with local staff and volunteers as their guides, with a further digital reach of 8,000. SU Scotland or Associate Trust staff, often as school chaplains, led assemblies for over 2,000 pupils.

**RESIDENTIAL CENTRES** provide places where young people can learn outdoors. As Covid-19 restrictions eased, demand for school residential events was exceptionally high throughout the year with over 3,100 pupils from 94 different school groups joining residenceals at Lendrick Muir, Allnacriche and Gowanbank. In addition, we delivered well over 1,000 activity days. It was great to partner with so many schools who made this a priority as part of their Covid-19 recovery for so many pupils.



# MISSIONS FOR EVERY CHILD AND YOUNG PERSON

Many missions stayed outdoors, having enjoyed that during the pandemic. New missions took place at Bannockburn, Easterhouse, Peterhead and Renfrew.



**25** HOLIDAY CLUBS WITH  
**1,099** CHILDREN AND **411** VOLUNTEERS

'Highlights for me were seeing the older group engage with the Bible passage for the day, asking deep questions and exploring the answers together.'

—Kirkcaldy 2022



**10** ACTIVITY DAYS WITH  
**20** CHILDREN AND **97** VOLUNTEERS

'The Family Night was a highlight. There seemed to be many obstacles in the way of having it, but we ended up with about 70 parents, friends and children there.'

—Helensburgh 2022

## THE GREAT GLEN GREEN WELLY GARDEN SHOW

- Five-day, outdoor, Bible-based holiday club resource (sessions 2.5hrs; material can also be used indoors)
- Suitable for children aged 5–11

**Our new Holiday Club material is proving very popular and we're looking forward to hearing the feedback as churches start to use it.**

As children explore the biblical overview, our prayer is that they will find themselves in the story, understanding God's love for them through the significance of what Jesus has done, and personally respond to him.

Pray  
for more  
leaders

We know there are lots of churches out there who would love to run holiday clubs and other types of events too. The most obvious limiting factor at the moment is leaders. Our hope is to find ways for the talented young leaders we have to work together effectively to make a genuine difference.



# HOLIDAYS FOR EVERY CHILD AND YOUNG PERSON

During 2022 we were able to rebuild our holidays and weekend events, with great support from our amazing teams of volunteers.

Our first full year of residentials since the pandemic and it was great not just to be back but return with new events like the Creative Writing Weekend and Eco Adventure Holiday. We returned to 2019 levels of bookings and had 11 new team leaders leading events for the first time. We introduced cabins at Scoughall as part of a major and well received upgrade, opening up more opportunities for the future.

 **1,680** holiday bookings  
for **65 HOLIDAYS**

 **915** weekend bookings  
for **24 WEEKENDS**

'I felt supported and really appreciated. It really helped me discover who I was and that I am not the person other people say I am.'

—Young person, SU Holiday

'The holiday was one of the best holidays I've ever had.'

—Young person, SU Holiday

'I felt closer to God and wanted to know him more.'

—Young person, SU Holiday

'This was such a special event. It brought tears to my eyes to see young people forming such a vibrant community so easily ... sitting at meals with notebooks and novels scattered across the table, spontaneously sharing ideas to build each other's worlds or develop characters, creating (incredible!) illustrations for each other, and revelling in nerdy references and jokes that everyone could join in with.'

—Team Leader, Creative Writing Weekend, Allnacriche



'Last summer, before the *Great British Bake Off*, it was brilliant to spend time at Scoughall. I loved the location—the cabins are fabulous outdoor accommodation. The range of activities is such a lot of fun, and it's wonderful to be connecting with both the team and an amazing group of young people. One of the young people and I went head-to-head in a blindfolded cake decorating competition, and guess what? The young person won!'

—Kevin Flynn, SU Scotland Volunteer and *Great British Bake Off* competitor

# MAGNITUDE FESTIVAL



With almost 900 delegates and over 100 volunteers attending Lendrick Muir last summer, over 1,000 people were involved in our first in-person Magnitude!

'I prayed for four things for my group of young people:

1. That they would know the presence of Jesus in a tangible way.
2. They would experience the love of church family.
3. They would venture out of their comfort zone.
4. Those that didn't know Jesus would choose to follow him.

And God answered each one in abundance. Four new Christians, our young people responding to the Spirit—tears and joy, my older kids praying for others at ministry time and giving words to each other and one having an opportunity to lead worship at late-night worship round the campfire! God is so good!

—Youth Group Leader, Magnitude

'God has called me to keep talking about Him in everything that I do. Whether that's at school, with friends, general chit chat, just keep sharing and talking about him. God's love is so great and having a relationship with him is something I will be forever grateful for—I want that for others.'

—Young person, Magnitude

*Choosing  
to follow  
Jesus*

We are delighted that the outcomes for young people we hoped for in the planning process were more than met by the festival. Most encouraging of all, 85 young people made professions of faith at Magnitude. We are looking forward to lots of returners in 2023.



# DEVELOPING YOUNG LEADERS

Our training and discipleship programmes, including COmMISSION, Go Conference and Equip Training help young people to grow, learn, explore and develop.

**76** young people took part in our COmMISSION programme with leadership training and volunteering opportunities at residential events.

**6** young people took part in the Gap Year programme, contributing to our ministries at centres, in schools and communities and online.

**250+** young people took part in monthly Equip events in Glasgow and Edinburgh, exploring big questions about faith.

**'I was really impacted by learning from Jesus' leadership and his example. I was challenged to look to him when leading.'**

—Young person

**'Servant-hearted leadership is of key importance—reminding me of this through an event will make for a better experience for everyone involved.'**

—Young person

**'Sharing my story with others really made me think about my relationship with God and grew my confidence in how I can use this to help or support others.'**

—Young person

✓ **ACCREDITATION:** The COmMISSION programme and SU Scotland's Gap Year programme could both become formally accredited training courses, bringing useful recognition to young people for the learning that takes place as part of their leadership development. We are currently in the process of applying for recognition from SQA for the courses, COmMISSION at SCQF level 5 (equivalent to Nat 5) and the Gap Year programme at level 6.

**ENCOUNTER:** Our annual prayer event is led by young people for young people. In March 2023, 118 young people got together for a day of worship, prayer, food and connection together along with their youth leaders.

**'My group was really encouraging. Hearing them pray and talking about it, their excitement sort of became mine.'** —Susanna



# SPECIAL PLACES

## FOR EVERY CHILD AND YOUNG PERSON

Our residential activity centres and campsites provide places where high quality events can happen, supporting our Holidays, Schools and Training ministries.

As Covid-19 restrictions reduced, our centres were able to gear up, supporting SU Holidays and Weekends as well as our new festival, Magnitude.

We saw a huge demand from schools, and were excited to welcome over 3,000 pupils on a Classroom Outdoors school residential, and over 800 pupils on day visits across our three centres.

Our campsites at Kingscross and Scoughall welcomed 340 young people at Easter and summer.

### LOOKING AFTER OUR NATURAL ENVIRONMENT

SU Scotland is a 'Partner in Action' with A Rocha UK, a Christian conservation charity that helps landowners to protect and restore the natural environment. Following work at Lendrick Muir in 2021, Alltnacriche celebrated their launch in summer 2022 with an amazing Eco Camp run in partnership with A Rocha.

### ON A PRACTICAL NOTE...

- At Lendrick Muir we have been operating at reduced capacity as we rebuilt our staff team.
- We were hugely grateful for the response to our Lendrick Muir Development Appeal. You can look forward to seeing the changes at the centre in the coming year as the sports hall refurbishment takes place, along with the installation of the new climbing wall.
- Investment in renewable energy also took place at Gowanbank.
- Work to refurbish the 'Shed' commenced at Gowanbank and replacement windows were fitted at Alltnacriche.
- New cabins are being built to replace tents at Kingscross.



# PLANS FOR FUTURE PERIODS

As we continue to plan and rebuild our ministries following the pandemic, we want to enable every child and young person in Scotland to respond to Jesus.

**The year ahead will see a continued focus on rebuilding activities which were affected significantly by the pandemic.** While our residential activities have bounced back relatively quickly from the impact of restrictions, SU Groups in schools are taking a little longer. By March 2023, we had reached 50% of pre-Covid-19 levels and are looking to see continued recovery and growth in the year ahead.

As part of our current three-year strategy, we also have a special focus on developing and expanding our activities in two areas: Digital, and Ministry at the Margins. Following appointments of lead roles in each of these areas, additional resources are being secured to grow small teams in order to increase

our connections with and impact on children and young people. A new digital youth worker has just been appointed to develop fresh expressions of Bible-based ministry online and through gaming.

Our activity centres and campsites continue to improve the quality and breadth of facilities for visitors in terms of both accommodation and activities. This summer sees the introduction of timber cabins at Kingscross on Arran. At Gowanbank, development of the 'Big Shed' for use as an activity base is almost complete. Meanwhile, at Lendrick Muir, installation of a brand new climbing wall will be completed shortly, together with other significant enhancements to the sports hall area.



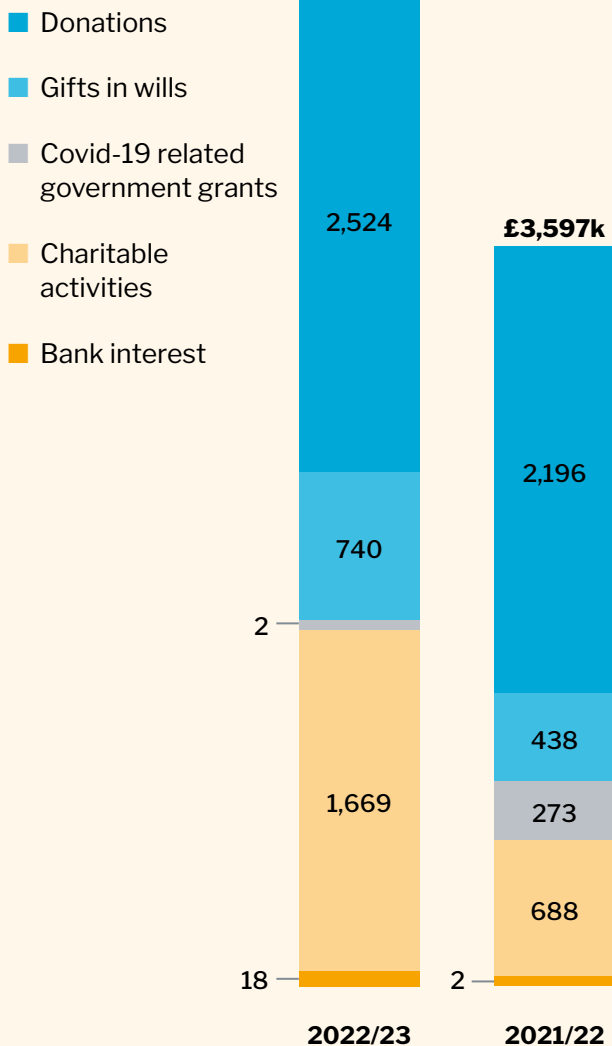


# FINANCIAL REVIEW

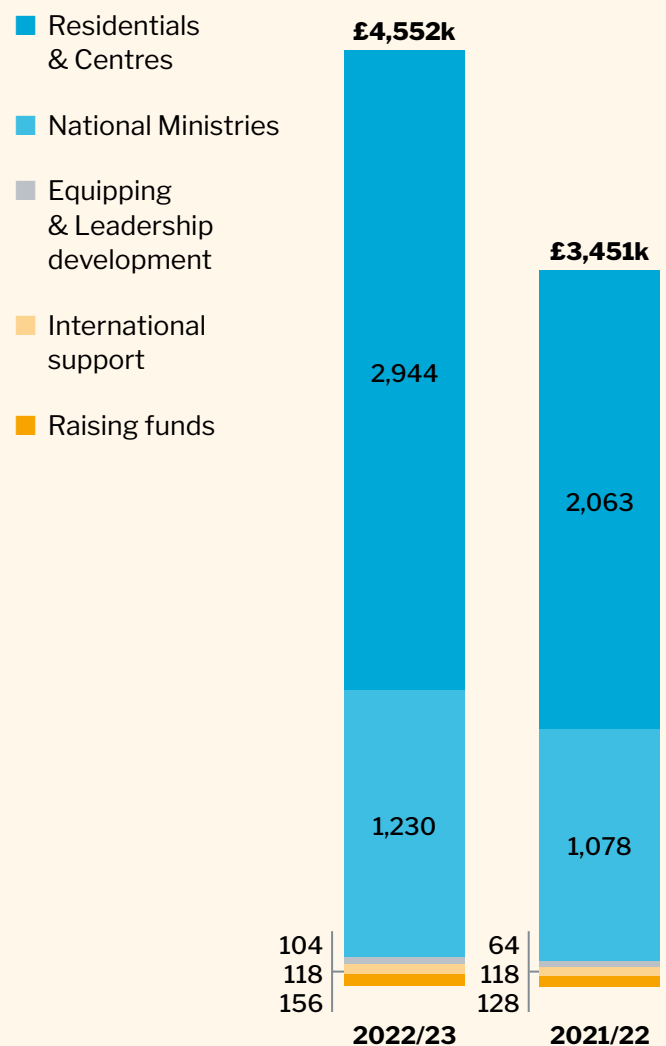
The charity reported Net Income (i.e. a Surplus) for the year of £401k (2022—£146k). After fund transfers, this increased General Fund by £53k, Designated Funds by £261k and Restricted Funds by £87k.

Total income grew by £1,356k to £4,953k. £981k of this increase was from charitable activities as centres and holidays residential events were able to rebuild towards pre-Covid-19 levels. Gifts in wills also increased again this year by £302k to £740k. Total costs increased by £1,101k to £4,552k, primarily as we rebuilt our residential and centres activities and also invested in new areas of ministry (Digital and Ministry at the Margins).

## INCOME (£k)



## EXPENDITURE (£k)





# FINANCIAL REVIEW CONT.

## MORE DETAIL ON INCOME...

Donations and grants continue to be a key source of income to enable all of our work with children and young people and these rose by £328k to £2,524k thanks to our generous supporters. Legacies continued to be a blessing to our work thanks to the thoughtful provision of a small number of benefactors. Legacy income includes £192k of sale proceeds from the bequest of a residential property in Fife. The property was treated as a current asset rather than a fixed asset within the financial statements due to being sold as soon as title had passed to us.

As we emerged from Covid-19 restrictions we were delighted to welcome more children and young people in-person to our centres and holiday events again and hold our first Magnitude festival. The income from these activities improved by £981k. The previous year's income had been helped by £273k of government Covid-19 related grants.

## MORE DETAIL ON COSTS...

Costs increased as we returned to more normal level of activities, including the summer Magnitude festival. Staffing levels at the centres began to return to previous levels and new posts were filled as we developed the strategic areas of Digital ministries and Ministry at the Margins.

We also invested in the facilities at our centres and campsites, including developments at Lendrick Muir sports hall and other repairs and upgrades at the centres.

## FIXED ASSETS...

The changes in the tangible fixed assets during the year are shown in Note 15 to the financial statements. Additions of £137k included £76k for cabins and toilets at Kingscross; £23k progress payment for the Lendrick Muir climbing wall; £17k for a new bike fleet at Alltnacriche and £11k part payment for solar panels at Gowanbank. The Trustees have reviewed the carrying value of all properties and are satisfied that they are fairly stated.



# OUR SUPPORTERS

A massive thank you to all of the individuals, churches, other organisations and trusts who supported us between April 2022 and March 2023, including:

- Aitchison Trust
- Ardbarron Trust Limited
- Arndee Trust
- Black Family Trust
- Burrows Charitable Trust
- Challenge Trust
- Charnwood Trust
- Criffel Charitable Trust
- Cruden Trust
- DG Haxton Charitable Trust
- Door Trust
- Esther Hennell Charitable Trust
- Ferndean Trust
- Gannochy Trust
- Haldane Trust
- J & C Fleming Charitable Trust
- Jonthree Trust
- Kenneth Barge Memorial Trust
- Kilravock Christian Trust
- Kola'a Trust
- Lechwe Renewables Ltd
- Levering Charitable Trust
- Life Trust Limited
- Micah Fund
- Micky and Jane Ingall Trust
- Netherdale Trust
- Petty Trust
- Scott Thomson Charitable Trust
- Shalimar Trust
- Souter Charitable Trust
- Sporos Trust
- Springboard Charitable Trust
- Tabeel Trust
- Tillyloss Trust
- Vardy Foundation
- Wilson Distributors Charitable Trust
- YouthLink Scotland



**HOW WE FUNDRAISE RESPONSIBLY:** Fundraising activities follow the guidelines issued by the Chartered Institute of Fundraising, which include standards to protect vulnerable people during fundraising activities. SU Scotland applies principles so that appeals to supporters, applications to trusts and related fundraising activities are legal, open, honest, respectful and accountable. No complaints were received during the year and SU Scotland did not appoint any third-party professional or commercial fundraisers. Guidelines are issued to individual volunteer fundraisers to ensure their activities (for example sponsored events or bake sales) are carried out safely and appropriately.

# RESERVES POLICY

At 31 March 2023, the charity held total funds of £7,519k (2022 – £7,118k) comprising:

- General Fund of £1,177k (2022 – £1,124k),
- Designated Funds of £5,073k (2022 – £4,812k) of which £3,992k (78.7%) were tied up in Fixed Assets (2022 – £4,063k) and
- Restricted Funds of £1,269k (2022 – £1,182k).

TOTAL FUNDS (£k)	£7,519k	£7,118k
■ General Fund	1,177	1,124
■ Restricted Funds	1,269	1,182
■ Other Designated Funds	1,081	749
■ Capital Reserve	3,992	4,063
	2022/23	2021/22

## FREE RESERVES

The General Fund increased by £53k mainly due to a higher level of release from previous year's legacies. (The benefit of legacy income is spread over 3 years to help smooth fluctuations in the level of legacies.)

It is the charity's aim to hold a cash balance of general unrestricted reserves which equates to between 3 and 6 months of ongoing operating costs. At 31 March 2023, the combined balances of the free and designated reserves represented 5.9 months' coverage based on budgeted operating costs for the year ahead. The Trustees believe that this level of funds is appropriate as the full recovery from Covid-19 continues while also carefully managing significantly higher inflationary cost increases.

## DESIGNATED FUNDS

£1,081k (2022—£749k) — Designated Funds (excluding capital reserve) increased by £332k during the year due to the higher level of legacies received. General Fund legacy receipts are spread over several years to be used to support special projects and provide stability for ongoing operations.

## RESTRICTED FUNDS

£1,269k (2022—£1,182k) — Restricted Funds increased by £87k of which £50k was received by a single donation in March 2023 creating a new Bursary Fund (Restricted) which will be used to provide bursaries for our young leader training events and activities.

## FUNDS IN DEFICIT

There were no funds in deficit at the year end.

# GOVERNANCE STRUCTURE

Scripture Union Scotland is a Scottish charity (no. SC011222) constituted as a company limited by guarantee (no. SC054297) and governed by its Memorandum and Articles of Association. The company was incorporated on 22 October 1973. The Trustees of the charity are the directors of the company for the purposes of company law.

The Charity's Memorandum and Articles of Association contain the following objects:

To aid the Christian Church in its ministries by specialised services whereby the Word of God is presented, especially to children and young people, so that those to whom it is presented may:

- be led to personal faith in the Lord Jesus Christ;
- be encouraged and instructed in the development of Christian character and witness and in a sense of vocation; and
- take their place as members and workers in the life of their churches and of society. To promote thoughtful Bible Reading amongst people of all ages with a view to furthering personal discipleship, Christian community and social concern.

## TRUSTEE MEMBERS

The Board of Trustees of SU Scotland is responsible for the governance and oversight of the charity's activities. Trustees are appointed to oversee the affairs of SU Scotland and to ensure that funds are used in accordance with the charity's objects as defined in its Memorandum and Articles of Association, and in line with the international Scripture Union 'Statement of Aims, Belief and Working Principles'. As these principles reflect a Christian, Bible-based movement, Trustees have a responsibility to work together to discern God's will for the direction and development of the charity.

The Trustees who served from 1 April 2022 to the date of this report were as follows:

- Angus Allan
- Stephen Bell
- Rosie Bowker
- Dr Audrey Chalmers
- Rev James Dewar, Chair
- Caroline Dodds (resigned 20 September 2022)
- Pamela Fulton
- Dr Heather Haywood
- Jonathan Innes, Honorary Treasurer
- Martyn Link
- Christine Murison
- Rev Kenny Stott (resigned 20 August 2022)
- Rev Cara Wightman

## APPOINTMENT PROCESS

The responsibility for considering suitable candidates for the role of Trustee rests with the Nominations Committee. These Trustee positions are unpaid, and the period of service is initially for five years. This may be extended for a further three years, after which the Trustee must stand down. Re-appointment is possible after the lapse of at least one year.

The Chair, Vice Chair and Honorary Treasurer are elected annually at the first meeting of the Board following the AGM and may serve for a period of five years after which they must stand down unless there are exceptional circumstances. Re-appointment is possible after a lapse of at least one year. Appointment to any of these positions will be additional to any term already undertaken as a Trustee.

There are comprehensive procedures in place for the induction of new Trustees. New appointees are provided with a detailed file of information covering topics such as the responsibilities of Trustees and the history,

activities and operations of SU Scotland. They are also invited to observe first-hand some of the work of the organisation. Trustees are offered regular refresher courses in the principles of effective governance.

## COMMITTEES OF THE BOARD

The Board normally meets six times a year and is supported by four sub-committees covering National Ministries, Residentials, Finance and Development and Growth. These committees comprises both Board and non-Board members and operates under specific terms of reference. Each has its decisions ratified by the full Board.

The Board and committees increase the frequency of their meetings as required to ensure effective oversight of the charity. During Covid-19, the Board and Finance Committee met more frequently.

## KEY MANAGEMENT PERSONNEL and SENIOR LEADERSHIP

The Trustees consider the Board and the charity's Senior Leadership Team as the key management personnel with regard to directing, controlling and running the charity's daily activities.

The Senior Leadership Team comprise five Executive Officers—the CEO and four departmental Directors—who are also responsible for delivering strategic targets as set by the Trustees.

Executive Officers comprise:

- Robin MacLellan, Chief Executive Officer
- Paul Bayton, Director of Centres
- Lisbeth Macmillan, Chief Financial Officer  
(resigned 30 March 2023)
- Jackie Ringan, Director of Development and Holidays
- Dave Rickards, Director of National Ministries

None of the Executive Officers are members of the SU Scotland Board.

## STUDENT EXECUTIVE

In addition, members of the Board and Senior Leadership Team gain valuable consultation input from an informal Student Executive group. This is made up of young people between the ages of 15 and 21 who have firsthand experience of SU Scotland's activities. They meet 3 times per year.

## REMUNERATION POLICY

The Board set the level of pay and remuneration for the key management personnel by reference to benchmark salary data for comparable roles in other Christian charitable organisations operating in Scotland.

## RELATED PARTIES

SU Scotland works in partnership with Christian churches and other Christian agencies in Scotland whose objectives are closely aligned with SU Scotland. Information about related party transactions are provided in Note 12 of the financial statements.

# PRINCIPAL RISKS & UNCERTAINTIES

Using a formal risk management process, the Trustees formally review the major external and internal risks at least annually. They have established systems, controls and procedures which Management use to mitigate the impact. The principal risks and uncertainties are managed as follows:

CATEGORIES	SUMMARY OF RISKS	MANAGEMENT
Operational and Compliance	<ul style="list-style-type: none"> <li>• Availability of staff and volunteers (including succession)</li> <li>• Risk of injury to a child or young person in the Charity's care</li> <li>• Failure to comply with legislation eg Health and Safety, Child Protection</li> <li>• Temporary operational disruptions</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing recruitment and networking</li> <li>• Robust safety measures and policies to minimise the potential of injury</li> <li>• Ongoing learning, feedback and training</li> </ul>
External / Reputation	<ul style="list-style-type: none"> <li>• Lost opportunity due to reputational damage or changing sentiment restricts access</li> <li>• Potential adverse actions by partner organisations</li> </ul>	<ul style="list-style-type: none"> <li>• Regular training and input from external expert advisers</li> <li>• Regular monitoring of compliance with policies</li> <li>• Expansion of the Pray for Schools Scotland network</li> <li>• Strategic review of the implications of changes to the operating landscape</li> </ul>
Spiritual / Ministry	<ul style="list-style-type: none"> <li>• Spiritual ineffectiveness results in key outcomes not being achieved</li> <li>• Ability to maintain relationships across the Christian community</li> </ul>	<ul style="list-style-type: none"> <li>• Encouraging regular Bible reading and prayer—both corporately and personally</li> <li>• Ongoing networking</li> </ul>
Financial	<ul style="list-style-type: none"> <li>• Changes in giving trends, external conditions or economic environment impact our plans. For example, the impact of Covid-19, Brexit or the war in Ukraine on the cost of supplies.</li> <li>• Failure to reinvest in properties</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing engagement with donor base</li> <li>• Nurturing a diversified range of income sources</li> <li>• Ongoing relationship-building with schools for future residentials</li> <li>• Careful cost management</li> <li>• 5-year plan for property maintenance</li> </ul>
Governance	<ul style="list-style-type: none"> <li>• Strategic changes required to reflect current environment not implemented</li> <li>• Trustee skills do not match future challenges facing the charity</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic review every 3 years</li> <li>• Annual evaluation of progress by Trustees</li> <li>• Nominations Committee regularly engaging with potential Trustees and a regular training schedule</li> </ul>

# TRUSTEES' RESPONSIBILITIES

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Report of the Trustees, the Strategic Report and the financial statements in accordance with applicable laws and regulations.

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 those 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 FRS 102;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

## DISCLOSURE OF INFORMATION TO AUDITORS

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 auditors are unaware. They have confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

## AUDITORS

A resolution to reappoint Mazars LLP as auditors will be proposed at the forthcoming annual general meeting.

By order of the Board



Robin MacLellan  
Secretary, 15 June 2023



# INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF SCRIPTURE UNION SCOTLAND

## OPINION

We have audited the financial statements of Scripture Union Scotland (the 'Company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and 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 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 Company's affairs as at 31 March 2023 and of 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.

## 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 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 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 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 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or

a material misstatement of the other information.

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.

## OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate 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.

## RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities set out on page 24, the Trustees 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 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 Trustees either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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 the financial statements.

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

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.

Based on our understanding of the company and its operations, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: Financial Conduct Authority regulations, employment regulation, health and safety regulation, and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as: pension legislation, and the Companies Act 2006.

In addition, we evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;

- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## USE OF THE AUDIT REPORT

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



David Hoose (Senior Statutory Auditor)

for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
100 Queen Street  
Glasgow  
G1 3DN

Date :

## STATEMENT OF FINANCIAL ACTIVITIES

(including Income & Expenditure Account)  
for the year ended 31 March 2023

						2023	2022
	Notes	General £	Designated £	Total unrestricted £	Restricted £	Total funds £	Total funds £ (see note 26)
<b>Income from:</b>							
Donations and legacies	2	1,345,649	-	1,345,649	1,918,494	3,264,143	2,633,770
Charitable activities	3	1,499,645	14,398	1,514,043	154,578	1,668,621	687,737
Other	4	18,234	-	18,234	1,828	20,062	275,642
<b>Total income</b>		<b>2,863,528</b>	<b>14,398</b>	<b>2,877,926</b>	<b>2,074,900</b>	<b>4,952,826</b>	<b>3,597,149</b>
<b>Expenditure on:</b>							
Raising funds	5	135,105	774	135,879	19,773	155,652	128,266
Charitable activities	6						
Residential and Activity Centres		2,158,670	244,156	2,402,826	540,855	2,943,681	2,062,622
National Ministries		280,402	10,038	290,440	940,197	1,230,637	1,077,718
Equipping and Leadership Development		11,250	518	11,768	92,468	104,236	64,204
International Support	8	81,717	1,000	82,717	35,045	117,762	118,181
Total Charitable activities expenditure		<b>2,532,039</b>	<b>255,712</b>	<b>2,787,751</b>	<b>1,608,565</b>	<b>4,396,316</b>	<b>3,322,725</b>
<b>Total expenditure</b>		<b>2,667,144</b>	<b>256,486</b>	<b>2,923,630</b>	<b>1,628,338</b>	<b>4,551,968</b>	<b>3,450,991</b>
<b>Net income / (expenditure) for the year</b>	9	196,384	(242,088)	(45,704)	446,562	400,858	146,158
<b>Transfers between funds</b>	14	(143,484)	502,964	359,480	(359,480)	-	-
<b>Net movement in funds</b>		52,900	260,876	313,776	87,082	400,858	146,158
<b>Reconciliation of funds:</b>							
Total funds brought forward		1,124,403	4,812,432	5,936,835	1,181,645	7,118,480	6,972,322
<b>Total funds carried forward</b>		<b>1,177,303</b>	<b>5,073,308</b>	<b>6,250,611</b>	<b>1,268,727</b>	<b>7,519,338</b>	<b>7,118,480</b>

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.

The accompanying accounting policies and notes form an integral part of these financial statements.

# BALANCE SHEET

at 31 March 2023

	Notes	2023 £	2022 £
<b>Fixed Assets</b>			
Tangible fixed assets	15	3,991,969	4,063,391
		<u>3,991,969</u>	<u>4,063,391</u>
<b>Current assets</b>			
Stocks	16	5,125	6,574
Debtors	17	226,633	338,638
Cash and cash equivalents	18	3,913,050	3,115,734
		<u>4,144,808</u>	<u>3,460,946</u>
<b>Creditors: amounts falling due within one year</b>	19	(617,439)	(405,857)
		<u>3,527,369</u>	<u>3,055,089</u>
<b>Net current assets</b>			
		<u>7,519,338</u>	<u>7,118,480</u>
<b>Total assets less current liabilities</b>			
		<u>7,519,338</u>	<u>7,118,480</u>
<b>The funds of the charity:</b>			
General Fund		1,177,303	1,124,403
Designated Funds:			
Capital Reserve	21	3,991,969	4,063,391
Special Projects Fund	21	293,537	244,055
Legacy Equalisation Reserve	21	685,250	400,997
10 Year Trust Fund	21	75,000	90,000
Other	21	27,552	13,989
Total Designated Funds		<u>5,073,308</u>	<u>4,812,432</u>
Total Unrestricted Funds	21	<u>6,250,611</u>	<u>5,936,835</u>
Restricted Funds	22	1,268,727	1,181,645
Total Charity Funds		<u>7,519,338</u>	<u>7,118,480</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

Approved by the Board on 15 June 2023 and signed on its behalf by:



Rev James Dewar  
**Chair**



Angus Allan  
**Trustee**

# STATEMENT OF CASH FLOWS

for the year ended 31 March 2023

	Notes	2023 £	2023 £	2022 £	2022 £
<b>Cash flows from operating activities:</b>					
Net cash generated from operating activities	27		916,521		349,300
<b>Cash flows from investing activities:</b>					
Purchase of property, plant and equipment	15	(137,439)		(78,052)	
Proceeds from sale of property, plant and equipment		-		583	
Interest income received		18,234		2,081	
<b>Net cash used in investing activities</b>			<b>(119,205)</b>		<b>(75,388)</b>
<b>Change in cash and cash equivalents in the reporting period</b>			<b>797,316</b>		<b>273,912</b>
Cash and cash equivalents at 1 April			3,115,734		2,841,822
Cash and cash equivalents at 31 March	18		<u>3,913,050</u>		<u>3,115,734</u>

# NOTES TO THE FINANCIAL STATEMENTS

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for the year ended 31 March 2023

## 1 Accounting policies

### Charity information

SU Scotland is a company limited by guarantee, incorporated in Scotland and a Scottish charity. The registered office is 70 Milton Street, Glasgow G4 0HR.

### 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) 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 financial statements are prepared in sterling, which is the functional currency of the charity. 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.

### 1.2 Going concern

The Trustees are obliged to consider the appropriateness of the going concern assumption when preparing the financial statements. With the lifting of COVID-19 restrictions, a return to more normal levels of operating income has been achieved which is expected to continue in the current year. Consequently, the Trustees believe that there are no material uncertainties affecting the charity's ability to continue as a going concern and, accordingly the financial statements are prepared on a going concern basis.

### 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.

Where unsolicited donations are received on behalf of SU International and other bodies, these are identified separately and excluded from the Statement of Financial Activities since SU Scotland derives no benefit from these funds whatsoever.

### 1.4 Income

All 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.

#### Donations and Legacies

Donations are recognised when the charity has evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. Entitlement usually arises immediately upon receipt, however, in the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts must be recognised when it is probable that it will be received. This is normally following the granting of confirmation, when the administrator/executor of the estate has communicated in writing both the amount and settlement date and any conditions attached to the legacy are either within the control of the charity or have been met. In the event that a gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

In order to smooth the impact on the General Fund of fluctuations in legacy amounts received from year to year, all unrestricted income received from legacies is allocated over three financial years. In the year of receipt, one quarter of the legacy value is transferred to the Special Projects Fund and three quarters to the Legacy Equalisation Reserve. The balance held in the Legacy Equalisation Reserve is drawn down to zero over the course of the next two years with income being released to the General Fund in two equal annual amounts.

#### Grants receivable

Income from government and other grants, whether 'capital' or 'revenue' in nature, is recognised when the charity has unconditional entitlement to the funds, it is probable that income will be received, the amount can be measured reliably. Unconditional entitlement will be achieved once any performance or other conditions attached to the grants have been met, or fulfilment of those conditions is wholly within the control of the charity. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included in the Balance Sheet as deferred income to be released. Grants received to finance specific expenditure are included as Restricted income.

#### Gift Aid

Income tax recoverable on Gift Aid donations is recognised when the respective donation has been recognised and the recoverable amount of income tax can be measured reliably; this is normally when the donor has completed the relevant Gift Aid Declaration form. Income tax recoverable on Gift Aid donations is allocated to the same Fund as the respective donation unless specified by the donor.

#### Income from charitable activities

Income from charitable activities includes income earned both from the supply of goods or services under contractual arrangements and from performance related grants which have conditions that specify the provision of particular goods or services to be provided by the charity. Income from charitable activities is recognised as earned as related goods or services are provided.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

## 1 Accounting policies (continued)

*Residentials income* includes income from festival, holiday and weekend fees and contributions. This income is recognised as income in the accounting period in which the events take place. Any income received in advance of the events is treated as deferred income and included within creditors.

*Centres income* includes fee income from schools residentials and church groups staying at Lendrick Muir, Gowanbank and Alltnacriche Activity Centres. This income is recognised as income in the accounting period in which the events take place. Any income received in advance of the events is treated as deferred income and included within creditors. Centres income excludes the value of internal usage for SU Scotland activities such as SU holidays and weekends.

### **Donated services and facilities**

Donated services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item or facility have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

### **Other income**

Other income represents income that cannot be reported under the other analysis headings provided within the Statement of Financial Activities and is recognised when the charity is entitled to the income, it is probable that it will be received and the amount can be measured reliably by the charity. Other income includes bank interest which is recognised when receivable and the amount can be measured reliably by the charity which is normally upon notification of the interest paid or payable by the bank.

## 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured or estimated reliably.

Liabilities are measured on recognition at historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date. The exception is that certain financial instruments must be adjusted to their present value; these include financial liabilities where settlement is deferred for more than 12 months after the reporting date.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

### **Raising funds**

Expenditure on raising funds includes all costs incurred in support development activities including attracting voluntary income as well as an appropriate proportion of support costs.

### **Charitable activities**

Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities. The costs of charitable activities presented in the Statement of Financial Activities includes the costs of both direct service provision and the payments of grant awards if applicable.

### **Support costs**

Support costs comprise costs which enable fundraising and charitable activities to be undertaken. These costs include central management costs such as finance, human resources and administration which have been allocated between the cost of raising funds and expenditure on charitable activities in proportion to the direct cost of these activities. The allocation of support costs is detailed in Note 7. The allocation of expenditure between activities and support costs is made utilising our departmental reporting system on a basis that is designed to reflect the use of resources.

### **Governance costs**

Governance costs (which are included as a component of support costs in accordance with SORP) comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include those related to constitutional and statutory requirements, external scrutiny (audit), strategic management, and other legal and professional fees.

### **Irrecoverable VAT**

The charity is partially exempt for VAT. A separate expenditure category is included for any VAT which cannot be fully recovered.

## 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.

Tangible fixed assets costing £5,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Asset category	Annual rate
Buildings	2%
Furniture and fittings	20%
Motor vehicles	20%
IT equipment	33%
Other equipment	20%
Plant and machinery	10%
Plant and machinery (Biomass boiler)	5%

No depreciation is provided in respect of the value attributable to land.

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.



# NOTES TO THE FINANCIAL STATEMENTS

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for the year ended 31 March 2023

## 1 Accounting policies (continued)

### 1.7 Impairment of tangible fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

### 1.8 Stock

Stock is valued at the lower of cost and estimated net realisable value.

### 1.9 Cash and cash equivalents

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

### 1.10 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.

#### 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 unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### Derecognition of financial liabilities

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

### 1.11 Employee benefits

The cost of any 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.

### 1.12 Retirement benefits

The charity operates a Group Personal Pension Scheme (defined contribution retirement Scheme) for employees. Payments to the Group Scheme are charged as an expense as they fall due.

### 1.13 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgments, 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.

#### Useful life of fixed assets

The charity estimates the useful lives of categories of fixed assets based on the expected length of time the asset is in use by the charity and estimates the annual charge to be depreciated based on this assessment.

#### Deferred income

Income is deferred in line with the charity's accounting policy for the recognition of income, where income has been received but services have not yet been delivered within that accounting period or where conditions attached to grants have not yet been met.

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.

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

### 2 Income from donations and legacies

					2023	2022
	General £	Designated £	Total unrestricted £	Restricted £	Total funds £	Total funds £
Donations	523,579	-	523,579	1,197,243	1,720,822	1,666,542
Legacies	694,609	-	694,609	45,000	739,609	437,560
Appeals	33,008	-	33,008	352,716	385,724	337,794
Fundraising Dinner	44,453	-	44,453	-	44,453	2,624
Grants and Trust income	50,000	-	50,000	323,535	373,535	189,250
	<u>1,345,649</u>	<u>-</u>	<u>1,345,649</u>	<u>1,918,494</u>	<u>3,264,143</u>	<u>2,633,770</u>

### Prior year comparative of donations and legacies split by fund

					2022
	General £	Designated £	Total unrestricted £	Restricted £	Total funds £
Donations	525,082	-	525,082	1,141,460	1,666,542
Legacies	437,493	-	437,493	67	437,560
Appeals	131,449	-	131,449	206,345	337,794
Fundraising Dinner	2,624	-	2,624	-	2,624
Grants and Trust income	75,000	-	75,000	114,250	189,250
	<u>1,171,648</u>	<u>-</u>	<u>1,171,648</u>	<u>1,462,122</u>	<u>2,633,770</u>

### 3 Income from charitable activities

					2023	2022
	General £	Designated £	Total unrestricted £	Restricted £	Total funds £	Total funds £
Residentials	566,890	14,398	581,288	123,558	704,846	209,437
Centres (excl SU holidays and Weekends)	932,755	-	932,755	-	932,755	467,245
National Ministries	-	-	-	6,628	6,628	3,415
Equipping and Leadership Development	-	-	-	24,392	24,392	7,640
	<u>1,499,645</u>	<u>14,398</u>	<u>1,514,043</u>	<u>154,578</u>	<u>1,668,621</u>	<u>687,737</u>

### Prior year comparative of income from charitable activities split by fund

					2022
	General £	Designated £	Total unrestricted £	Restricted £	Total funds £
Residentials	198,546	-	198,546	10,891	209,437
Centres (excl SU holidays and Weekends)	467,245	-	467,245	-	467,245
National Ministries	-	-	-	3,415	3,415
Equipping and Leadership Development	-	-	-	7,640	7,640
	<u>665,791</u>	<u>-</u>	<u>665,791</u>	<u>21,946</u>	<u>687,737</u>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

## 4 Other income

					2023	2022
	General £	Designated £	Total unrestricted £	Restricted £	Total funds £	Total funds £
Coronavirus Job Retention Scheme grants	-	-	-	-	-	58,160
Other Covid related government grants	-	-	-	1,828	1,828	215,064
Bank interest	18,234	-	18,234	-	18,234	2,081
Gain on disposal of tangible fixed assets	-	-	-	-	-	337
	18,234	-	18,234	1,828	20,062	275,642

## Prior year comparative of other income split by fund

					2022
	General £	Designated £	Total unrestricted £	Restricted £	Total funds £
Coronavirus Job Retention Scheme grants	36,346	530	36,876	21,284	58,160
Other Covid related government grants	-	-	-	215,064	215,064
Bank interest	2,081	-	2,081	-	2,081
Gain on disposal of tangible fixed assets	337	-	337	-	337
	38,764	530	39,294	236,348	275,642

## 5 Expenditure on raising funds

					2023	2022
	General £	Designated £	Total unrestricted £	Restricted £	Total funds £	Total funds £
Salaries & benefits	91,400	-	91,400	7,301	98,701	84,954
Travel & sundry expenses	2,386	-	2,386	-	2,386	476
Other staff costs	59	-	59	-	59	172
Printing & communication	14,900	-	14,900	9,850	24,750	16,863
IT, office, admin costs	5,000	-	5,000	-	5,000	4,205
Irrecoverable VAT	2,294	-	2,294	-	2,294	285
Allocation of support costs (see note 7)	19,066	774	19,840	2,622	22,462	21,311
	135,105	774	135,879	19,773	155,652	128,266

## Prior year comparative of expenditure on raising funds split by fund

					2022
	General £	Designated £	Total unrestricted £	Restricted £	Total funds £
Salaries & benefits	77,517	-	77,517	7,437	84,954
Travel & sundry expenses	476	-	476	-	476
Other staff costs	172	-	172	-	172
Printing & communication	10,007	-	10,007	6,856	16,863
IT, office & admin costs	4,205	-	4,205	-	4,205
Irrecoverable VAT	285	-	285	-	285
Allocation of support costs (see note 7)	17,824	977	18,801	2,510	21,311
	110,486	977	111,463	16,803	128,266

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

### 6 Expenditure on charitable activities

	Residential and Activity Centres	National Ministries	Equipping and Leadership Development	International Support	2023 Total	2022 Total
	£	£	£	£	£	£
Salaries & benefits	1,225,836	863,074	31,925	-	2,120,835	1,817,646
Travel & sundry expenses	19,794	39,623	1,242	2,640	63,299	29,553
Other staff costs	20,803	7,807	31,586	-	60,196	26,676
Holiday / programme related	397,422	53,417	20,735	35,980	507,554	157,230
International grants (see note 8)	-	-	-	79,133	79,133	84,365
Heat, light & power	116,484	4,143	-	-	120,627	77,217
Property & equipment	367,575	8,581	-	-	376,156	215,033
Vehicle costs	17,584	-	-	-	17,584	14,146
Printing & communication	24,380	15,027	218	-	39,625	23,803
IT, office & admin costs	83,025	47,945	2,446	9	133,425	120,706
Professional fees	1,805	-	-	-	1,805	12,238
Bank charges & loan interest	8,546	1,280	427	-	10,253	6,493
Depreciation	182,860	3,920	-	-	186,780	193,201
Irrecoverable VAT	59,215	8,228	615	-	68,058	12,093
Allocation of support costs (see note 7)	418,352	177,592	15,042	-	610,986	532,325
	<u>2,943,681</u>	<u>1,230,637</u>	<u>104,236</u>	<u>117,762</u>	<u>4,396,316</u>	<u>3,322,725</u>

(Note 8)

### Prior year comparative of expenditure on charitable activities split by activity

	Residential and Activity Centres	National Ministries	Equipping and Leadership Development	International Support	2022 Total
	£	£	£	£	£
Salaries & benefits	1,006,624	780,064	30,958	-	1,817,646
Travel & sundry expenses	9,688	19,221	644	-	29,553
Other staff costs	19,857	1,330	5,489	-	26,676
Holiday / programme related	80,658	28,102	14,654	33,816	157,230
International grants (see note 8)	-	-	-	84,365	84,365
Heat, light & power	74,265	2,952	-	-	77,217
Property & equipment	209,919	5,114	-	-	215,033
Vehicle costs	14,146	-	-	-	14,146
Printing & communication	13,255	10,450	98	-	23,803
IT, office & admin costs	75,837	43,623	1,246	-	120,706
Professional fees	12,238	-	-	-	12,238
Bank charges & loan interest	5,334	869	290	-	6,493
Depreciation	188,729	4,472	-	-	193,201
Irrecoverable VAT	9,468	2,467	158	-	12,093
Allocation of support costs (see note 7)	342,604	179,054	10,667	-	532,325
	<u>2,062,622</u>	<u>1,077,718</u>	<u>64,204</u>	<u>118,181</u>	<u>3,322,725</u>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

## 7 Allocation of support costs

	Charitable activities				2023 Total £	2022 Total £
	Residential and Activity Centres	National Ministries	Equipping and Leadership Development	Raising funds		
	£	£	£	£		
Salaries & benefits	242,755	101,227	8,574	12,803	365,359	322,005
Travel & sundry expenses	6,593	2,749	233	348	9,923	4,422
Other staff costs	13,683	5,706	483	722	20,594	11,000
Heat, light & power	9,563	3,988	338	504	14,393	8,385
Property & equipment	10,374	4,326	366	547	15,613	10,119
Printing & communication	8,015	3,342	283	423	12,063	4,722
IT, office & admin costs	17,805	7,425	629	939	26,798	14,266
CRM software project costs	54,117	22,566	1,911	2,854	81,448	115,490
Professional fees	2,301	960	82	122	3,465	11,132
Bank charges & loan interest	8,494	3,542	300	448	12,784	11,906
Depreciation	14,671	6,118	518	774	22,081	25,391
Irrecoverable VAT	18,655	10,920	925	1,381	31,881	696
Governance costs	11,326	4,723	400	597	17,046	14,102
	<u>418,352</u>	<u>177,592</u>	<u>15,042</u>	<u>22,462</u>	<u>633,448</u>	<u>553,636</u>

Support costs are allocated to activities in the same proportion as total direct expenditure has been incurred in undertaking these activities. Governance costs represent audit fees and other compliance costs. CRM software project costs relate to the implementation of a new integrated CRM software solution. This is an ongoing project, expected to complete by end of 2023 and is funded from the Special Projects fund.

## Prior year comparative of allocation of support costs

	Charitable activities				2022 Total £
	Residential and Activity Centres	National Ministries	Equipping and Leadership Development	Raising funds	
	£	£	£	£	
Salaries & benefits	199,288	104,122	6,203	12,392	322,005
Travel & sundry expenses	2,737	1,430	85	170	4,422
Other staff costs	6,808	3,557	212	423	11,000
Heat, light & power	5,189	2,711	162	323	8,385
Property & equipment	6,263	3,272	195	389	10,119
Printing & communication	2,922	1,527	91	182	4,722
IT, office & admin costs	8,829	4,613	275	549	14,266
CRM software project costs	71,476	37,344	2,225	4,445	115,490
Professional fees	6,890	3,600	214	428	11,132
Bank charges & loan interest	7,369	3,850	229	458	11,906
Depreciation	15,714	8,210	489	978	25,391
Irrecoverable VAT	392	258	15	31	696
Governance costs	8,727	4,560	272	543	14,102
	<u>342,604</u>	<u>179,054</u>	<u>10,667</u>	<u>21,311</u>	<u>553,636</u>

## 8 International support

	2023 £	2022 £
Grants paid to SU movements:		
Contribution to SU Ukraine & Belarus from unrestricted funds	50,917	50,269
Contribution to SU Ukraine & Belarus from restricted funds	<u>28,216</u>	<u>34,096</u>
	79,133	84,365
Other costs:		
Contribution to SU International Councils from unrestricted funds	24,000	24,800
Contributions to SU overseas projects from unrestricted funds	7,800	5,015
Contributions to SU overseas projects from restricted funds	<u>6,829</u>	<u>4,001</u>
	<u>117,762</u>	<u>118,181</u>

# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31 March 2023

<b>9 Net income / (expenditure) for the year</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
(Gain) on disposal of fixed assets	-	(337)
Depreciation (see note 15)	208,861	218,592
Auditors' remuneration	10,500	9,500
Operating lease rentals	-	2,242
	<u>          </u>	<u>          </u>

<b>10 Staff costs</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,132,916	1,822,246
Social security costs	169,345	129,936
Pension and other costs	251,782	221,049
	<u>2,554,043</u>	<u>2,173,231</u>

The average number of employees (full time, part time and seasonal) was 113 (2022 - 99).

There were no employees who received remuneration over £60,000 in the period.

Key management personnel include the Chief Executive, Chief Financial Officer, Director of Centres, Director of National Ministries and Director of Development and Holidays. The total employee benefits of the key management personnel of the charity were £234,182 (2022 - £221,615).

The charity operates a group personal pension (i.e. defined contribution) scheme for employees. Contributions are charged to the income and expenditure account as they are paid and are made from general funds other than contributions for those staff members whose costs are paid from restricted team support funds. There was £31,479 (2022 - £29,971) of contributions outstanding as at the balance sheet date; this was paid over at the beginning of the following month. The assets of the scheme are held separately from those of the charity in an independently administered fund.

<b>11 Trustees</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
No Trustees received any remuneration in either year.		
Payments made to 0 Trustees (2022 - 0 Trustees) for re-imburement of expenses	<u>          </u>	<u>          </u>
Donations received from 7 Trustees (2022 - 7 Trustees) during the year of	<u>8,539</u>	<u>7,470</u>

## **12 Related party transactions**

During the year, the charity entered into transactions with related parties as detailed below.

£1,933 (2022 - £962) was paid to Christian Residential Network ("CRNet") for membership of CRNet and for some vacancy advertising. There was no balance due to CRNet at 31 March 2023 (2022 - £nil). Robin MacLellan, Chief Executive, is a Director of CRNet which is aligned with SU Scotland's charitable objectives.

SU Scotland received donations of:

- £120,000 from Kilravock Christian Trust SCIO (Scottish Charity No. SC049005) which was allocated to Restricted Funds (1) Gowanbank Development Fund - £70,000 and (2) Miss Rose Bursary Fund - £50,000. The purposes of these Funds are outlined in Note 22. Lisbeth Macmillan, Chief Financial Officer until 30 March 2023, is a Trustee of Kilravock Christian Trust SCIO.
- £15,000 from the Challenge Trust (Scottish Charity No. SC016121) of which Robin MacLellan is a Trustee (2022 - £9,700).

## **13 Taxation**

No provision for corporation tax is required as the company has been recognised as a charity by HM Revenue & Customs for the purposes of tax relief granted by Section 505 of the Income and Corporation Taxes Act 1988.

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 March 2023

#### 14 Transfers

					2023
	General	Designated	Total unrestricted	Restricted	Total funds
	£	£	£	£	£
Holiday sponsorship funds applied	233,082	-	233,082	(233,082)	-
Purchase of tangible fixed assets	(10,509)	137,439	126,930	(126,930)	-
Transfer legacy income to Legacy Equalisation Reserve	(521,209)	521,209	-	-	-
Transfer legacy income to Special Projects Fund	(173,400)	173,400	-	-	-
Release from Legacy Equalisation Reserve in year	236,956	(236,956)	-	-	-
Special Projects Funds applied	108,879	(123,747)	(14,868)	14,868	-
Release from 10 Year Trust Fund in year	15,000	(15,000)	-	-	-
School Residentials Bursary funds applied	14,336	-	14,336	(14,336)	-
Holidays income designated to Sites	(46,619)	46,619	-	-	-
	<u>(143,484)</u>	<u>502,964</u>	<u>359,480</u>	<u>(359,480)</u>	<u>-</u>

Income restricted for the Holiday sponsorship fund is transferred to general funds to cover the cost of holidays being sponsored.

#### Prior year comparative of transfers

					2022
	General	Designated	Total unrestricted	Restricted	Total funds
	£	£	£	£	£
Holiday sponsorship funds applied	24,194	5,700	29,894	(29,894)	-
Purchase of tangible fixed assets	(36,656)	77,806	41,150	(41,150)	-
Transfer legacy income to Legacy Equalisation Reserve	(328,120)	328,120	-	-	-
Transfer legacy income to Special Projects Fund	(109,373)	109,373	-	-	-
Release from Legacy Equalisation Reserve in year	161,472	(161,472)	-	-	-
Special Projects Funds applied	131,591	(131,591)	-	-	-
Release from 10 Year Trust Fund in year	15,000	(15,000)	-	-	-
School Residentials Bursary funds applied	3,393	-	3,393	(3,393)	-
Holidays income designated to Sites	(1,896)	1,896	-	-	-
	<u>(140,395)</u>	<u>214,832</u>	<u>74,437</u>	<u>(74,437)</u>	<u>-</u>

#### 15 Tangible fixed assets

	Land	Buildings	Furniture & fittings	Plant & machinery	Motor vehicles	Equipment	Total
	£	£	£	£	£	£	£
<b>Cost</b>							
At 31 March 2022	417,700	5,174,813	426,910	1,029,150	83,418	656,960	7,788,951
Additions	-	-	-	98,516	10,505	28,418	137,439
Disposals	-	-	-	-	-	(198,915)	(198,915)
At 31 March 2023	<u>417,700</u>	<u>5,174,813</u>	<u>426,910</u>	<u>1,127,666</u>	<u>93,923</u>	<u>486,463</u>	<u>7,727,475</u>
<b>Depreciation</b>							
At 31 March 2022	-	2,090,879	386,675	586,265	73,611	588,130	3,725,560
Charge for year	-	103,502	22,995	50,360	677	31,327	208,861
Disposals	-	-	-	-	-	(198,915)	(198,915)
At 31 March 2023	<u>-</u>	<u>2,194,381</u>	<u>409,670</u>	<u>636,625</u>	<u>74,288</u>	<u>420,542</u>	<u>3,735,506</u>
<b>Net book value</b>							
At 31 March 2023	<u>417,700</u>	<u>2,980,432</u>	<u>17,240</u>	<u>491,041</u>	<u>19,635</u>	<u>65,921</u>	<u>3,991,969</u>
At 31 March 2022	<u>417,700</u>	<u>3,083,934</u>	<u>40,235</u>	<u>442,885</u>	<u>9,807</u>	<u>68,830</u>	<u>4,063,391</u>

#### 16 Stocks

	2023	2022
	£	£
Goods for resale	5,125	6,574
	<u>5,125</u>	<u>6,574</u>

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 March 2023

#### 17 Debtors

	2023	2022
	£	£
Tax recoverable (Gift Aid)	116,289	30,835
Grant income awarded	-	160,000
Holiday costs paid in advance relating to future season	50,429	31,105
Sundry prepayments	16,964	11,182
Legacy income receivable	-	50,000
Other debtors	42,951	55,516
	<u>226,633</u>	<u>338,638</u>

#### 18 Cash and cash equivalents

	2023	2022
	£	£
Holidays and booking fees paid in advance and held in separate client accounts	449,206	301,354
Cash held on behalf of international SU and other bodies (see note 23)	5,285	4,033
Cash held for other restricted funds	1,268,727	1,021,645
Cash held for unrestricted funds	2,189,832	1,788,702
	<u>3,913,050</u>	<u>3,115,734</u>

#### 19 Creditors: amounts falling due within one year

	2023	2022
	£	£
Deferred income (* see below)	364,933	243,930
Trade creditors	145,672	49,680
Accrued charges and sundry creditors	24,221	27,482
VAT payable	5,502	-
Other taxes and social security costs	71,826	80,732
Funds for transfer to international SU and other bodies (see note 23)	5,285	4,033
	<u>617,439</u>	<u>405,857</u>

#### \* Deferred income

Deferred income comprises advance fees and deposits related to future holidays, residential weekends and Centre bookings.

Balance at 1 April	243,930	80,728
Amount refunded	-	(16,205)
Amount released to income earned from charitable activities	(243,521)	(46,460)
Amount donated back - released to donation income	-	(1,350)
New advanced fee and deposits deferred in year	364,524	227,217
Balance at 31 March	<u>364,933</u>	<u>243,930</u>

#### 20 Operating lease commitments

There were no commitments under non-cancellable operating leases as at 31 March 2023 or 31 March 2022.



# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31 March 2023

### 21 Unrestricted funds

	Balance at 1 April 2022	Income	Expenditure	Transfers	Balance at 31 March 2023
	£	£	£	£	£
General fund	1,124,403	2,863,528	(2,667,144)	(143,484)	1,177,303
Designated funds:					
Capital Reserve	4,063,391	-	(208,861)	137,439	3,991,969
Special Projects Fund	244,055	-	-	49,482	293,537
Legacy Equalisation Reserve	400,997	-	-	284,253	685,250
10 Year Trust Fund	90,000	-	-	(15,000)	75,000
SU International Committee Fund	1,002	-	(1,000)	(2)	-
Other designated funds	12,987	14,398	(46,625)	46,792	27,552
Total designated funds	4,812,432	14,398	(256,486)	502,964	5,073,308
<b>Total unrestricted funds</b>	<b>5,936,835</b>	<b>2,877,926</b>	<b>(2,923,630)</b>	<b>359,480</b>	<b>6,250,611</b>

	Balance at 1 April 2021	Income	Expenditure	Transfers	Balance at 31 March 2022
	£	£	£	£	£
<b>Prior year comparative of unrestricted funds</b>					
General fund	1,011,119	1,876,203	(1,622,524)	(140,395)	1,124,403
Designated funds:					
Capital Reserve	4,204,177	-	(218,592)	77,806	4,063,391
Special Projects Fund	266,273	-	-	(22,218)	244,055
Legacy Equalisation Reserve	234,349	-	-	166,648	400,997
10 Year Trust Fund	105,000	-	-	(15,000)	90,000
SU International Committee Fund	1,802	-	(800)	-	1,002
Other designated funds	22,713	530	(17,852)	7,596	12,987
Total designated funds	4,834,314	530	(237,244)	214,832	4,812,432
<b>Total unrestricted funds</b>	<b>5,845,433</b>	<b>1,876,733</b>	<b>(1,859,768)</b>	<b>74,437</b>	<b>5,936,835</b>

### Description, nature and purpose of funds

*The Capital Reserve* represents the value of unrestricted funds tied up in fixed assets, which would not be readily convertible into cash. This equates to the net book value of fixed assets.

*The Special Projects Fund* represents a designation by the Board from surplus unrestricted funds and legacy income to be used to help maintain ministries that have proved difficult to fund from elsewhere and also to invest in new ministry initiatives or projects.

*The Legacy Equalisation Reserve* was created to recognise the impact of significant fluctuations in legacy income from year to year. 75% of unrestricted legacy income is transferred to the reserve in the year of receipt and then released to general funds evenly over the following two years.

*The 10 Year Trust Fund* was designated from a £150,000 trust donation and is released to general funds over 10 years.

*The SU International Committee Fund* was established to enable the SU International Committee to respond financially to overseas needs at their discretion.

*Other designated funds* are the funds designated for the Scoughall and Kings Cross camp sites.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

## 22 Restricted funds

	Balance at 1 April 2022	Income	Expenditure	Transfers	Balance at 31 March 2023
	£	£	£	£	£
Team Support Funds	584,156	1,360,497	(1,417,160)	25,406	552,899
Holiday Sponsorship Fund	298,085	171,525	(5,315)	(243,620)	220,675
Ukraine Fund	3,183	32,046	(27,083)	-	8,146
Other International Funds	10,101	2,817	(7,962)	-	4,956
Lendrick Muir Development Fund	37,980	336,640	(80,421)	(22,543)	271,656
Campsites Development Fund	96,232	17,778	(15,371)	(76,399)	22,240
Alltnacriche Development Fund	45,130	474	(17,352)	(16,898)	11,354
Gowanbank Development Fund	20,000	75,181	-	(11,090)	84,091
Youthlink Fund	-	24,535	(24,535)	-	-
Centres Appeal Fund	80,764	962	(31,019)	(8,466)	42,241
Miss Rose Bursary Fund	-	50,000	-	-	50,000
School Residentials Bursary Fund	5,253	617	-	(5,870)	-
Miscellaneous restricted funds	761	1,828	(2,120)	-	469
<b>Total restricted funds</b>	<b>1,181,645</b>	<b>2,074,900</b>	<b>(1,628,338)</b>	<b>(359,480)</b>	<b>1,268,727</b>

Prior year comparative of restricted funds	Balance at 1 April 2021	Income	Expenditure	Transfers	Balance at 31 March 2022
	£	£	£	£	£
Team Support Funds	500,302	1,185,317	(1,102,013)	550	584,156
Holiday Sponsorship Fund	171,586	161,617	(4,674)	(30,444)	298,085
Ukraine Fund	-	10,836	(7,653)	-	3,183
Other International Funds	7,716	6,386	(4,001)	-	10,101
Lendrick Muir Development Fund	29,792	11,901	(3,713)	-	37,980
Campsites Development Fund	122,640	17,530	(9,085)	(34,853)	96,232
Alltnacriche Development Fund	32,879	19,398	(2,047)	(5,100)	45,130
Gowanbank Development Fund	-	20,000	-	-	20,000
Youthlink Fund	-	34,214	(34,214)	-	-
Centres Appeal Fund	227,697	15,869	(161,605)	(1,197)	80,764
Centres Covid Grants	24,197	215,064	(239,261)	-	-
CJRS Grants	-	21,284	(21,284)	-	-
School Residentials Bursary Fund	7,646	1,000	-	(3,393)	5,253
Miscellaneous restricted funds	2,434	-	(1,673)	-	761
<b>Total restricted funds</b>	<b>1,126,889</b>	<b>1,720,416</b>	<b>(1,591,223)</b>	<b>(74,437)</b>	<b>1,181,645</b>

### Description, nature and purpose of funds

*The Team Support Funds* represent income received from donors to fund the costs of specified ministries work or particular employees' salaries and expenses.

*The Holiday Sponsorship Fund* is maintained to subsidise, where appropriate, the fees of children and leaders to enable them to attend Scripture Union Scotland's holidays programme. There had been limited opportunity to use the funds in the previous two years due to the reduced programme. The balance at the year end will be used for events taking place in 2023/24, including training and discipleship events.

*The Ukraine Fund* represents income received from supporters to be used to support the work of Scripture Union in Ukraine.

*The Other International Funds* represent income generated and expenditure initiated for specific international SU projects by Scripture Union Scotland.

*The Lendrick Muir Development Fund* represents income and grants received with the related expenditure on a programme of developments at the centre.

*The Campsites Development Fund* represents appeal income received for development work at Kings Cross and Scoughall, along with the related expenditure which is planned to continue over the next year.

*The Alltnacriche Development Fund & Gowanbank Development Fund* represent income received with the related expenditure on a programme of developments at both centres.

*The Youthlink Fund* represent grant income received to fund specific costs related to the training of young people and staff and the support of volunteers.

*The Centres Appeal Fund* represents appeal income received to support the centres due to the impact of the Coronavirus pandemic. The income has been used to help maintain and train the staff team and for costs to make activities at the centres more Covid-secure. This will continue into 2023. 10% of the appeal income was used to benefit the camps work in SU Ukraine.

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 March 2023

#### 22 Restricted funds (continued)

*The Miss Rose Bursary Fund* represents income received from Kilravock Christian Trust SCIO (Scottish Charity No. SC049005) to create a fund to be used to provide financial support for those of limited means (and their carers where appropriate) to participate (whether as guests, leaders, helpers or trainees), in training young leaders for future service.

*The School Residential Bursary Fund* was established to subsidise, where appropriate, the fees of children to allow them to attend a school residential at a Scripture Union Scotland centre. This fund was expended during the year though it is planned to seek further funding to rebuild this fund.

*The Centres Covid Grants* represented the grant income received from the Scottish Government's Coronavirus Business Support Grants, Residential Centres Recovery Fund and Strategic Business Framework Grants. These grants were made to help support residential centres during the lockdowns and to support the centres' recovery through until June 2022. The grants have been used to support the cost of operations at the centres.

*The CJRS grants* represented the Coronavirus Job Retention Scheme grant income that related to furloughed staff whose salaries are normally paid from restricted funds. (Note 4 shows the full amount of restricted and unrestricted CJRS income received.)

#### 23 SU International Funds held

	Balance at 1 April 2022 £	Income received £	Payments / Transfers £	Balance at 31 March 2023 £
Funds received on behalf of SU international organisations to which SU Scotland has no right or title	4,033	5,122	(3,870)	5,285

#### Prior year comparative of International Funds held

	Balance at 1 April 2021 £	Income received £	Payments / Transfers £	Balance at 31 March 2022 £
Funds received on behalf of SU international organisations to which SU Scotland has no right or title	6,184	1,946	(4,097)	4,033

#### 24 Analysis of net assets between funds

					2023
	General £	Designated £	Total unrestricted £	Restricted £	Total funds £
Fixed assets	-	3,991,969	3,991,969	-	3,991,969
Current assets	1,789,457	1,081,339	2,870,796	1,274,012	4,144,808
Current liabilities	(612,154)	-	(612,154)	(5,285)	(617,439)
Total	1,177,303	5,073,308	6,250,611	1,268,727	7,519,338

#### Prior year comparative of analysis of net assets between funds

					2022
	General £	Designated £	Total unrestricted £	Restricted £	Total funds £
Fixed assets	-	4,063,391	4,063,391	-	4,063,391
Current assets	1,526,227	749,041	2,275,268	1,185,678	3,460,946
Current liabilities	(401,824)	-	(401,824)	(4,033)	(405,857)
Total	1,124,403	4,812,432	5,936,835	1,181,645	7,118,480

#### 25 Capital commitments

	2023 £	2022 £
Capital expenditure contracted but not provided for in the financial statements		
Climbing Wall for Lendrick Muir	55,080	-
Solar panels for Gowanbank	11,090	-
	66,170	-

The purchase and installation of a climbing wall at Lendrick Muir was contracted in February 2023 and will be funded from the Lendrick Muir Development Fund. 30% of the cost is included in capital expenditure this year. The balance of £55,080 will be paid on completion by summer 2023 and will be included in capital expenditure for the year 2023-24.

The installation of Solar Panels at Gowanbank commenced in March 2023 and is funded from the Gowanbank Development Fund. 50% of the cost is included in capital expenditure this year. The balance of £11,090 will be paid on completion of the installation and will be included in capital expenditure for the year 2023-24.

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

### 26 Comparative statement of financial activities

	General £	Designated £	Total unrestricted £	Restricted £	2022 Total funds £
<b>Income from:</b>					
Donations and legacies	1,171,648	-	1,171,648	1,462,122	2,633,770
Charitable activities	665,791	-	665,791	21,946	687,737
Other	38,764	530	39,294	236,348	275,642
<b>Total income</b>	<b>1,876,203</b>	<b>530</b>	<b>1,876,733</b>	<b>1,720,416</b>	<b>3,597,149</b>
<b>Expenditure on:</b>					
Raising funds	110,486	977	111,463	16,803	128,266
Charitable activities					
Residential and Activity Centres	1,193,007	222,296	1,415,303	647,319	2,062,622
National Ministries	230,692	12,682	243,374	834,344	1,077,718
Equipping and Leadership Development	9,055	489	9,544	54,660	64,204
International Support	79,284	800	80,084	38,097	118,181
Total Charitable activities expenditure	<b>1,512,038</b>	<b>236,267</b>	<b>1,748,305</b>	<b>1,574,420</b>	<b>3,322,725</b>
<b>Total expenditure</b>	<b>1,622,524</b>	<b>237,244</b>	<b>1,859,768</b>	<b>1,591,223</b>	<b>3,450,991</b>
<b>Net income / (expenditure) for the year</b>	<b>253,679</b>	<b>(236,714)</b>	<b>16,965</b>	<b>129,193</b>	<b>146,158</b>
<b>Transfers between funds</b>	<b>(140,395)</b>	<b>214,832</b>	<b>74,437</b>	<b>(74,437)</b>	<b>-</b>
<b>Net movement in funds</b>	<b>113,284</b>	<b>(21,882)</b>	<b>91,402</b>	<b>54,756</b>	<b>146,158</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	1,011,119	4,834,314	5,845,433	1,126,889	6,972,322
<b>Total funds carried forward</b>	<b>1,124,403</b>	<b>4,812,432</b>	<b>5,936,835</b>	<b>1,181,645</b>	<b>7,118,480</b>

### 27 Net cash generated from operating activities

	2023 £	2022 £
Net income / (expenditure) for the year	400,858	146,158
Adjustments for:		
Depreciation	208,861	218,592
Interest income	(18,234)	(2,081)
(Gain) / loss on disposal of tangible fixed assets	-	(337)
Movement in stocks	1,449	2,768
Movement in debtors	112,005	(184,555)
Movement in creditors	211,582	168,755
Net cash generated from operating activities	<b>916,521</b>	<b>349,300</b>