Lead Scotland

Report and audited financial statements

For the year ended 31 March 2017

Lead Scotland is a company limited by guarantee with no share capital
Company registration number: SC110186
Registered Scottish charity: SC003949

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Reference and administrative details

Charity name	Lead Scotland
Registered company number	SC110186
Registered charity number	SC003949
Trustees	Gillian Brown Alan Goodman (resigned 4 October 2016) Donald Jarvie Tricia Illsley Muriel Masson (resigned 3 August 2016) Beverley Smith Colin Anderson Kevin Mallon Pamela Maxwell Ahmed Yousaf Ronald Jack (appointed 4 October 2016) Andrew McMahon (appointed 4 October 2016) Sandra Wilson (appointed 4 October 2016)
Company secretary	Colin Anderson
Registered office	Room B05 Edinburgh Napier University Merchiston Campus 14 Colinton Road Edinburgh EH10 5DT
Senior staff	Emma Whitelock, Chief Executive Officer Stephen Fernand, Regional Development Manager South Norman MacAskill, Regional Development Manager North (until Feb 2017) Doreen O'Donnell, Finance & Administration Manager
Auditors	Henderson Loggie 34 Melville Street Edinburgh EH3 7HA
Bankers	Co-operative Bank 1 Balloon Street Manchester M60 4EP
Solicitors	Lindsays WS Caledonian Exchange 19A Canning Street Edinburgh EH3 8HE

Board of directors' report

The Board of Directors of Lead Scotland is pleased to present its annual report together with the audited financial statements for the year ended 31 March 2017.

Vision and Mission statement

Our vision is of an inclusive Scotland where disabled people, carers and those who experience exclusion can connect with their ambition to move forward in life through learning.

Our mission is to lead positive social change by empowering disabled people and carers to learn.

Organisational structure

The management of the Company is the responsibility of the Board of Directors, who are elected under the terms of the Memorandum and Articles of Association. Board members are provided with an induction pack and training as appropriate. The Board of Directors delegates day to day management of the Company to the Chief Executive Officer, who is supported by the management team. The Board of Directors is the governing body of the company and, through its Finance Committee, is responsible for the organisation's system of internal financial controls. The Finance Committee is chaired by the Treasurer who is supported in carrying out this responsibility by other Directors including the Chairperson.

The Objects in Lead Scotland's Memorandum are:

> "The Object for which the Company is established is to advance the education of the public in Scotland particularly in the area of working with people with disabilities and their carers and people disadvantaged by their social or educational exclusion."
>
> In furthering the attainment of the above mentioned charitable object, the company shall have the following purposes:
>
> a) To encourage and enable the inclusion of persons with disabilities and their carers, and such other persons disadvantaged by their social or educational exclusion as may seek assistance, into educational opportunities and where appropriate to provide a trained volunteer to work on a one to one basis with such persons in their own homes or such other appropriate venues;
> b) To provide information and support with education;
> c) To provide, where appropriate, ICT and other equipment to support individual learners without access to such items from other sources;
> d) To provide an information/resources service on education and leisure opportunities;
> e) To act as a specialist resource service particularly to organisations who are not working in the field of disability or who lack awareness of the same, as well as to those working in the field of disability, and fields relevant to other persons disadvantaged by their social or educational exclusion;
> f) To promote and organise co-operation in the achievement of the above purposes.

Board of directors' report *(continued)*

The Core Strategic Objectives for the planning period (2016 - 2019) are:

Strategic goals 2016-19

- Increase the number of people who can benefit from using our services
- Extend our national coverage
- Increase sustainable revenue streams

The Aims of our Strategic goals

- To reach more people across Scotland
- To build the capacity and capability of our staff and volunteers to excel in their roles
- To deliver high quality, effective services which give value for money
- To influence policy change for a fairer, more inclusive Scotland

Strategic Focus in Current Year (2016/17)

Our strategic objectives have annual targets. Our strategic priorities for change to achieve the annual targets and objectives are:

- Continuously improve efficiency and effectiveness in our services and processes both through digital and face to face provision
- Focus on branding and marketing to improve our visibility and positioning
- Strengthen our service offer with new cross sector partnerships
- Explore ways of making our services more flexible to meet market demand and commissioner service delivery requirements
- Optimise our team capacity and capability through developing our people

The importance of Lead's Volunteers

We are immensely grateful to all our dedicated volunteers who add tremendous value to the work of our organisation, over 100 in this period. We achieved reaccreditation for the external quality standard, Investing in Volunteers, in October 2015 for another 3 years, now held continuously since 2005. We have also achieved the Volunteering Friendly Award in Dundee and North Lanarkshire. Our volunteers are involved in many different ways including:

- Providing practical support to disabled people and carers (e.g. study skills, orientation, scribing);
- Supporting disabled people and carers through the learning process (e.g. support to learn at home);
- Supporting Lead Co-ordinators (e.g. with administration, publicity and promotion);
- Mentoring new volunteers;
- Assisting the work of Head Office staff (e.g. taking part in focus groups, short term projects, undertaking administration, photography for one-off and annual events, etc.);
- Supporting the Co-ordinators to deliver a variety of integrated literacy, numeracy, core and digital skills programmes;
- Volunteer Befrienders;
- Undertaking fundraising and profile raising activities through Friends of Lead groups.

Board of directors' report *(continued)*

Key management remuneration

Remuneration for Lead's key management personnel, Chief Executive Officer, Regional Development Manager North, Regional Development Manager South and Finance and Administration Manager totals, £144.857. Pay is set in line with Scottish Joint Council payscales and is agreed by the Board of Directors.

Review of the year

We were delighted to be awarded three year core funding from the Scottish Government via their Adult Learning and Empowering Communities Fund. Our partnership with the Scottish Government is crucial in enabling us to provide all our activities, such as: our national information service, our policy work and our frontline services. Lead Scotland has also been actively involved in the national Strategic Forum for Adult Learning. Our Chief Executive Officer Co-Chairs the National Family Learning Working group as a key part of the implementation of the Statement of Ambition for Adult Learning.

We are extremely grateful for the continuing support from local authority partners for Lead's activities in Aberdeenshire, Dundee, Fife, Highland, Moray, North Lanarkshire and Perth and Kinross within an increasingly challenging funding climate. We have strong partnerships with our local authority funders and continue to meet the gaps in services that they have identified locally through their local planning, consultation and involvement processes. In this period we have expanded our project in Perth and Kinross through the provision of digital awareness sessions and Thinking Digitally training for staff. We have also been able to create a part-time post in Highland, again delivering a range of learning programmes to young carers, disabled people and practitioners, with funding from Highland council, Highlife Highland and Connecting Carers.

Our performance against our strategic objectives in 2016-17:

- We increased the number of people who use our frontline services. Next year we are piloting the involvement of sessional staff to build our capacity. Every project has a waiting list and increasing demand.

- We increased the number of users of our national information service. We have also now recruited a disabled graduate through Inclusion Scotland and SCVO's internship scheme to further build our capacity to respond to increased demand by delivering group information services and refreshing some information guides.

- We increased the number of local authority areas we worked with. We have been able to recruit a new part-time member of staff in Highland by securing more contracts.

- We increased our levels of unrestricted funding and we increased the number of contracts. Unrestricted income will be directed at frontline services which all have waiting lists and desperately seek more capacity to respond. We have created a new post and Board committee to lead on fundraising going forward.

We have now proudly delivered around 200 SCQF level 3 and 5 Community Action and Leadership Awards to disabled people and carers with positive impacts for participants. We are grateful to Big Lottery who have funded us to tailor the course for delivery within a prison environment. We are currently midway through this pilot, in partnership with Scottish Prison Service staff.

Board of directors' report *(continued)*

Review of the year *(continued)*

We have greatly increased our following on Facebook and Twitter as we look forward with ambition to reach more learners who can benefit from our services and grow our footprint across Scotland.

We held an extremely successful national conference, supported by Scottish Government and Perth UHI, "Improving lifelong and life wide learning journeys for disabled people", chaired by Dame Anne Begg, with keynote speaker Shirley Anne Sommerville, Minister for Further Education, Higher Education and Science.

We moved our registered office from Shandwick Place to the Merchiston Campus of Edinburgh Napier University this year. We saw this as an opportunity to save ongoing costs, become more paperlight, and strengthen our connection within Higher Education.

Changes in personnel: three staff moved on within this reporting period to whom we are grateful for their commitment and service: our Regional Development Manager North and our Aberdeenshire Coordinator who have been succeeded by new staff who have taken up the reins of the good work started by their predecessors. To enable us to take forward our strategic objectives and in light of our office move, digital transformation and changing organisational needs we underwent a restructure in this period. Therefore the post of Senior Administrator now ceases to exist. We have created a new Engagement and Development Officer role leading on fundraising and volunteer development. The Committee structure has also been enhanced in this period, the Directors set up three new committees, the Engagement and Fundraising, Risk and Strategy & Futures, to run alongside the Finance Committee.

We increased our organisational capacity and capability by successfully involving three interns (fundraising and communication internships) through funded schemes and a temporary administration worker through Community Jobs Scotland.

Lead Scotland is committed to continuous improvement as part of our culture and value base, to be the best organisation it can be, best measured through the experience and success of people who engage with our services. We invite ongoing feedback from learners, volunteers, staff and partners throughout their involvement. We also track learners six months after their last contact with Lead. This feedback is used to shape current and future developments, delivery and support arrangements. Our staff are committed to continuous improvement and the celebration of impact.

We announced our new annual James Hill Learner of the Year Award this year to honour the memory of James, a very dedicated volunteer who generously remembered Lead Scotland in his will. An Aberdeenshire learner was extremely proud to receive the first Award at our AGM.

We were delighted to be chosen to be part of the second pilot phase of the new Adult Achievement Awards at SCQF level 3, 4 and 6, with 34 learners and volunteers gaining accreditation. This Award is truly learner centred and flexible, creating a new progression route from through the accreditation of informal learning and volunteering.

When tracked at 6 months, 69% of learners were still in learning, volunteering or work. 77% said they were still using the skills they learned with Lead. 76% said they felt confident and motivated to continue learning themselves. (Note 54% of learners responded to tracking, our best ever response rate).

Board of directors' report *(continued)*

Review of the year *(continued)*

We are committed to adapting our services in respond to demand, supporting learners to take up learning opportunities which match their longer term goals of further learning, accreditation, volunteering, active citizenship and work. A key part of our service model involves engaging those individuals who stand to gain the most from our interventions. As well as a continuing demand for literacy, numeracy and core skills there is growing demand from individuals and funders who want/need to get online, gain employability skills, active citizenship skills, volunteering experience. During 2016/17 we built on our commitment to support the learners we work with in engaging with a wide range of policy agendas, national outcomes and indicators, including for example, digital participation and cyber resilience, community empowerment, prevention and early intervention, the mitigation of loneliness and the child poverty related attainment gap. We are striving to empower disabled people and carers to create a fairer more equal Scotland through the provision of relevant education and lifelong learning and by shaping more effective services.

We are making a contribution by widening access to use of the internet and are empowering learners to safely and confidently connect online. Staff and volunteers are also supporting Community Learning and Development practitioners to become more digital agile through the delivery of our credit rated module Thinking Digitally.

The Directors wish to acknowledge the two Friends of Lead groups, in North Lanarkshire and Dundee. Friends of Lead North Lanarkshire is independently constituted and both are made up of members, learners and volunteers who are ambitiously supporting Lead through raising awareness and fundraising for valuable unrestricted funds which add value to local projects. The Directors are very appreciative of their support.

Lead staff, Board members and volunteers, past and present, are exceptionally dedicated and are always learner centred. All the successes of the organisation are due to their individual passion for positive change, their unwavering commitment and their excellent teamwork.

Risk management

The Board of Directors and the management team have adopted a structured approach to risk management and have incorporated risk management into management practices. The risks facing the organisation - including the impact, likelihood and possible mitigations - are reviewed on a regular basis. However, in light of ongoing external exigencies the Board of Directors and the Senior Management Team will continue to undertake an even greater scrutiny of risks being faced both internally and externally by the organisation during the next few years.

The main risks to the charity going forward remain:

- Pressure on the public purse which may affect government related funding available for the charity's core purposes;
- lack of sustainable funding for activities, or significant cuts to funding projects.

The risks are closely monitored and the mitigations are at the core of Lead's strategy going forward. These mitigations include:

- Continuing to build and strengthen relationships within Government and with other key stakeholders to ensure visibility for Lead and an appreciation of the services delivered;
- Identifying and building other sources of funding for which a new role has been created focused on this activity;
- Identifying and evaluating new, diverse service offerings that remain in line with Lead's core Vision.

Board of directors' report *(continued)*

The three main objectives of the financial control system are to:

- ensure that the company maintains proper accounting records;
- safeguard the organisation's assets from unauthorised disposal or use;
- ensure the integrity and reliability of financial and operational information used for: (a) decision making within the organisation and (b) external publication.

The company's internal controls include:

- a strategic plan and annual budget approved by the Board of Directors;
- regular consideration of financial results and variance from budgets, Chief Executive Officer and Regional Development Managers' review of non-financial and performance indicators;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Directors confirms that the financial statements comply with the current statutory requirements and the requirements of Lead's Memorandum and Articles of Association.

The Board of Directors confirms that, on a fund by fund basis, Lead's assets are adequate to fulfil Lead's obligations.

Financial review

The service base saw a mixture of increases and decreases across our delivery areas. In spite of the considerable funding challenges that Lead faces we continue to make good progress. The audited accounts show a surplus of £113,506, which includes the legacy from James Hill of £77,077. Annual payments are being made to reduce a material defined, long term, pension liability (see note 16). The impact is being minimised through robust financial governance.

The Board of Directors can confirm that there was sufficient funding available to Lead during 16/17 to deliver our full programme of services.

The Board of Directors and all of the Lead team wish to thank all partners, individuals and agencies, whose financial and/or in kind support provided benefits during the year. In particular, we thank the following charitable trusts for their continued and much valued financial support: the Hugh and Mary Miller Foundation; the Tay Charitable Trust and Heineken for their donations. We are immensely grateful to James Hill who generously remembered Lead Scotland in his will. James was a committed volunteer for Lead in the 1990's and lifelong learning champion himself. We have created a new annual James Hill Learner of the Year Award in his memory and the Board will ensure that monies from the legacy will be used to further our strategic goals. The support from donations, legacies and charitable trusts provides Lead with resources that can be used wherever they are most needed in the delivery of our services for disabled people, carers and other people who experience disabling barriers within our communities.

Lead received funding through the Adult Learning and Effective Communities Fund towards its headquarters costs. Principal funding sources are listed elsewhere in the accounts and include Local Authorities, Adult Literacy Partnerships, and Community Planning Partnerships.

Board of directors' report *(continued)*

Reserves policy

The Board of Lead Scotland has agreed a policy for reserves that requires reserves to be maintained at a level that:

i. Ensures that Lead Scotland core activities can continue during a period of unforeseen difficulty or financial uncertainty, and

ii. Provides an appropriate period of time to secure additional or new funding when existing funding is withdrawn or no longer available, and

iii. Endeavours to ensure that Lead Scotland is able to meet costs associated with a reduction in services or closure of the organisation including outstanding liabilities.

The calculation of the required level of reserves is an integral part of the annual planning, budget and forecast cycle. A proportion of the reserves was maintained in cash on deposit or other readily realisable forms. The level of reserves was agreed by the Board of Directors who take account of:

- Risks associated with each income stream and expenditure being at variance with that budgeted for;
- Planned activity levels and any variance;
- Organisational commitments.

Lead Scotland aims to maintain the overall level of free funds held on reserve at an equivalent of 4 months running costs for the organisation which is approximately £160,000. The current level is £148,275. The Board is satisfied that the organisation's cash reserve position remains adequate as they consider the pension deficit, which has this year been brought in to the balance sheet as a provision under FRS 102, remains unlikely to crystallise in the short term. Further information on this provision is given in note 16.

General Fund
The General Fund represents the free reserves of Lead Scotland. During the year this fund decreased to £148,500 (note 12) as the deficit contributions to the pension fund are now reflected as a liability on the balance sheet.

Designated funds
Designated funds have decreased from £9,523 to £9,464 (note 12).

Restricted funds
Restricted funds have increased from £40,276 to £68,664 (note 13).

The surplus will be used to reach more learners as per our first strategic goal, for example to match frontline services.

Board of directors' report *(continued)*

Future developments

- Lead will continue to develop direct services in local authority areas in response to learner and commissioner demand
- Upskill Co-ordinators as assessors and internal verifiers to build our capacity to deliver formal qualifications
- Pilot the use of sessional staff as an expansion of the service model to reach more learners in groups and in one-to-one settings
- Identify ways by which our service models can be more flexible to take advantage of new funding streams and commissioning opportunities such as direct payments and sub contracting models
- Develop consistent messages which clearly promote and position Lead
- Tailor our service offer and opportunities and seek new commissioning opportunities
- Strengthen our Information Service by through the involvement of a paid internships
- Create an organisational culture of active and continuous fundraising to raise awareness and encourage donations
- Seek new partners and collaborations to offer joined up strategic and operational 'pipeline' services
- Deliver best value services which have a positive impact on the lives of individuals, their families and communities
- Work with partners to improve the experience of the transition from school for young disabled people and their families

Statement of Directors' responsibilities

The Directors (who are also trustees for the purposes of charity law) are responsible for preparing the Directors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Going concern

The Directors have considered the anticipated revenue and expenditure for a 12-month period from the date of signing this Annual Report and confirm that they consider Lead Scotland will continued to operate on a 'going concern' basis within that timeframe.

Board of directors' report *(continued)*

Disclosure of information to auditors

The report was prepared in accordance with the special provisions of the Companies Act relating to small companies.

In so far as the Directors are aware, there is no relevant audit information of which the company's auditors are unaware; and each Director has taken all the steps they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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

Approved by the Board of Directors on 15 August 2017

Signed on behalf of the Board:

Ronald Jack
Director
Treasurer

Independent Auditor's Report to the Trustees and Members of Lead Scotland

We have audited the financial statements of Lead Scotland for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made exclusively to the charity's trustees, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006, and to the charity's trustees, as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement (set out on page 9), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC'S) Revised Ethical Standard 2016.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Independent Auditor's Report to the Trustees and Members of Lead Scotland
(continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

James Davidson
Senior Statutory Auditor
For and on behalf of Henderson Loggie, Statutory Auditors
(Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006)
Edinburgh

15 August 2017

Statement of financial activities and income and expenditure account

Year ended 31 March 2017

	Notes	Restricted funds £	Designated funds £	Unrestricted funds £	Total 2017 £	Restated Total 2016 £
Income from:						
Donations and legacies	2	**200**	**-**	**87,939**	**88,139**	9,951
Other trading activities	2	**-**	**-**	**2,023**	**2,023**	6,696
Investment income	2	**-**	**-**	**822**	**822**	998
Income from charitable activities	3	**464,712**	**-**	**4,490**	**469,202**	459,449
Total income		**464,912**	**-**	**95,274**	**560,186**	477,094
Expenditure on:						
Raising funds	5	**-**	**-**	**(9,909)**	**(9,909)**	(4,636)
Charitable activities	6	**(441,865)**	**(59)**	**7,405**	**(434,519)**	(497,989)
Total expenditure		**(441,865)**	**(59)**	**(2,504)**	**(444,428)**	(502,625)
Net income/(expenditure)		**23,047**	**(59)**	**92,770**	**115,758**	(25,531)
Transfers	13	**5,341**	**-**	**(5,341)**	**-**	-
Other recognised (losses):						
Actuarial (losses) on defined benefit pensions scheme	16	**-**	**-**	**(2,252)**	**(2,252)**	(24,996)
Net movement in funds		**28,388**	**(59)**	**85,177**	**113,506**	(50,527)
Fund balances brought forward at 1 April 2016		**40,276**	**9,523**	**63,323**	**113,122**	163,649
Fund balances carried forward at 31 March 2017		**68,664**	**9,464**	**148,500**	**226,628**	113,122

There were no recognised gains or losses other than those included in the statement of financial activities and income and expenditure account. All activities relate to continuing operations.

The notes on pages 16 to 27 form part of these financial statements.

Balance sheet

As at 31 March 2017

	Notes	2017 £	2017 £	Restated 2016 £	Restated 2016 £
Fixed assets	8		225		603
Current assets					
Debtors	9	93,756		74,447	
Cash at bank and in hand		229,157		163,055	
		322,913		237,502	
Creditors: amounts falling due within one year	10	(24,095)		(48,502)	
Net current assets			298,818		189,000
Total assets less current liabilities			299,043		189,603
Provisions for liabilities and charges	16		(72,415)		(76,481)
Net assets			226,628		113,122
Represented by					
Unrestricted General Fund	12		148,500		63,323
Unrestricted Designated funds	12		9,464		9,523
Restricted funds	13		68,664		40,276
Total funds			226,628		113,122

The financial statements are prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 relating to small companies and were approved by the board of directors on 15 August 2017 and were signed by:

Donald Jarvie
Chair

Ronald Jack
Treasurer

Company Registration No: SC110186

The notes on pages 16 to 27 form part of these financial statements

Statement of Cash Flows
As at 31 March 2017

	2017 £	2016 £
Cash flow from operating activities		
Net income/(expenditure)	**115,758**	(25,531)
Depreciation charge	**378**	1,434
Loss on disposal of fixed asset	**-**	388
Actuarial (losses) on defined benefit pension scheme	**(2,252)**	(24,996)
Interest income	**(822)**	(998)
(Increase) in debtors	**(19,309)**	(26,113)
(Decrease)/increase in creditors	**(24,407)**	13,960
(Decrease)/increase in defined benefit pension provision	**(4,066)**	19,002
Cash provided by/(used in) operations	**65,280**	(42,854)
Cash flow from investing activities		
Interest income	**822**	998
Purchase of tangible fixed assets	**-**	(239)
Cash provided by investing activities	**822**	759
Net increase/(decrease) in cash and cash equivalents	**66,102**	(42,095)
Cash and cash equivalents at beginning of period	**163,055**	205,150
Cash and cash equivalents at end of period	**229,157**	163,055
Analysis of cash and cash equivalents		
Cash at bank	**154,261**	88,938
Short term deposits	**74,896**	74,117
	229,157	163,055

Notes to the financial statements
Year ended 31 March 2017

1. Accounting policies

Basis of preparation

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, 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). They have also been prepared under historical cost accounting rules. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound. This is the first year in which the financial statements have been prepared under FRS 102. The date of transition was 1 April 2015. Refer to note 17 for an explanation of the transition.

Having reviewed the secured funding contracts and the free reserves of the charity the trustees consider it is appropriate to draw up the accounts on a going concern basis.

Company status
The charity is a private company limited by guarantee and incorporated in Scotland, with its registered address as set out on page 1. The members of the company include the directors named on page 1 and other interested parties. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The charity constitutes a public benefit entity as defined by FRS 102.

Income
Income consists principally of grants and donations. Income is recognised when the charity has entitlement to the funds, when it is probable that the income will be received and the amounts can be measured reliably. Income is deferred where there is insufficient evidence that the funding conditions are within the charity's control and therefore will be met. For legacies, entitlement is taken as the earlier of the date on which the charity is aware that confirmation or probate has been granted; the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made; or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified by the executor's intention to make a distribution.

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure from restricted or designated funds is set against the appropriate fund. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of research and consultancies carried out for the third parties;
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. This includes governance costs which comprise those costs associated with the governance of the charity. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Where possible, expenditure has been charged directly to charitable expenditure or governance costs. Where this is not possible the expenditure has been allocated on the time spent by staff on each activity. The organisation is not registered for Value Added Tax (VAT). All VAT on incurred costs is included in the attributable expenditure.

Support costs
Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. These costs have been allocated to charitable activities.

Notes to the financial statements *(continued)*
Year ended 31 March 2017

1. Accounting policies *(continued)*

Donated services
In accordance with the Charities SORP (FRS 102), the general volunteer time of the volunteers is not recognised.

Termination payments
All termination payments made in the year are recognised in the statement of financial activities and income and expenditure account.

Fixed assets and depreciation
Individual fixed assets costing £350 or more are capitalised. Where assets relate to a specific restricted fund these are expensed in the year of purchase.

Provision is made for the depreciation of fixed assets in order to write off the cost or valuation over their expected useful lives as follows:

Computer equipment	- 33% straight line
Office equipment	- 20% straight line

Debtors
Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

Cash
Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Operating leases
Rentals payable under operating leases are charged on a straight-line basis over the lease term.

Pensions
Defined benefit pension scheme
The company participates in a defined benefit pension scheme, the assets of which are held separately from those of the company in independently administered funds and for which it is not possible to separately identify the assets and liabilities of participating employers. As required by FRS 102, it recognises a liability representing the net present value of the deficit reduction contributions payable under the existing deficit funding arrangements.

Defined contribution pension scheme
The charity also contributes to a pension scheme providing benefits based on contributions. Employer contributions charged to the statement of financial activities represents the contributions payable to the scheme in respect of the accounting period.

Taxation
The company is accepted as a charity for tax purposes. It is considered that no liability to corporation tax will arise on the results of the year.

Notes to the financial statements *(continued)*
Year ended 31 March 2017

1. Accounting policies *(continued)*

Funds
The General Fund is an unrestricted fund which is available for use, at the discretion of the directors, in furtherance of the general objectives of the charity and which has not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Directors for a particular purpose.

Restricted funds are funds to be used in accordance with specific restrictions imposed by donors.

2. Analysis of income

	Restricted 2017 £	**Unrestricted 2017 £**	**Total 2017 £**	Total 2016 £
Donations and legacies:				
Hugh & Mary Millar bequest	**-**	**7,000**	**7,000**	7,000
Ronald Millar Trust Foundation	**-**	**-**	**-**	1,750
Tay Charitable Trust	**-**	**500**	**500**	-
James Hill Legacy	**-**	**77,077**	**77,077**	-
Heineken		**1,000**	**1,000**	-
Other smaller donations	**200**	**2,362**	**2,562**	1,201
Total donations and legacies	**200**	**87,939**	**88,139**	9,951
Other trading activities:				
Consultancy income	**-**	**1,400**	**1,400**	6,696
Fundraising activities	**-**	**623**	**623**	
	-	**2,023**	**2,023**	6,696
Investment income:				
Bank interest	**-**	**822**	**822**	998
Total 2017	**200**	**90,784**	**90,984**	17,645

	Restricted 2016 £	Unrestricted 2016 £	Total 2016 £
Donations and legacies	-	9,951	9,951
Other trading activities	-	6,696	6,696
Investment income	-	998	998
Total 2016	-	17,645	17,645

Notes to the financial statements *(continued)*
Year ended 31 March 2017

3. Income from charitable activities

	Restricted £	Unrestricted £	Total 2017 £	Total 2016 £
Income from Scottish Government				
Core grant	142,500	-	142,500	142,500
	142,500	-	142,500	142,500
Income from local authorities				
Aberdeen Council	4,000	-	4,000	-
Aberdeenshire Council	51,500	-	51,500	64,000
Highland Council	14,382	-	14,382	8,656
Dundee Council	32,000	-	32,000	32,000
North Lanarkshire Council	37,525	-	37,525	47,500
Fife Council	85,876	-	85,876	74,059
Perth Council	58,109	-	58,109	44,000
Total	283,392	-	283,392	270,215
Income from others				
Moray College	18,000	-	18,000	18,000
SDS	-	-	-	11,402
Queen Margaret University	3000	-	3000	-
SCVO	-	-	-	9,352
National Conference	3,000	-	3,000	3,000
Big Lottery	9,995	-	9,995	-
Highland Connecting Carers	4,825		4,825	-
Ticket Sales	-	4,490	4,490	4,980
Total	38,820	4,490	43,310	46,734
Total income from charitable activities 2017	464,712	4,490	469,202	459,449
Total income from charitable activities 2016	454,469	4,980		459,449

4. Staff costs

	Total 2017 £	Restated Total 2016 £
Salaries (including temporary staff)	315,665	318,188
Employer's NIC	23,982	25,989
Pension Contributions	7,403	3,611
Settlements on termination of employment	-	35,000
	347,050	382,788

No employees received emoluments in excess of £60,000. Average staff numbers during the year were 15 (*2016: 14*). During the year travel expenses of £328 (*2016: £670*) were reimbursed to 4 directors (*2016: 5*). The directors received no remuneration in the current or previous year. Trustee indemnity insurance is provided as part of the overall insurance policy for the organisation. At 31st March 2017 there was short term compensated absence in relation to annual leave entitlement for the period of £3,368 (2016: £4,455).

Notes to the financial statements *(continued)*
Year ended 31 March 2017

4. Staff costs *(continued)*

The remuneration and benefits paid (including employer's NI and employer's pension contributions) to the senior management team, consisting of the Chief Executive Officer, Finance & Administration Manager and Regional Development managers, were £144,857 (2016: £157,325).

5. Cost of raising funds

	Restricted £	Designated £	Unrestricted £	Total 2017 £	Total 2016 £
Wages and salaries	-	-	9,804	9,804	4,636
Fundraising expenses	-	-	105	105	-
Total 2017	-	-	9,909	9,909	4,636
Total 2016	-	-	4,636	4,636	

6. Charitable activities

	Restricted £	Designated £	Unrestricted £	Total 2017 £	Restated Total 2016 £
Wages & salaries	338,333	-	* (1,087)	337,246	343,152
Other staff costs	24,750	-	-	24,750	27,331
Property costs	21,237	-	-	21,237	25,977
Administration costs	30,021	59	*(6,318)	23,762	57,294
Professional fees	-	-	-	-	5,012
National Conference	2,903	-	-	2,903	4,359
Miscellaneous	1,336	-	-	1,336	392
Meeting costs	1,573	-	-	1,573	1,125
Publications and subscriptions	458	-	-	458	1,393
Learner costs	13,605	-	-	13,605	23,742
Depreciation	378	-	-	378	1,822
Governance costs (note 7)	7,271	-	-	7,271	6,390
Total 2017	441,865	59	(7,405)	434,519	497,989
Total 2016	467,295	57	30,637	497,989	

Included in charitable activities are support costs of £84,556 *(2016: £97,845)*.

* Negative expenditure allocated to unrestricted funds is due to the movement in the holiday pay accrual and provision for pension deficit contributions payable.

7. Governance costs

	2017 £	2016 £
Board/finance committee costs	2,147	1,940
Audit fees	5,124	4,450
	7,271	6,390

Notes to the financial statements *(continued)*
Year ended 31 March 2017

8. Fixed assets

	Computer Equipment £	Office Equipment £	Total £
Cost			
At beginning of year	29,006	27,734	56,380
Disposals	-	(23,206)	(23,206)
At end of year	29,006	4,168	33,174
Depreciation			
At beginning of year	28,403	27,374	55,777
Charge for year	378	-	378
On disposals	-	(23,206)	(23,206)
At end of year	28,781	4,168	32,949
Net book value			
At 31 March 2017	225	-	225
At 31 March 2016	603	-	603

In October 2016 the Head Office relocated to much smaller premises during which all office equipment was re-evaluated and where appropriate disposed of. The remaining netbook value is an accurate valuation of the office equipment held by the charity

9. Debtors

	2017 £	2016 £
Trade debtors	31,940	71,333
Prepayments and accrued income	61,816	3,114
	93,756	74,447

10. Creditors

	2017 £	Restated 2016 £
Trade creditors	9,204	6,876
Tax & Social Security	5,810	7,314
Accruals	9,081	10,111
Deferred income (note 11)	-	24,201
	24,093	48,502

11. Deferred income

	2017 £	2016 £
Balance as at 1 April 2016	24,201	3,275
Amount released to income earned from charitable activities	(24,201)	(3,275)
Amount deferred in year	-	24,201
Balance as at 31 March 2017	-	24,201

Notes to the financial statements *(continued)*
Year ended 31 March 2017

12. Unrestricted reserves

	Restated Opening funds £	Incoming resources £	Outgoing resources £	Transfers £	Other recognised (losses) £	Closing funds £
General fund	63,323	95,274	(2,504)	(5,341)	(2,252)	148,500
Dr Ethel Gray fund	9,523	-	(59)	-	-	9,464
	72,846	95,274	(2,563)	(5,341)	(2,252)	157,964

The Dr Ethel Gray fund is legacy from a former patron. This funds the Volunteer of the Year Award.

13. Restricted reserves

	Opening funds £	Incoming resources £	Outgoing resources £	Transfers £	Closing funds £
Scottish Government - core	-	142,500	(146,520)	4,020	-
National Conference	-	3,000	(2,903)	-	97
Fife	5,428	51,765	(49,524)	-	7,669
North Lanarkshire	2,828	37,525	(37,765)	-	2,588
North Lanarkshire RCOP	833	-	-	-	833
Dundee Council	368	32,000	(32,492)	585	461
Moray Pilot	3,768	-	-	-	3,768
Moray Adult Literacy Partnership	272	18,000	(17,453)	-	819
Fife Befriending	10,704	34,111	(30,178)	-	14,637
Perth Digital	-	9,949	(1,514)	-	8,435
Adult learning in Highlands	6,435	10,382	(8,849)	-	7,968
Database Administrator post	206	-	-	-	206
Highland Adult Literacy Partnership	729	-	-	-	729
Aberdeenshire Adult Literacy Partnership	-	24,000	(23,665)	-	335
Aberdeenshire Activity Agreements	-	27,500	(27,945)	445	-
Big Lottery – Investing in Ideas	-	9,995	(4,233)	-	5,762
Queen Margaret University	-	3,000	(3,000)	-	-
Thinking Digital Highland		4,000	(3,409)	-	591
Thinking Digital Perth	-	4,000	(3470)	-	530
Thinking Digital Aberdeen City	-	4,000	-	-	4,000
Highland Connecting Carers	-	4,825	(5,116)	291	-
Perth & Kinross	8,705	44,160	(43,829)	-	9,036
Donation	-	200	-	-	200
	40,276	464,912	(441,865)	5,341	68,664

Transfers

Transfers have been made from unrestricted funds where deficits have arisen on restricted funds.

Restricted Funds – detail of awards and restrictions on use

Scottish Government (core) – contribution towards infrastructure and support costs of the organisation includir running the helpline.

National Conference - funding from the Scottish Government for Lead Scotland's annual conference.

Fife– funding for the delivery of Lead services in Fife.

Notes to the financial statements *(continued)*
Year ended 31 March 2017

13. Restricted reserves *(continued)*

Restricted Funds – detail of awards and restrictions on use *(continued)*

Fife Befriending – funding for the delivery of Lead's befriending services in Fife.

North Lanarkshire – funding for the delivery of Lead's services in North Lanarkshire.

North Lanarkshire RCOP – funding for the delivery of services in North Lanarkshire.

Perth & Kinross – funding for the delivery of Lead's services in Perth & Kinross.

Dundee Council – funding for the delivery of Lead's services in Dundee.

Moray Adult Literacy Fund – funding for the delivery of Lead's services in Moray.

Moray Pilot –funding for a time specific digital service.

Adult learning in Highlands – funding to provide adult learning classes for IT Maintenance for Lead's volunteers in the Highlands.

Highland Adult Literacy Partnership – funding for the delivery of Lead's services in the Highlands.

Aberdeenshire Adult Literacy Partnership – funding for the delivery of Lead's services in Aberdeenshire.

Aberdeenshire Activity Agreements – funding to aid the progression of young people in Aberdeenshire in their transition from school.

Database Administrator Post - funding to support the role of the Database Administrator in the Aberdeenshire area.

Perth Digital – funding to hold digital awareness sessions for staff

Big Lottery Investing in Ideas – funding for a pilot project in HMP Grampian, delivering our Community Action and Leadership Award

Queen Margaret University Internship – funding a Communication Intern who produced our annual review

Thinking Digitally Perth - funding to deliver Thinking Digitally to Community Learning and Development workers and other practitioners identified by the funder

Thinking Digitally Highland - funding to deliver Thinking Digitally to Community Learning and Development workers and other practitioners identified by the funder

Thinking Digitally Aberdeen City – funding to deliver Thinking Digitally to Community Learning and Development workers and other practitioners identified by the funder

Highland Connecting Carers – funding to deliver SCQF level 5 Community Action and Leadership Award to a group of young carers

Donation – money received restricted for digital equipment in the Highlands

Notes to the financial statements *(continued)*
Year ended 31 March 2017

14. Analysis of net assets between funds

	Restricted £	Unrestricted £	2017 £	2016 £
Balance at 31 March 2017 represented by;				
Tangible assets	-	225	225	603
Net current assets	68,664	230,154	298,818	189,000
Provisions for liabilities	-	(72,415)	(72,415)	(76,481)
	68,664	157,964	226,628	194,508

15. Leasing commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2017 Buildings £	2016 Buildings £
Not later than one year	10,210	4,201
Later than one year and not later than five years	10,738	-
	20,948	4,201
Lease payments recognised as expense in year	16,430	19,061

16. Provisions for liabilities and charges

Defined benefits pension scheme net present value of deficit contributions payable:

	2017 £	2016 £
Provision at start of period	76,481	57,479
Unwinding of the discount factor (interest expense)	1,496	940
Deficit contribution paid	(7,814)	(6,934)
Remeasurements – impact of any change in assumptions	2,252	(1,195)
Remeasurements – amendments to the contribution schedule	-	26,191
	72,415	76,481

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

Notes to the financial statements *(continued)*
Year ended 31 March 2017

16. Provision for liabilities and charges *(continued)*

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2013 to 31 March 2023	£13.9m per annum	(payable monthly and increasing by 3% each on 1st April)

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum	(payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum	(payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present values of provision

	31 March 2017 (£s)	31 March 2016 (£s)	31 March 2015 (£s)
Present value of provision	72,415	76,481	57,479

Notes to the financial statements *(continued)*
Year ended 31 March 2017

16. Provision for liabilities and charges *(continued)*

Income and expenditure impact	Period ending 31 March 2017 £	Period ending 31 March 2016 £
Interest expense	**1,496**	940
Remeasurements – impact of any change in assumptions	**2,252**	(1,195)
Remeasurements – amendments to the contribution schedule	**-**	26,191

Assumptions

	31 March 2017 % per annum	31 March 2016 % per annum	31 March 2015 % per annum
Rate of discount	1.32	2.07	1.74

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

Deficits contributions schedule

Year ending	31 March 2017 (£s)	31 March 2016 (£s)	31 March 2015 (£s)
Year 1	8,048	7,814	6,934
Year 2	8,289	8,048	7,142
Year 3	8,538	8,289	7,356
Year 4	8,794	8,538	7,577
Year 5	9,058	8,794	7,804
Year 6	9,330	9,058	8,038
Year 7	9,610	9,330	8,279
Year 8	9,898	9,610	8,528
Year 9	5,097	9,898	-
Year 10	-	5,097	-

The Growth Plan is a "last man standing" multi-employer scheme. This means that if a withdrawing employer is unable to pay its debt on withdrawal the liability is shared amongst the remaining employers. The participating employers are therefore, jointly and severally liable for the deficit in the Growth Plan. As at 30 September 2016 the total deficit calculated on the buy-out basis was £230.6m.

Notes to the financial statements *(continued)*
Year ended 31 March 2017

16. Provision for liabilities and charges *(continued)*

Lead Scotland has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2016. As of this date the estimated employer debt for Lead Scotland was £195,791. It is not the trustees intention to crystallise this liability.

At the year end there were outstanding contributions to the Scheme of £651 (*2016: £nil*).

As a replacement to the above scheme the charity has set up a group personal pension scheme administered by The Pensions Trust. Total employer contributions in the year are £7,403 (*2016: £3,611*) and at the year there were outstanding contributions to the scheme of £1,000 (2016: £Nil).

17. Reconciliation with previous Generally Accepted Accounting Practice

In preparing the financial statements, the directors have considered whether, in applying the accounting policies required by FRS 102 and Charities SORP (FRS 102), any restatement of comparative items was required at the date of transition. The changes that require a restatement were:

- to recognise liabilities for untaken holidays at the balance sheet date that will be paid in the next financial year; and
- to recognise the net present value of future employer deficit contributions to the defined benefit pension scheme.

A reconciliation of opening balances is provided below:

Reconciliation of funds at 1 April 2015	**Unrestricted General** £	**Unrestricted Designated** £	**Restricted** £	**Total Funds** £
Funds held under SORP 2005	189,646	9,580	26,357	225,583
Net present value of pension liability	(57,479)	-	-	(57,479)
Holiday pay accrual	(4,455)	-	-	(4,455)
Funds held under SORP 2015 (FRS 102)	127,712	9,580	26,357	163,649

Reconciliation of funds at 31 March 2016	**Unrestricted General** £	**Unrestricted Designated** £	**Restricted** £	**Total Funds** £
Funds held under SORP 2005	144,259	9,523	40,276	194,058
Net present value of pension liability	(76,481)	-	-	(76,481)
Holiday pay accrual	(4,455)	-	-	(4,455)
Funds held under SORP 2015 (FRS 102)	63,323	9,523	40,276	113,122

Reconciliation of income/(expenditure) for year ended 31 March 2016	**Unrestricted General** £	**Unrestricted Designated** £	**Restricted** £	**Total Funds** £
Net movement in funds as previously stated	(45,387)	(57)	13,919	(31,525)
Actuarial loss on defined benefit pension scheme	(24,996)	-	-	(24,996)
Interest expense	(940)	-	-	(940)
Deficit pension contribution	6,934	-	-	6,934
Funds held under SORP 2015 (FRS 102)	(64,389)	(57)	13,919	(50,527)