

Lead Scotland

Report and audited financial statements

For the year ended 31st March 2025

Lead Scotland is a company limited by guarantee with no share capital

Company registration number: SC110186

Registered Scottish charity: SC003949

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PB AUDIT LIMITED
REGISTERED AUDITORS

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Reference and administrative details

Charity name	Lead Scotland
Registered company number	SC110186
Registered charity number	SC003949
Trustees	Paul Smith (Chair) Colin Anderson (resigned 19 Nov 2024) Senga Armstrong (resigned 1st May 2025) Kirsty Gemmell (Vice Chair) Gillian Brown Rebecca Pierce (Treasurer) (resigned 23rd June 2025) Daniel Baigrie Carolyn Smith Jade O'Neil Chris McKenzie Nicola Moubray (appointed 13 August 24)
Company secretary	Colin Anderson (resigned 19 Nov 2024)
Registered office	Studio 1.09, St Margarets House 151 London Road Edinburgh EH7 6AE
Senior staff	Emma Whitelock, Chief Executive Officer (until 1st July 2025) Robert McKay (from 1st July 2025) Sarah Burton, Business Manager & Depute CEO Doreen O'Donnell, Finance & Operations Manager
Auditors	PB Audit Limited Registered Auditors 18 North Street Glenrothes Fife KY7 5NA
Bankers	Co-operative Bank 1 Balloon Street Manchester M60 4EP Aldermore Forbury Road Reading RG1 1AX Virgin Money Gosforth Newcastle upon Tyne NE3 4PL Cambridge and Counties 5b New Walk Leicester LE1 6TE

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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 2025.

Vision and Mission statements

Our vision is of a fair society where disabled people and carers have an equal opportunity to learn, participate and achieve their potential.

Our mission is to influence change and provide personalised learning, befriending, advice, and information services.

Management and Governance

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. 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 four Sub Committees: Finance and Risk, Strategy and Futures, Engagement and Fundraising, and Governance and Compliance, is responsible for the organisation's system of internal financial controls and monitoring the strategic performance. 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, Information Communication Technology 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 Goals and Objectives for the planning period (2023-26) were:

Three Year Strategic Goals: 2023-26

Lead Scotland was originally set up in 1979 to reduce educational and social exclusion. Our current 3-year strategy goals aspire towards that long term vision:

1. Offer more local and remote learning opportunities, which improve access, offer accreditation, build confidence and skills, reducing educational exclusion.
2. Extend our Befriending Services to reduce social isolation and create new pathways to learning.
3. Extend our disabled students helpline and information services so that more students understand their rights, entitlements and make informed choices about their options.
4. More disabled people can influence policy makers, breaking down systemic barriers to improve access for future learners.

Strategic Objective Performance 2024-25

Lead Scotland offers the following 5 service strands: (1) Local Learning Services, (2) Online Learning Services, (3) Befriending Services, (4) Disabled Students Helpline and Information Services, and (5) Policy Work. Overall, we expanded our local and online learning services and continued to work towards our ambition to consolidate and extend our Befriending, Helpline, and Policy services. Our learning, befriending, and helpline services were accessed by disabled people and unpaid carers in 29 local authority areas compared with 31 last year. We were delighted to win the Digital Difference category at the Scottish Charity Awards in June 2024. A summary of strategic performance in year one of our strategic plan is provided below for each service strand.

Local Learning Services

Strategic Objective	2024-25 ambition	2024-25 performance	Comparison with previous year	Looking ahead to 2025-26
Increase the number of disabled people and carers progressing with learning and employability skills across Scotland.	To support 520 learners up from 465 last year : 400 learners on adult learning projects and 120 learners on employability projects. Objective this year: incrementally grow our local learning services with available funding.	We supported 730 learners : 368 learners on learning projects and 362 learners on employability projects. Almost a 50/50% split between adult learning and employability projects due to the availability of Multiply funding which enabled us to set up numeracy projects.	The number of disabled people and carers learning one to one and in small groups has increased by 22% compared with 2023-24 The growth in 2024-25 was possible with additional project, admin and manager staff.	Multiply projects ended on 31 st March 2025 however we have secured two new employability projects for 2025-26, with targets for improving qualification profiles. We are seeking opportunities to deliver digital health projects, building upon a successful pilot in Aberdeenshire.

Board of directors' report (continued)

We deliver free, impartial, personalised home, community-based, and online adult learning opportunities to meet demand for a broad range of in person, hybrid, and remote learning services. We encourage our staff and volunteers to align their practice with the Community Learning and Development (CLD) competencies and Adult Learning National Occupational Standards. Working with partners and taking a learner centred approach opens a broad choice of subjects and pathways matching learner ambitions to learn for life, citizenship, and work. There continues to be a particular appetite for digital skills, core skills, and employability skills. This continues to be a vital way by which we can engage people, overcoming barriers from the start of their journey. Some volunteers are involved in the delivery of our learning service sharing skills and building confidence. We uniquely offer home visits for those who cannot access learning any other way as part of our peripatetic model of delivery and we use a wide network of local community spaces to meet the access and support needs of every individual and small group. **46% of 731 learners received at least one home visit, compared with 54% pre-covid.**

In 2024-25 we were pleased to be funded to run a pilot project through the SCVO Connecting to Care Fund. The project aimed to work with disabled adults and unpaid carers, providing tailored digital skills sessions so that they could better manage their own health and wellbeing outcomes. We successfully worked with 80 learners and 37 key partners. This included use of our MyLead online learning platform (my.lead.org.uk) and accredited qualifications. This project has provided community members with a wealth of knowledge of online resources including diabetes apps and recipes, tools for supporting their mental health and NHS services. Community members have also been involved in focus groups for a small research workstream associated with this project's learning, to be published in 2024/25.

In 2024/25, recognising the specialised nature of our employability work, we entered a new delivery partnership with 4 other providers in Aberdeenshire to enhance the services and outcomes the partnership and its members could deliver for participants who require specialist employability support. This provides an enhanced, more connected learner journey and improved person-centred support for participants

100% of 23 learners tracked six months after moving on from Lead said they would recommend learning with Lead Scotland. Learners shared the following with us:

- "The confidence I gained has helped me overcome so many things. And for me that has been the most important change, so I am extremely grateful to [the coordinator] for all his help and support."
- "I really enjoy taking the bus and super happy I am able to use M Connect to get out and about now and feel less isolated."
- "Learning to pace myself and thinking more positively that I can do things. I feel I can do the basic stuff on my own and not need support."

Increasing the number of SQA courses delivered and achieved

It has been a bumper year for qualifications as our UKSPF Multiply (numeracy) and NOLB Employability projects have had targets to improve qualification profiles. We assessed 154 qualifications in 2024-25 compared with 69 in 2023-24 (123% increase), comprising 123 SQA qualifications and 31 Adult Achievement Awards.

22 learners completed an end of course SQA course survey in 2024-25; 81% would recommend the course, 95% said things were explained clearly, 100% felt supported to learn, 91% felt more confident about the subject. 2 learner responses to the question asking what value they placed on gaining a qualification were:

"I treasure my achievement as it helps remind me what I overcame."

"It was important to me because it was preparing me for next steps into working."

Board of directors' report (continued)

Online Learning Services

Strategic Objective	2024-25 ambition	2024-25 performance	Comparison with previous year	Looking ahead to 2025-26
Increase the take up of remote learning opportunities for disabled people, carers, staff, and volunteers which build confidence and skills.	To support 475 disabled people, carers, staff, and volunteers online. To engage 175 new users on MyLead platform. Objective this year: build our capacity by developing more courses and increasing our pool of tutors.	We have directly engaged 402 disabled people via webinars with indirect reach of 1,238 via survey responses (actual indirect reach will be much more as some partners have also said that their onward reach via networks is much more via social media). 94 new users signed up to our My Lead platform and 155 courses have been completed (compared to 95 last year). An additional 424 people have engaged our new digital health checker.	Slightly fewer people reached directly via webinars, but huge engagement of our new digital checker to build upon and we now have 21 courses on the platform to market. Disabled sessional workers successfully extending the reach within communities. More evidence of successfully influencing external partners to improve their access and inclusion campaigns and learning offers.	We have secured funding to expand our Cyber project to deliver remote learning opportunities and undertake related strategic work to raise awareness of cyber risks and how to manage them. With courses and sessional tutors in place we have had a strong start to the year. We will need dedicated funding to extend the range of courses on my.lead.org.uk.

Most of our online learning services are delivered via our Cyber Project, funded by the Scottish Government.

Online learning platform: This year we were also delighted to receive funding from the Highland Multiply Project to publish five numeracy courses on our online learning platform, MyLead. MyLead now has 21 cyber, numeracy, and digital accessibility courses. We recorded 94 new signups to MyLead and 155 course completions in 2024-25.

Digital/cyber health checklist: We are grateful to the Scottish Tech Army who supported us to launch our new digital/cyber health checker digital.lead.org.uk, with 424 sign-ups already recorded between November 2024 and March 2025. Learners can audit their current level of knowledge and are linked with learning opportunities on MyLead to improve their knowledge and understanding.

In 2024-25, we ran 26 webinars with 402 attendees coming from 27 local authority areas.

- 94% of 71 post training survey respondents said they learned something new.
- 94% would recommend it to others.
- 90% said they had plans to share the information.

Some comments from attendees:

- "Information re: risks to younger people (& people with Learning Disabilities which is the client group we work with) which online gaming subjects them to."
- "Very interesting training, [the coordinator] was a very knowledgeable presenter and content appropriate for my job role and my own family and friends."
- "I thoroughly enjoyed the training and found the examples utilised useful in aiding my understanding of the severity of issues."

Board of directors' report (continued)

Befriending Services

Strategic Objective	2024-25 ambition	2024-25 performance	Comparison with previous year	Looking ahead to 2025-26
Extend our befriending services beyond Fife.	Objective this year: sustain services and start to map out any gaps in other local authority areas which could also benefit from having both befriending and learning opportunities.	The adult befriending service met the annual target and there continues to be high demand. The Young Carers project performed less well however a litter pick got the project closer to the target. With new staff at the helm by the end of 2024-25 it is on track for 2025-26.	Similar performance to the previous year. The Fife Young Carers project ran some litter picks supported by the Fife Communities Trust.	Both services are positively focussed on the year ahead. The Young Carers project has already had a successful litter pick in April 2025, supported by Raith Rovers Football Club and stronger referral pathways.

Educational and social exclusions often go hand in hand. Using our experience as a learning provider our befriending projects seek to overcome social isolation and provide another pathway to learning. Some learners on the learning project take up the opportunity to have this social support too.

We have 2 Befriending services in Fife. Our Adult Befriending service supports adults (16+) who are isolated and lonely to improve their wellbeing by increasing their access to their communities.

Our Young Carers (12-18) service seeks to overcome social isolation and barriers to participation as a result of their caring responsibilities and to improve their wellbeing by increasing their access to their communities.

The number of people volunteering in Scotland has dropped to record low levels and both service models were heavily reliant upon matching individuals with volunteer befrienders. We made the decision in 2024-25 to change our service delivery model to still involve some volunteers while ensuring each Befriending Coordinator takes on a caseload to reduce our dependency upon volunteers especially when the individual has high support needs.

We are grateful to the Fife Communities Trust for additional funding to undertake several litter picks.

Some quotes from young carers:

- "It's a great service and helped me when I needed it."
- "Meeting my befriender gets me out of house, I look forward to it. "
- "It got me out and about all over Dunfermline, in all weathers."
- "My befriender lifts my mood...she was my main source of outside connection, and she was a really good listener."
- "I always looked forward to my weekly visit."
- "My befriender always had a smile on her face and made me feel less lonely on my visits."

Board of directors' report (continued)

Disabled Students Helpline and Information Service

Strategic Objective	2024-25 ambition	2024-25 performance	Comparison with previous year	Looking ahead to 2025-26
Build our capacity to reach more people with our helpline and information services.	To support 175 helpline callers Objective this year: seek to close the gap around advocacy	We supported 95 callers (233 calls) from 17 local authority areas, below target. We undertook a lot of work to understand the need for advocacy this year (see below)	We supported fewer callers directly, however engagement with downloadable guides remains stable.	Seek opportunities to market the helpline and to seek a funder to enable us to extend the scope of the helpline to provide an advocacy service.

We run a specialist freephone helpline and information service, ensuring disabled people and their families/carers understand their rights, funding, and support entitlements in post school education. We are the only organisation in Scotland providing advice for disabled students to understand the complex benefit system and how it interacts with student funding. This impartial service enables students to feel confident in making a timely and effective complaint or discrimination claim without fear of repercussions from their institution.

Tracking feedback from our helpline. 73 tracked, 7 responded, 100% reported impact benefits. Three response quotes:

- "[Senior Policy & Information Officer] is so inspirational. It is from her I gained the confidence to file a complaint. She is wonderfully knowledgeable and experienced. With her help, a legal firm has made some comments, but the comments made by [Senior Policy & Information Officer] is much more useful and instructive!"
- "It took me a long time with other organisations before it was even suggested to speak with you. The info received was very useful and supportive of the issues experienced. It would be beneficial to make greater partnership with schools/colleges etc so that they could promote you as an advocacy service".
- "Very prompt response to enquiry around lack of support, understanding and communication at college. Lead provided clear information about next steps for parent to take on behalf of supporting the young person. Offer of support from Lead to help welcomed by individual as situation was stressful and demoralising for both young person and parent. Parent had not heard of Lead before and now felt they were more connected to help and information on rights and how to move forward".

Closing the gap - Advocacy and representation: In March 2019 we wrote a briefing about the issues disabled students experience in accessing advocacy and representation when they are in dispute with their college or university. Increasingly callers ask us if we will provide advocacy support and around one third of our calls relate to this issue. We found that there is limited availability for independent advocacy and the eligibility for most services is restrictive and waiting lists are long. In England and Wales, the dedicated Office of the Independent Adjudicator (OIA), was set up to review complaints by students about their higher education providers. They produce guidance, toolkits, resources and statistics all related to disabled student complaints. There is no equivalent in Scotland. The policy section of our website contains more detailed information about our findings. We used this evidence to apply for funding to extend our helpline but we were unsuccessful, but we will keep trying!

Board of directors' report (continued)

Policy Work

Influencing policy is an important way by which we can achieve our long-term vision. Our work aligns with many key government policy areas and Scotland Performs outcomes and indicators, and our core funding comes from the Scottish Government. We influence policy from our position as an independent organisation. During the life of this strategy, we will connect more disabled people directly with policy makers to influence decisions, continue existing relationships with policy makers as well as using our organisational intelligence to influence change.

We submitted several policy responses this year and attended five policy groups to shape national policy and strategy:

1. **We responded to the call for evidence from the Scottish Parliament's Education, Children and Young People Committee's enquiry on Widening Access.** Our Senior Policy and Information Officer was also invited to provide oral evidence and attend a committee meeting further to our submission. They specifically wanted to hear about what barriers still existed for disabled students accessing higher education and what could help to address those barriers. This was a particularly pertinent consultation for us to respond to as we have done extensive work on raising awareness and influencing change in this area in the past. We developed a survey and worked with various partners to disseminate it to disabled people to ensure their lived experience was included in our policy response. We received responses from 21 people, and we collated these to submit to the committee as part of our response.
2. **Fair Access to University** - After 6 years of influencing work, which began with our fair access campaign, Universities Scotland published the sector statement and set of principles that welcome and encourage disabled applicants to apply along with their brand-new disabled student guide. We were invited to write a blog alongside their guide to highlight the importance of fair access.
3. **Parliamentary reception:** we held a Parliamentary reception, in February 2025, hosted by Pam Duncan-Glancy, MSP to raise awareness of learner journey transitions and to celebrate our 45-year organisational milestone! Four adult learners who had co-produced our guide to accessing Community Based Adult learners shared lived experience about their learning journeys and received excellent feedback and support from attendees. We held a 'have your say' session to shine a light on the recursive loop of impacts on learning for disabled people which formed some questions for parliamentarians. A review of an HMIE Evaluation of CLD in Scotland showed a lack of adult learning representation and almost no mention of transitions in the report. Worryingly, in the HMIE Evaluation of community learning and development in Scotland (Dec 24) we read that adult learners are underrepresented in CLD planning at area and strategic level, the range of community-based adult learning offers has narrowed and no mention of transitions.
4. **Cyber Scotland Partnership:** Lead Scotland is proud to be part of Scotland's Cyber Community advocating for accessible cyber resilience awareness messaging to ensure no one is left behind, mindful of the digital divide. We took up the opportunity to speak at 19 strategic engagements with 1,055 attendees. A particular highlight was winning the Digital Difference Category at the Scottish Charity Awards and being invited to give a spotlight talk at the Cyber UK conference in Birmingham.

Board of directors' report (continued)

As well as delivering learning, befriending, and helpline services alongside strategising and undertaking policy work, our staff team have actively supported and contributed substantively to at least 20 regular strategic and operational forums/partnerships and many other events. Alongside regular partnership work, our staff have given presentations, delivered workshops, and facilitated discussions at partner events. For example, participation in local employability and CLD partnerships to define regional plans and delivery, and our CEO judged the College Awards and gave a spotlight talk at Cyber UK in Birmingham, among other strategic engagements. Our Senior Policy and Information Officer has attended various forums including to the SQA's Equality and Inclusion Key Partner's Group, Child Poverty Action Group's Students and Benefits Advisory Group, College Development Network's Access and Inclusion Group and the Disability Cross Party Group.

Volunteering at Lead

We are incredibly grateful to the 60 volunteers who added value to our learning and befriending projects in 2024-25. Whilst our registered volunteer numbers are down from 83 last year, more people have been informally volunteering behind the scenes to support our organisation, such as one-off digital support we gratefully received from the Scottish Tech Army to launch our digital/cyber health checker.

Two quotes from volunteers:

- “It has been rewarding to watch their confidence grow each week and to see their excitement at trying out different activities. I really appreciate the opportunity to volunteer for this project and highly recommend it to others” Fife Young Carers Befriending Project Volunteer.
- “Volunteering with Lead Scotland is a fulfilling experience. It's amazing to see how offering time and support can positively impact the lives of young carers. Watching their confidence and sense of connection grow over time highlights just how meaningful companionship can be, and it demonstrates the importance of the service that Lead Scotland provides”, Fife Young Carers Befriending Project volunteer.

After many years the separately constituted organisation, Friends of Lead North Lanarkshire, made the decision to cease activities in December 2024 and transfer their remaining funds to Lead Scotland to be used to continue to support the work of the North Lanarkshire project. The Directors wish to recognise and thank the Friends of Lead group in North Lanarkshire for their support through the years raising awareness and funds amplifying the work of the North Lanarkshire project. The Directors are very appreciative of their generous donation.

Board of directors' report (continued)

Risk management

The Board of Directors and the Management Team have adopted a structured approach to risk management and have incorporated risk management into Board Sub Committee and management practices. The risks facing the organisation - including the impact, likelihood, and possible mitigations - are reviewed on a regular basis alongside reviews of our SWOT and PESTLEC. The Board of Directors and the Senior Management Team continue an even greater scrutiny of risks being faced both internally and externally during the next few years, considering the challenging external financial climate, continuing impacts arising from the pandemic and increasing cyber threats.

The main risks to the charity going forward:

- Dependency on a single funder for our core funding and loss of specific funding sources.
- Local authority budget deficits where there is a lack of ring-fenced funding for third party grants.
- Procurement processes driving down costs, where manager/administrative costs are low or ineligible within the contract agreement.
- Public voting processes which, whilst championing local people's views and needs, can influence or direct decisions about funding awards that favour more well-known local charities or causes.
- Decreasing levels of Trust funding available and increased competition.
- Changes to Scottish and UK Government policies and political changes; for example, there is a lack of clarity about the impact of Post School Education Reform on Third Sector Adult Learning Providers and a lack of clear leadership around Digital Inclusion.
- Staff recruitment and retention; late funding decisions create uncertainty for service continuity. Fewer people are volunteering in Scotland therefore we are adapting our service model for resilience.
- Lack of sustainable funding for activities, or significant cuts to funding projects.
- Increasing risk of Cyber-attacks and the disruption experienced during a recovery period (in 2024-25 we have a new third-party cyber security contract as a further risk mitigation).

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 strategic relationships within multiple directorates within Government and with other key stakeholders to ensure visibility of the value and impact of Lead's work.
- Continuing to seek strategic and tactical grant funding and seek opportunities to grow our unrestricted income in the service of our strategic objectives.
- Writing to MSPs and councillors to make them aware of local projects.
- Seeking project expansion opportunities for adult learning, digital health and wellbeing, and employability within areas where we already have strong partnerships and adjacent areas.
- Seeking dedicated funding to capitalise on our ability to offer remote learning services and SQA qualifications and to develop a wider range of courses on our online learning portal which support our local learning services.
- Identifying and evaluating new innovative services which meet the evolving needs of the people we support in line with Lead's core vision.
- Sustaining Cyber Essentials accreditation, maintaining a managed IT security service provider and working with key partners to deliver regular digital and cyber resilience training to staff and volunteers.
- The Board and Board Committees work closely with the Senior Management Team to evaluate how well tactics are working.

Board of directors' report (continued)

The Board have considered safeguarding responsibilities and have a policy statement and operational process including a standardised safeguarding template which gives clear guidance and practical information for staff and volunteers. The Safeguarding policy and template was most recently updated in February 2025. Safeguarding training is taken up by all staff and volunteers as part of their induction and continuing professional learning.

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

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

The company's internal controls include:

- a strategic plan, operational plans and annual budget approved by the Board of Directors.
- regular consideration of financial results and variance from budgets, Chief Executive Officer and Senior Management Team 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 Scottish Government Children and Families Team contributes to our core costs via the Children, Young People and Families Early Intervention Fund and Adult Learning and Empowering Communities Fund administered by the Corra Foundation. This core funding is a critical source of funding and the current grant is up to 31 March 2026. We receive excellent feedback about our performance, and we are incredibly grateful for their continued support. We received project funding from the Scottish Government Cyber Resilience Unit to deliver a programme of strategic engagement, cyber security sessions, courses, translating key messages into a range of formats supporting people to be safe and secure online.

Our income, predominantly restricted income, grew by 15% in 2024-25 compared with 17% the previous year and 11% the year before. The service base saw significantly more increases than decreases across our delivery areas mainly due to 6 new Multiply projects across the period 2023-2025. We continue to be dependent on the Scottish Government and local authorities working in partnership at a strategic and operational level to effectively support people. These are still our most sustainable sources of income. The audited accounts show accumulated reserves of £313,135 unrestricted income, maintaining our reserves at a level of 4 months running costs.

Principal funding sources in 2024-25 include the Scottish Government, Local Authority partners in Aberdeenshire, East Lothian, Highland, Dundee, Fife, North Lanarkshire, Perth and Kinross, and Moray via a range of diverse departments within Adult Literacy Partnerships, Multiply Teams, Community Planning Partnerships, Tenant Participation Project, Local Employability Partnerships, Health and Social Care Partnerships and others including SCVO.

We value our continuing relationship and repeat donations from the Arnold Clark, Capital Credit Union, Fife Communities Trust, Hugh and Mary Miller Bequest, Keegan and Pennykid, Network ROI and other donations received from individuals to support our work.

The Board of Directors can confirm that there was sufficient funding available to Lead during 2024-25 to deliver our full programme of services. We have plans to continue to utilise our restricted funding sources in 2025-26 to deliver services.

The Board of Directors and all the Lead team are incredibly grateful for the support of all our partners, individuals and agencies, who's financial and/or in-kind support provided benefits during the year.

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:

- Ensures that Lead Scotland core activities can continue during a period of unforeseen difficulty or financial uncertainty;
- Takes account of our growth ambition;
- Provides an appropriate period to secure additional or new funding when existing funding is withdrawn or no longer available; and
- 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 6 months running costs for the organisation. The current level is £313,135 which represents 4 months running costs.

General Fund

The General Fund represents the free unrestricted reserves of Lead Scotland. During the year this fund increased to £313,135 (note 13).

Restricted funds

Restricted funds have increased from £201,051 to 212,911 (note 14). We continue to utilise restricted funds to deliver services.

We have worked hard to maintain a stable position with our unrestricted reserves this year amidst the ongoing risk of funding uncertainty, late decisions and short-term contracts.

Our key challenges continue as before, the sources of funding (Scottish Government and local authorities) that we are most dependent upon are almost all available on an annual or part year basis not guaranteed multi-year funding cycles.

In line with our reserves policy, it is important to maintain a stable level of unrestricted reserves for several reasons, including managing the risks arising from delays in funding decisions, standstill grants, increasing supplier costs and reductions in grant levels.

After taking professional advice to review our pension scheme and a staff consultation we decided to buy out of the TPT Growth Plan pension scheme. In March 2025 we paid £25,232 on account to The Pensions Trust which was a pre-estimated value of the amount of s75 debt due. The buy-out is currently going through the courts and a final decision is expected late summer 2025, where the actual s75 debt figure will be revealed. Thus, this payment has been included as a prepayment in the accounts.

Board of directors' report (continued)

Future developments

In March 2024 the Board undertook a facilitated strategic review exercise to critically analyse the current position of the organisation in terms of services provided amidst the changing external financial, fiscal, and policy environments. Our vision for the current 2023-26 strategy and subsequent actions arising from the recent strategic review will continue to be informed by the changing needs and demands of the people we support as we enter the last year of the current strategic plan and look to the future.

Some new areas of work for 2025-26:

- **Diversify our funding sources:** we offer our services free at point of delivery because the disabled people and carers we seek to serve are more likely to experience poverty. Free services are made possible by third party funding. We will seek dedicated funding to identify the added value of services/products we already have and consider what added value we can create in new products.
- **Digital Health and Wellbeing:** build upon our successful Aberdeenshire pilot and seek funding to be able to deliver learning projects which enable people to use key digital health services and improve wellbeing.
- **Customer/stakeholder research:** conduct an exercise in customer research identifying what our stakeholders want from us to inform grant applications and our next strategic plan.
- **Build new partnerships:** Increase our strategic engagement work and forums in line with our expanded Cyber Project targets and our strategic ambition.
- **New CEO:** after 10 years as CEO and a 25-year relationship with Lead Scotland in eight different job roles, our current CEO moves on in July 2025 and her successor will take up the reins to lead the team.
- **Reduce educational and social exclusion:** explore funding opportunities which will enable us to deliver learning projects with adult befriending opportunities to offer new pathways into learning.

Statement of Directors' responsibilities

The Directors (who are also trustees of Lead Scotland 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. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the 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 in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

Board of directors' report (continued)

Going concern

Having reviewed the secured funding contracts and the free reserves of the charity the Directors consider it appropriate to draw up the financial statements on a going concern basis.

Disclosure of information to auditors

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

Approved by the Board of Directors on 04 September 2025

Signed on behalf of the Board:



Paul Smith
Chair and Treasurer

Independent Auditor's Report to the Members of Lead Scotland

Opinion

We have audited the financial statements of Lead Scotland (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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 charity's affairs as at 31 March 2025 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;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 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.

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

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; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005, and the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006, and report in accordance with the Acts, and the relevant regulations made or having effect thereunder.

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

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

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

Based on our understanding of the Charity and sector, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulations and prohibited business practices, and we considered that the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override controls), and determined that the principal risks were related to the potential posting of inappropriate journal entries to manipulate financial results and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Reviewing minutes of meetings of those charged with governance including the Board.
- Evaluation and testing of the operating effectiveness of management's controls designed to prevent and detect irregularities.
- Identifying and testing journal entries based on risk criteria.
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.
- Investigated the rationale behind significant or unusual transactions.
- Reviewed clients risk register for anything unusual.
- Reviewed accounting estimates for evidence of bias.
- Performed analytical review and sample testing of income.
- Agreed financial statement disclosures to supporting documentation.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Linda Johnston

Linda Johnston, F.C.C.A. (Senior Statutory Auditor)

For and on behalf of
PB Audit Limited
Registered Auditors
18 North Street
Glenrothes
Fife
KY7 5NA

PB Audit Limited are eligible to act as auditors under the terms of Section 1212 of the Companies Act 2006.

04 September 2025

Statement of financial activities and income and expenditure account
Year ended 31 March 2025

	Notes	Restricted funds £	Unrestricted funds £	Total 2025 £	Total 2024 £
Income from:					
Donations and legacies	2	4,003	12,209	16,212	10,069
Other trading activities	2	-	-	-	1,800
Investment income	2	-	5,181	5,181	6,527
Income from charitable activities		935,692	-	935,692	814,746
	3	<u>939,695</u>	<u>17,390</u>	<u>957,085</u>	<u>833,142</u>
Total income					
Expenditure on:					
Charitable activities		928,856	4,221	933,077	835,530
	6	<u>928,856</u>	<u>4,221</u>	<u>933,077</u>	<u>835,530</u>
Total expenditure					
Net income/(expenditure)		<u>10,839</u>	<u>(13,169)</u>	<u>24,008</u>	<u>(2,388)</u>
Transfers	13	1,021	(1,021)	-	-
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pensions scheme	17	-	-	-	(2)
Net movement in funds		11,860	(12,148)	24,008	(2,390)
Fund balances brought forward at 1 April 2024		<u>201,051</u>	<u>300,987</u>	<u>502,038</u>	<u>502,038</u>
Fund balances carried forward at 31 March 2025		<u><u>212,911</u></u>	<u><u>313,135</u></u>	<u><u>526,046</u></u>	<u><u>502,038</u></u>

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

The notes on pages 25 to 37 form part of these financial statements.

Balance sheet
As at 31 March 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Current assets					
Debtors	10	82,992		49,169	
Cash at bank and in hand		<u>492,053</u>		<u>589,687</u>	
		575,045		638,856	
Creditors: amounts falling due within one year	11	(41,798)		(133,731)	
Net current assets			533,247		505,125
Total assets less current liabilities			533,247		505,125
Provisions for liabilities and charges	17		(7,201)		(3,087)
Net assets			526,046		502,038
Represented by					
Unrestricted General Fund	13		313,135		300,987
Restricted funds	14		212,911		201,051
Total funds			526,046		502,038

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 on 4 September 2025 by the board of directors and were signed by:



Paul Smith
Chair and Treasurer
Company Registration No: SC110186

The notes on pages 25 to 37 form part of these financial statements

Statement of Cash Flows
As at 31 March 2025

	2025 £	2024 £
Cash flow from operating activities		
Net income/(expenditure)	24,008	(2,388)
Interest income	(5,181)	(6,527)
(Increase)/decrease in debtors	(33,823)	(17,396)
(Decrease)/increase in creditors	(91,933)	73,652
(Decrease) in defined benefit pension provision	(4,114)	(3,522)
Cash provided by/(used in) operations	(102,815)	43,819
Cash flow from investing activities		
Interest income	5,181	6,527
Cash provided by investing activities	5,181	6,527
Net increase/(decrease) in cash and cash equivalents	(97,634)	50,346
Cash and cash equivalents at beginning of year	589,687	539,341
Cash and cash equivalents at end of year	492,053	589,687

Notes to the financial statements

Year ended 31 March 2025

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.

Going concern

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. The Board consider it appropriate to prepare the financial statements on a going concern basis of preparation for the reasons as set out in the Trustees' Report.

Company status

The charity is a private company limited by guarantee and incorporated in Scotland, with its registered address as set out on page 3. The members of the company include the directors named on page 3 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, including government 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. Investment income relates wholly to interest received on bank deposits.

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.

Notes to the financial statements (continued)
Year ended 31 March 2025

1. Accounting policies (continued)

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.

Donated services

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

Fixed assets and depreciation

Individual fixed assets costing £1,000 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

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date; with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

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

Further to professional advice and staff consultation, during 2024-25 the company undertook a review and ultimately changed pension provider during the year from TPT to SMART Pension. As required by FRS 102, it is to be noted that the company triggered the pension debt with TPT, crystallising our liability, ending the deficit reduction funding arrangements. A reasonable pre-estimate (100%) of the cession debt has been paid.

Defined contribution pension scheme

The charity 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.

Notes to the financial statements *(continued)*
Year ended 31 March 2025

Taxation

The charitable company is registered with HMRC as a charity for tax purposes and is exempt from tax on income and gains falling within section 505(1) of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992, to the extent that these are applied to its charitable purpose. It is considered that no liability to corporation tax will arise as all income is applied to the charitable purposes of the charitable company.

Financial instruments

The charity only enters into basic financial instruments. Financial assets are initially measured at transaction price and subsequently held at cost, less any impairment. Financial liabilities are initially measured at transaction price and subsequently held at amortised cost.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

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

Notes to the financial statements (continued)
Year ended 31 March 2025

2. Analysis of income

	Restricted 2025 £	Unrestricted 2025 £	Total 2025 £	Total 2024 £
<i>Donations and legacies:</i>				
Hugh and Mary Miller bequest	-	8,200	8,200	-
Tesco	-	-	-	1,000
Alexander Moncur Trust	-	-	-	5,000
Sir Jules Thorn Trust	-	3,000	3,000	3,000
Keegan & Pennykidd	500	-	500	-
Fife Communities Trust	474	-	474	-
Capital Credit Union	500	-	500	-
Arnold Clark	1,000	-	1,000	-
Friends of Lead North Lanarkshire	779	-	779	-
Network ROI	500	-	500	-
Co-op Local Community Fund	250	-	250	-
Other smaller donations	-	1,009	1,009	1,069
Total voluntary income	4,003	12,209	16,212	10,069
Consultancy Income	-	-	-	1,800
Bank interest	-	5,181	5,181	6,527
Total 2025	<u>4,003</u>	<u>17,390</u>	<u>21,393</u>	<u>18,396</u>

Year ended 31 March 2024	Restricted 2024 £	Unrestricted 2024 £	Total 2024 £
Donations and legacies	6,000	4,069	10,069
Other trading activities	-	1,800	1,800
Bank interest	-	6,527	6,527
Total 2024	<u>6,000</u>	<u>12,396</u>	<u>18,396</u>

Notes to the financial statements (continued)
Year ended 31 March 2025

3. Income from charitable activities

	Restricted £	Unrestricted £	Total 2025 £	Total 2024 £
<i>Income from Scottish Government</i>				
Core grant	149,625	-	149,625	149,625
Cyber Resilience Project	69,717	-	69,717	65,349
Parliamentary reception event	1,500	-	1,500	-
Total	220,842	-	220,842	214,974
<i>Income from local authorities</i>				
Aberdeenshire Council	12,145	-	12,145	99,125
Highlife Highland	5,000	-	5,000	-
Dundee Council	30,396	-	30,396	64,134
North Lanarkshire Council	24,795	-	24,795	24,051
Fife Council	219,116	-	219,116	208,459
Perth Council	94,000	-	94,000	81,500
Highland Council	50,496	-	50,496	42,568
Moray Council	45,878	-	45,878	43,927
East Lothian Council	69,925	-	69,925	36,008
Total	551,750	-	551,750	599,772
<i>Income from others</i>				
SCVO	79,024	-	79,024	-
Enable (AiA)	84,075	-	84,075	-
Total	163,100	-	163,100	-
Total income from charitable activities	935,692	-	935,692	814,746

4. Staff costs

	2025 £	2024 £
Salaries (including temporary staff)	689,990	627,351
Employer's NIC	55,709	43,196
Pension Contributions	30,529	26,841
	776,228	697,388

No employees received emoluments in excess of £60,000 (2024: None). Average staff numbers during the year were 26 (2024: 27).

Key management personnel

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, Business Development Manager and Depute CEO and Finance & Operations Manager were £152,528 (2024: £142,906). Pay is set in line with Scottish Joint Council pay scales and is agreed by the Board of Directors.

Notes to the financial statements (continued)
Year ended 31 March 2025

5. Trustees remuneration and expenses

During the year travel expenses of £77 (2024: £nil) were reimbursed to 1 director (2024: nil). 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.

6. Charitable activities

	Restricted	Unrestricted	Total 2025	Total 2024
	£	£	£	£
Wages & salaries	776,228	-	776,228	697,388
Other staff costs	39,745	-	39,745	36,361
Property costs	10,087	-	10,087	11,874
Administration costs	38,506	4,221	42,727	33,513
Professional costs	4,024	-	4,024	14,145
Meeting costs	2,711	-	2,711	860
Subscriptions	1,486	-	1,486	1,402
Learner costs	49,091	-	49,091	31,438
Governance costs (note 7)	6,978	-	6,978	8,549
Total 2025	928,856	4,221	933,077	835,530
Total 2024	839,054	(3,524)		835,530

Included in charitable activities are support costs of £94,878 (2024: £85,429) made up of:

	Total 2025	Total 2024
	£	£
Office Costs	10,695	5,587
Governance Costs	6,978	7,320
Support Salaries	77,205	72,522
Total	94,878	85,429

7. Governance costs

	2025 £	2024 £
Board/finance committee costs	77	1,229
Audit fees	6,901	7,320
	6,978	8,549

8. Auditor's Remuneration

	2025 £	2024 £
Fees payable for the audit of the financial statements	6,901	7,320

Notes to the financial statements (continued)

Year ended 31 March 2025

9. Fixed assets	Computer Equipment £	Office Equipment £	Total £
Cost			
At beginning of year	3,343	2,737	6,080
At end of year	3,343	2,737	6,080
Depreciation			
At beginning of year	3,343	2,737	6,080
At end of year	3,343	2,737	6,080
Net book value At 31 March 2025	-	-	-
At 31 March 2024	-	-	-

10. Debtors

	2025 £	2024 £
Trade debtors	53,700	44,899
Prepayments	29,292	4,270
	82,992	49,169

11. Creditors

	2025 £	2024 £
Trade creditors	14,247	32,282
Tax & Social Security	19,047	13,310
Accruals	8,504	9,114
Deferred income	-	79,025
	41,798	133,731

12. Deferred income

	2025 £	2024 £
Balance as at 1 April 2024	79,025	21,659
Released to income	79,025	21,659
Added to deferred income	-	79,025
Balance as at 31 March 2025	-	79,025

Deferred income relates to grant funding for the year to 31 March 2025.

Notes to the financial statements *(continued)*

Year ended 31 March 2025

13. Unrestricted reserves

	Opening funds £	Incoming resources £	Outgoing resources £	Transfers £	Other recognised gains £	Closing funds £
General fund	300,987	17,390	(4,221)	(1,021)	-	313,135
Total 2025	300,987	17,390	(4,221)	(1,021)	-	313,135

	Opening funds £	Incoming resources £	Outgoing resources £	Transfers £	Other recognised Gains £	Closing funds £
General fund	275,666	12,396	3,524	9,403	(2)	300,987
Dr Ethel Gray fund	9,403	-	-	(9,403)	-	-
Total 2024	285,069	12,396	3,524	-	(2)	300,987

The Dr Ethel Gray fund is legacy from a former patron. This was designated to fund the Volunteer of the Year Award and expenditure has been lower than anticipated over several years. In 2024 the Board took the decision to transfer this money to the general fund to increase the flexibility of how this income could be used.

Notes to the financial statements (continued)

Year ended 31 March 2025

14. Restricted reserves

	Opening funds £	Incoming resources £	Outgoing Resources £	Transfers £	Closing funds £
Aberdeenshire (AiA)	-	84,075	(82,952)		1,123
Aberdeenshire Multiply	-	12,145	(12,192)	47	-
YPG Aberdeenshire	15,780	-	-	-	15,780
Aberdeenshire (AEA)	6,215	-	-		6,215
SCVO Connecting to Care	-	79,024	(63,964)		15,060
Scot Gov CYPFEI & ALEC	-	149,625	(149,625)	-	-
Scot Gov Cyber Project	443	69,717	(69,231)	-	929
Dundee Council	1,016	30,396	(30,467)	-	945
Dundee Multiply	8,702	-	(8,482)	-	220
East Lothian Multiply	-	69,925	(69,925)	-	-
Fife Adult Carers	11,340	32,273	(30,286)	-	13,327
Fife Adult Befriending	8,178	37,072	(38,694)	-	6,556
Fife Learning	3,521	17,945	(22,440)	974	-
Fife Multiply	3,152	50,692	(52,768)	-	1,076
Fife Young Carers	46,700	81,134	(74,535)	-	53,299
Highlife Highland	-	5,000	(5,000)	-	-
Highland Multiply	10,819	50,496	(54,141)	-	7,174
Moray Multiply	6,834	45,878	(51,750)	-	962
North Lanarkshire	6,386	24,795	(20,035)	-	11,146
Perth & Kinross Council	36,176	44,000	(34,183)	-	45,993
Perth Digital	1,552	-	-	-	1,552
P&K Tenants Programme	4,464	50,000	(50,282)	-	4,182
Restricted donations	29,773	5,503	(7,904)	-	27,372
Total 2025	201,051	939,695	(928,856)	1,021	212,911

Notes to the financial statements (continued)

Year ended 31 March 2024

14. Restricted reserves (continued)

	Opening funds £	Incoming resources £	Outgoing resources £	Transfers £	Closing funds £
Aberdeenshire AEA	3,622	44,946	(42,353)	-	6,215
ASCAL (was Agnes Hunter)	23,600	-	(23,594)	(6)	-
Aberdeenshire Multiply	-	10,861	(10,898)	37	-
CBAL Orkney	19	-	-	(19)	-
Core Funding (Head office)	-	149,625	(149,611)	(14)	-
Cyber Resilience 2022	634	-	-	(634)	-
Cyber 2023-24	-	65,349	(65,542)	636	443
Dundee	2,996	30,396	(32,376)	-	1,016
Dundee Multiply	-	33,738	(25,036)	-	8,702
East Lothian Multiply	-	36,008	(36,008)	-	-
Fife Adult Carers	9,173	31,640	(29,473)	-	11,340
Fife Adult Befriending	10,680	37,458	(39,960)	-	8,178
Fife Learning	4,260	20,527	(21,266)	-	3,521
Fife Multiply	13,097	36,693	(46,638)	-	3,152
Fife Young Carers	38,610	82,140	(74,050)	-	46,700
Highlife Highland	8,138	-	(8,138)	-	-
Highland Multiply	-	42,568	(31,749)	-	10,819
Moray Multiply	-	43,927	(37,093)	-	6,834
North Lanarkshire	-	24,051	(17,665)	-	6,386
Perth & Kinross	27,805	44,000	(35,629)	-	36,176
Perth Digital	1,552	-	-	-	1,552
Perth Tenants Digital 22-23	9,529	-	(9,529)	-	-
Perth Tenants Digital 23-24	-	37,500	(33,036)	-	4,464
YPG Aberdeenshire	14,505	43,319	(42,044)	-	15,780
Restricted donations	51,139	6,000	(27,366)	-	29,773
Total 2024	219,359	820,746	(839,054)	-	201,051

Transfers

Transfers have been made from unrestricted funds where deficits have arisen on restricted funds. Transfers have been made to unrestricted funds where surpluses have arisen on fixed price contracts

Notes to the financial statements *(continued)*

Year ended 31 March 2025

Restricted Funds – detail of awards and restrictions on use

Aberdeenshire AiA – partnership funding for an Employability Programme managed by Enable to support disabled people with learning and employability services.

Aberdeenshire Multiply (Multiply is a ringfenced element of the UK Shared Prosperity Fund) – funding for the delivery of numeracy learning services in Aberdeenshire).

SCVO Connecting to Care - funding for the delivery of Lead's digital health and wellbeing project in Aberdeenshire.

Scottish Government Children and Young People Early Intervention Adult Learning and Effective Communities (CYPFEI & ALEC) Fund administered by the Corra Foundation provides our core funding.

Scottish Government Cyber Project – funding for a national programme of strategic engagement activities and the delivery of a range of learning opportunities including courses and accessible resources.

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

Dundee Multiply (Multiply is a ringfenced element of the UK Shared Prosperity Fund) – funding for the delivery of numeracy learning services in Dundee).

East Lothian Multiply (Multiply is a ringfenced element of the UK Shared Prosperity Fund) – funding for the delivery of numeracy learning services in East Lothian.

Fife Council Health and Social Care Partnership - funding for the delivery of two Learning projects and two Befriending services in Fife serving disabled people and unpaid carers.

Fife Multiply (Multiply is a ringfenced element of the UK Shared Prosperity Fund) – funding for the delivery of numeracy learning services in Fife.

Highlife Highland – funding for the delivery of strategic work in Highland to support Adult Learning.

Highland Multiply (Multiply is a ringfenced element of the UK Shared Prosperity Fund) – funding for the delivery of numeracy learning services in Highland and funding to develop and publish online numeracy courses.

Moray Multiply (Multiply is a ringfenced element of the UK Shared Prosperity Fund) – funding for the delivery of numeracy learning services in Moray).

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

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

Perth & Kinross Council Tenants Project – funding for the delivery of a targeted digital skills service for disadvantaged Perth & Kinross Council tenants.

Other Restricted Donations – Arnold Clark (devices for Fife Learning project), Capital Credit Union (devices for Fife learning project), Fife Communities Trust (litter pick engagement activity), Keegan & Pennykid (parliamentary reception), Network ROI (parliamentary reception) Scottish Government Cyber Resilience Unit (parliamentary reception), Friends of Lead (restricted for North Lanarkshire Learning Project), Co-operative Local Community fund (devices for Aberdeenshire learners).

Notes to the financial statements (continued)
Year ended 31 March 2025

15. Analysis of net assets between funds

	Restricted £	Unrestricted £	Total 2025 £
Balance at 31 March 2025 represented by;			
Tangible assets	-	-	-
Net current assets	212,911	320,336	533,247
Provisions for liabilities	-	(7,201)	(7,201)
	<u>212,911</u>	<u>313,135</u>	<u>526,046</u>
	Restricted £	Unrestricted £	Total 2024 £
Balance at 31 March 2024 represented by;			
Tangible assets	-	-	-
Net current assets	201,051	304,074	505,125
Provisions for liabilities	-	(3,087)	(3,087)
	<u>201,051</u>	<u>300,987</u>	<u>502,038</u>

16. Leasing commitments

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

	2025 Buildings £	2024 Buildings £
Not later than one year	<u>415</u>	<u>380</u>
Lease payments recognised as expense in year	<u>4,910</u>	<u>4,560</u>

Notes to the financial statements (continued)
Year ended 31 March 2025

17. Provisions for liabilities and charges

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

	2025	2023
	£	£
Provision at start of period	3,087	6,609
Unwinding of the discount factor (interest expense)	81	253
Deficit contribution paid	(3,147)	(3,777)
Remeasurements – impact of any change in assumptions	46	2
Remeasurements - amendments to the contribution schedule	7,134	-
	<u>7,201</u>	<u>3,087</u>

The company participated in the scheme, a multi-employer scheme which provides benefits to some 521 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.

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.

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £514.9m, liabilities of £531.0m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustees have asked the participating employers to pay additional contributions to the scheme.

After taking professional advice to review the pension scheme and a staff consultation the company decided to buy out of the TPT Growth Plan pension scheme. £25,232 was paid on account to The Pensions Trust which was a pre-estimated value of the amount of s75 debt due. This amount has been included as a prepayment seeing as the buy-out is currently going through the courts. A final decision is expected late summer 2025, where the final s75 debt figure will be revealed. Any difference between the final settlement value and the prepayment will be adjusted in the accounts for the year ending 31 March 2026. At this time, no further information is available.