

Charity Registration No. SC042430 (Scotland)

**SCOTTISH COMMUNITY ALLIANCE SCIO  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

# SCOTTISH COMMUNITY ALLIANCE SCIO

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# SCOTTISH COMMUNITY ALLIANCE SCIO

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 MARCH 2023*

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The trustees present their annual report and financial statements for the year ended 31 March 2023.

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

#### **Objectives and Activities**

The Scottish Community Alliance seeks to achieve three key outcomes :

1. Scotland's community sector, as represented by the national community based networks that comprise SCA's membership, will be more actively engaged both individually and collectively in Scottish Government policy and related strategies.
1. The role and contribution of the community sector, and in particular that of Scotland's many community anchor organisations, in delivering greater fairness and equality across Scotland will become more widely understood and accepted at all levels of national and local government and across the wider 3<sup>rd</sup> sector.
1. SCA will grow levels of mutual trust and understanding between Scotland's leading community-based networks, and create opportunities for deeper collaboration and cross-sector synergies to evolve so that their individual and collective contributions can be maximised.

This report is structured to reflect the main activities that SCA undertook over the past year in pursuit of each outcome. (more details of this work can be found in the Annual Report submitted to Scottish Government)

#### **Outcome 1. Scotland's community sector, as represented by the national community based networks that comprise SCA's membership, will be more actively engaged both individually and collectively in Scottish Government policy and related strategies.**

- SCA has continued to participate in a number of short life working groups and ad hoc strategic groups which are established by the Scottish Government to further key areas of policy.
- SCA members met with a variety of stakeholders including MSPs and Ministers to share a range of their perspectives on the emerging policy areas - Community Wealth Building, Land Reform, Local Governance Review, Community Empowerment, Good Food Nation.
- Engaged with the UK Govt Department for Levelling Up to provide overview of Scotland's community sector and encourage better integration of funding across UK and Scottish Governments.
- Developed briefing papers on a range of Scottish Government consultations to enable member networks either to consider their own separate submissions to the SG consultation or to support their contribution to a collective SCA submission.
- Commissioned a scoping paper to make the case for reform of Scotland's Common Good. The intention was to raise awareness of the evidence and to develop support for a broad campaign across the communities to lobby for reform and new legislation. (currently shelved until resources can be allocated)

# SCOTTISH COMMUNITY ALLIANCE SCIO

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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**Outcome 2. The role and contribution of the community sector, and in particular that of Scotland's many community anchor organisations, in delivering greater fairness and equality across Scotland will become more widely understood and accepted at all levels of national and local government and across the wider 3<sup>rd</sup> sector.**

- Publication, on a fortnightly basis, of Local People Leading a commentary on policy and practice across Scotland's community sector. Circulation c 5,000. Primary social media platform for SCA is Twitter now, with 4750 followers.
- Engagement with a range of third sector stakeholders to build greater levels of understanding and collaboration with SCA and relevant member networks. Specifically, the Environmental Rights Centre Scotland - linking to advocacy and legal advice service and supporting the emergence of a new community led network of environmental justice campaign groups, Culture Counts - building mutual understanding of the respective policy contexts, TSI Network Scotland, Third Sector Net Zero Steering Group (developing a tool to support wider third sector climate awareness and SCVO's policy team on a range of issues (FOI reform, fair funding).
- Joined the Board of Stop Climate Chaos Scotland to form a bridge between the main environmental NGOs and the wider community sector.

**Outcome 3. SCA will grow levels of mutual trust and understanding between Scotland's leading community-based networks, and create opportunities for deeper collaboration and cross-sector synergies to evolve so that their individual and collective contributions can be maximised.**

- Having sought funding from a private charitable trust, SCA has created a second post - Partnerships Manager - to support a wide range of more effective collaboration and partnership work, both within and across the SCA membership but also between SCA members and wider stakeholders such as TSIs.
- Convening quarterly meeting of the full SCA membership with agendas that addressed a broad range of concerns which have been identified as relevant to SCA's membership.
- Ad hoc short life working groups reflecting specific areas of shared interest ie the preparatory work for the consultation responses mentioned above.
- Coordinating a programme of peer learning and knowledge sharing through the Community Learning Exchange for member groups and networks.
- In addition to the quarterly meetings of SCA trustees, an annual forward planning day is held. This is an in person event to which all SCA's members and key stakeholders, funders are invited to participate.
- With Scottish Government Resilience Funding, SCA supported a range of innovative approaches by networks in relation to the disbursement of micro grants into their respective memberships with minimum prescription and maximum flexibility.
- Further development of a collaboration between three networks using Pockets and Prospects funding Community Wellbeing Exchange which is now in negotiation with one local authority and one TSI for further external funding and consequent expansion of this collaboration.
- Supporting Scottish Rural Action to engage across the SCA's member networks to 'curate' the programme of the Scottish Rural Parliament due to be held later in 2023.
- Working with geo-spatial mapping platforms and University of Birmingham, develop a proposal to pilot a coordinated mapping exercise that initially draws data from three member networks onto a new common platform. The initial focus for the mapping activity is community climate action as part of the Scottish Government's climate action hubs programme
- An application has been submitted to the Scottish Parliament Corporate Body to hold a major event in the Scottish Parliament in early 2024/25. This event falls 10 years since the Future is Local event was held and would generate significant interest and engagement nationally.
- Three networks, two of which are newly formed, have been supported and subsequently applied for membership of SCA. Scottish Community Tourism (SCOTO), The Beacon (community newspapers), CEMVO (Ethnic Minority Vol Orgs).

# SCOTTISH COMMUNITY ALLIANCE SCIO

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### Financial review

An overall surplus of £47,593 arose during the year (2022: £44,463). The total reserves are £237,515 (2022: £189,922) with £92,621 (2022: £81,057) of the reserves relating to restricted reserves and £144,894 (2022: £108,865) relating to unrestricted reserves.

Scottish Government provides a core grant from the Third Sector Division on an annual basis which covers its core costs and enables some work to be commissioned in policy areas of interest to its members. The single source of funds (Scottish Government) for the Alliance leaves it vulnerable should Government funding priorities change.

#### Current resources of SCA come from two main sources : Scottish Government and a charitable trust Acorns 2 Trees.

##### These funds are allocated as follows:

- 1 x fte Director, 1 x fte Partnerships Manager
- 0.2 x fte admin/research worker (outsourced)
- An office based in Edinburgh and other administrative and operational expenses.
- Policy Fund. This fund is used to commission specific pieces of work to influence the shape and direction of Scottish Government policy as it impacts across the range of SCA member interests. The funds are both to promote the development of cross-sector strategic thinking and to encourage and facilitate the appropriate policy links between SCA members and the Scottish Government.
- Community Learning Exchange and Pockets and Pockets and Prospects - two programmes operated on behalf of SCA's member networks for the benefit of their member organisations

A three year grant from Acorns 2 Trees was secured at £50k pa to cover the cost of the Partnership Manager's salary. Due to the appointment being delayed, a proportion of the grant for 2022/23 remains unspent and will be carried forward into 2023/24. (approximately £20k).

#### Reserves policy and going concern

The charity has considered the level of reserves required and have taken into account their current and future liabilities. The trustees have calculated how much would be required in terms of free reserves in unrestricted funds in the event of losing SCA's core funding and a subsequent decision to cease operations. In these circumstances the trustees consider a level of free reserves that equates to six months of unrestricted charitable expenditure will be required.

As a minimum, this is the target for SCA to hold in reserves. Additionally, should the existing sources of core funding be lost and to allow alternative sources of funding to be identified, the trustees have agreed that 12 months of unrestricted charitable expenditure will be required. As such this is the long term policy aspiration for the reserves position of SCA.

#### Investment policy and performance

Most of the charity's funds are to be spent in the short term and funds are therefore held in a current account, ensuring immediate access. The Trustees will consider alternative investment vehicles for funds should the need arise.

#### Risk management

The Executive Group consider all risks attached to activities of the Alliance and reports any concerns to the full Alliance at its quarterly meetings.

The principal risks faced by the charity are operational risks from loss of funding and loss of key personnel.

# SCOTTISH COMMUNITY ALLIANCE SCIO

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### Key challenges going forward

**Resources.** The founding principle of SCA when it was first established in 2011 was that it should be light touch and wary not to displace the work of any of its member networks. As a result, the main focus has been to build relationships and levels of trust between networks and only when deemed appropriate deliver any direct services eg the Community Learning Exchange. To this end SCA has evolved as it has with one member of staff. It is however now widely recognised that this model is neither sustainable in the medium to long term nor effective in being able to capitalise on the social capital that has been generated over the past decade. Consequently it has now been identified as a priority to attract sufficient funding to enable a minimum of one further member of staff to be recruited.

**Capacity building and making the system work better.** In response to the national Covid recovery plans, SCA worked with others in the sector and in the Scottish Government to review and make recommendations as to how the community sector could best make its contribution. A paper - Making The System Work Better - was published which calls for a reallocation of existing resources and some new investment strategically placed to improve overall functioning of the ecosystem that supports community action.

#### Structure, governance and management

The Scottish Community Alliance is a Scottish Charitable Incorporated Organisation (SCIO) number SC042430 governed by its Constitution. It is a registered charity with the Office of the Scottish Charity Regulator (OSCR).

#### *Reference and Administrative Information:*

Charity registration number: SC042430

Registered Office: Out of the Blue Drill Hall, 36 Dalmeny Street, Edinburgh, EH6 8RG

#### *Our advisors:*

Independent Examiner: Fiona E Haro, B Com (Hons), CA

Thomson Cooper Accountants, 22 Stafford Street, Edinburgh, EH3 7BD

Bankers: The Co-operative Bank, PO Box 101, 1 Balloon Street, Manchester, M60 4EP

#### *Charitable trustees during the financial year 2022/23*

Kim Wallace - Senscot

Clare Symonds - Planning Democracy

Fabio Vilani - (externally co-opted) - Moray TSI

Catherine McWilliam - (externally co-opted) - DTAS/loD

Philip Revell (Treasurer) SCCAN

David Francis - TRACS, Convenor from October 2021)

Rona Mackay (CES)

Key management personnel of Scottish Community Alliance:

Angus Hardie, Director

# SCOTTISH COMMUNITY ALLIANCE SCIO

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2023*

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### **Appointment of Trustees**

An Executive Group is elected by and from the membership of the Alliance. Members of the Executive Group are the trustees of the charity. The Convener of the Alliance can be an existing member of the Alliance or be an individual recognised for their broader contribution to the community sector and nominated and agreed by the Alliance members. The Convener is also a trustee of the charity.

### **Recruitment and Training of Trustees**

New trustees may at any point be recommended and appointed by the existing trustees. The Constitution provides for a minimum of three trustees, to a maximum of ten trustees. At each AGM the trustees will retire from office but then be deemed re-elected unless otherwise stated.

Upon appointment the Trustees are invited to an induction meeting where they are made aware of their duties and responsibilities in performing the role of a Trustee and instructed on the requirement and rules of governing constitution.

### **Membership of the Alliance**

Membership is open to any national membership based network which supports the key principles that inform the work of the Alliance: Subsidiarity; Self Determination; Local by Default; Equality and Fairness. It will be for each member network to nominate an individual person to be their representative at meetings of the Alliance.

### **Organisational structure**

The Executive Group hold final corporate accountability for the organisation and are guided by a code of governance. The Executive appoint a Director to oversee the day to day operations ensuring the organisation's strategies and objectives are fulfilled.

### **Key management personnel remuneration**

The trustees consider the board of trustees and the Director as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis.

### **Related parties**

No trustees receive remuneration or other benefit for their work with the charity.

# SCOTTISH COMMUNITY ALLIANCE SCIO

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

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

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

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

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

*Philip Revell*

**P Revell**

Treasurer

Dated: 21 November 2023



# SCOTTISH COMMUNITY ALLIANCE SCIO

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF SCOTTISH COMMUNITY ALLIANCE SCIO

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I report on the financial statements of the charity for the year ended 31 March 2023, which are set out on pages 8 to 18.

#### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

#### **Basis of independent examiner's statement**

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the financial statements.

#### **Independent examiner's statement**

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
  - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

*Fiona Haro*

Fiona Haro CA  
Thomson Cooper Accountants  
3 Castle Court  
Carnegie Campus  
Dunfermline  
Fife  
KY11 8PB

Dated: 21 November 2023

# SCOTTISH COMMUNITY ALLIANCE SCIO

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2023**

**Current financial year**

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
<b>Income from:</b>					
Charitable activities	2	130,000	141,700	271,700	231,700
Investments	3	907	-	907	-
<b>Total income</b>		<u>130,907</u>	<u>141,700</u>	<u>272,607</u>	<u>231,700</u>
<b>Expenditure on:</b>					
Charitable activities	4 5	94,878	130,136	225,014	187,237
<b>Total charitable expenditure</b>		<u>94,878</u>	<u>130,136</u>	<u>225,014</u>	<u>187,237</u>
<b>Net income for the year/ Net movement in funds</b>		36,029	11,564	47,593	44,463
Fund balances at 1 April 2022		<u>108,865</u>	<u>81,057</u>	<u>189,922</u>	<u>145,459</u>
<b>Fund balances at 31 March 2023</b>		<u><u>144,894</u></u>	<u><u>92,621</u></u>	<u><u>237,515</u></u>	<u><u>189,922</u></u>

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

All income and expenditure derive from continuing activities.

## SCOTTISH COMMUNITY ALLIANCE SCIO

### STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2023**

Prior financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<b>Income from:</b>				
Charitable activities		100,000	131,700	231,700
<b>Total income</b>		<u>100,000</u>	<u>131,700</u>	<u>231,700</u>
<b>Expenditure on:</b>				
Charitable activities	4 5	96,307	90,930	187,237
<b>Total charitable expenditure</b>		<u>96,307</u>	<u>90,930</u>	<u>187,237</u>
<b>Net income for the year/ Net movement in funds</b>		3,693	40,770	44,463
Fund balances at 1 April 2021		<u>105,172</u>	<u>40,287</u>	<u>145,459</u>
<b>Fund balances at 31 March 2022</b>		<u><u>108,865</u></u>	<u><u>81,057</u></u>	<u><u>189,922</u></u>

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

All income and expenditure derive from continuing activities.

# SCOTTISH COMMUNITY ALLIANCE SCIO

## BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
<b>Current assets</b>					
Debtors	10		1,501		1,799
Cash at bank and in hand			274,569		189,616
			<u>276,070</u>		<u>191,415</u>
<b>Creditors: amounts falling due within one year</b>					
	11		38,555		1,493
Net current assets			<u>237,515</u>		<u>189,922</u>
<b>Total assets less current liabilities</b>					
			<u><u>237,515</u></u>		<u><u>189,922</u></u>
<b>Income funds</b>					
Restricted funds	13		92,621		81,057
Unrestricted funds			144,894		108,865
			<u>237,515</u>		<u>189,922</u>

The financial statements were approved by the Trustees on 21 November 2023

*Philip Revell*

P Revell  
Trustee

# SCOTTISH COMMUNITY ALLIANCE SCIO

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies

##### Charity information

Scottish Community Alliance is a Scottish Charitable Incorporated Organisation. The office is located at Out of the Blue Drill Hall, 36 Dalmeny Street, Edinburgh, EH6 8RG.

#### 1.1 Accounting convention

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

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

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

#### 1.2 Going concern

The Trustees have assessed the going concern and having reviewed budgets and cashflow they are satisfied that the charity has sufficient cash reserves. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

*Unrestricted funds* are funds that can be used in accordance with the objectives of the charity at the discretion of the trustees.

*Designated funds* are unrestricted funds set aside by the trustees for specific future purposes or projects.

*Restricted funds* are funds that can only be used for particular restricted purposes within the objectives of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

#### 1.4 Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to, and virtually certain to receive, the income and the amount can be quantified with reasonable accuracy. The following policies are applied to particular categories of income:

- Voluntary income is received by way of grants and donations and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance. Income is deferred when performance related grants are received in advance of the performances or event to which they relate.
- Incoming resources from charitable activities is accounted for when earned.

# SCOTTISH COMMUNITY ALLIANCE SCIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies

(Continued)

#### 1.5 Resources expended

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### **Expenditure and Irrecoverable VAT**

Expenditure is recognised on an accrual basis as a liability is incurred. The charity is not registered for VAT and accordingly irrecoverable VAT is charged against the category of resources expended to which it relates.

- Costs of generating funds are those costs incurred in attracting voluntary income and the costs incurred in trading activities that raise funds.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services to its beneficiaries. It includes both the direct costs and indirect costs necessary to support these activities.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable charity and include the audit fees and costs linked to its strategic management.
- Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis e.g. estimated usage, staff costs by time spent.

#### 1.6 Cash and cash equivalents

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

#### 1.7 Financial instruments

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

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

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

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# SCOTTISH COMMUNITY ALLIANCE SCIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 1 Accounting policies

(Continued)

##### **Basic financial liabilities**

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

#### 1.8 Allocation of support and governance 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, and governance costs which support the charity. The bases on which support costs have been allocated are set out in note 7.

#### 1.9 Pension

The charity does operate a pension scheme, and no contracting out certificate under the Social Security Pensions Act 1975 is in force.

The pension charge in these accounts is the amount of contributions payable in the accounting year.

#### 2 Incoming resources from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
<b>Grants receivable for core activities</b>				
Scottish Government: Core Funding	100,000	-	100,000	100,000
Scottish Government: Community Learning Exchange	-	75,000	75,000	75,000
Scottish Government: Pockets & Prospects	-	66,700	66,700	56,700
Acorns to Trees	30,000	-	30,000	-
	<u>130,000</u>	<u>141,700</u>	<u>271,700</u>	<u>231,700</u>

# SCOTTISH COMMUNITY ALLIANCE SCIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 3 Investments

	Total 2023 £	Total 2022 £
Interest receivable	907	-

### 4 Government grants

Income from government grants consists of core funding made from the Scottish Government to aid support costs and performance related grants. See note 2 for more information for the source and amount of these grants.

### 5 Charitable activities

	Project 2023 £	Core 2023 £	Total 2023 £	Project 2022 £	Core 2022 £	Total 2022 £
Staff costs	-	62,835	62,835	-	44,351	44,351
Travel & Subsistence	-	1,257	1,257	-	768	768
Events costs	-	261	261	-	1,695	1,695
PR/Website costs	-	1,933	1,933	-	769	769
Briefing production costs	-	-	-	-	1,218	1,218
Subscriptions & Conference Fees	-	1,118	1,118	-	1,712	1,712
Administrator / Coordinator Fees	-	14,114	14,114	-	13,788	13,788
Consultancy and IT Support	-	1,611	1,611	-	1,190	1,190
Pockets & Prospects Community Learning Exchange	64,316	-	64,316	52,912	-	52,912
Members policy fund	65,820	-	65,820	38,018	-	38,018
	-	-	-	-	12,000	12,000
	<u>130,136</u>	<u>83,129</u>	<u>213,265</u>	<u>90,930</u>	<u>77,491</u>	<u>168,421</u>
Share of support costs (see note 6)	-	10,262	10,262	-	17,746	17,746
Share of governance costs (see note 6)	-	1,487	1,487	-	1,070	1,070
	<u>130,136</u>	<u>94,878</u>	<u>225,014</u>	<u>90,930</u>	<u>96,307</u>	<u>187,237</u>
<b>Analysis by fund</b>						
Unrestricted funds	-	94,878	94,878	-	96,307	96,307
Restricted funds	130,136	-	130,136	90,930	-	90,930
	<u>130,136</u>	<u>94,878</u>	<u>225,014</u>	<u>90,930</u>	<u>96,307</u>	<u>187,237</u>



# SCOTTISH COMMUNITY ALLIANCE SCIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 6 Support costs

	Support costs £	Governance costs £	2023 £	Basis of allocation
General office Costs	10,262	-	10,262	Direct allocation
Audit fees	-	1,200	1,200	Governance
Board Meeting Costs	-	287	287	Governance
	<u>10,262</u>	<u>1,487</u>	<u>11,749</u>	

### For the year ended 31 March 2022

	Support costs £	Governance costs £	2022 £	Basis of allocation
Staff costs	11,088	-	11,088	Direct allocation
General office Costs	6,658	-	6,658	Direct allocation
Audit fees	-	1,070	1,070	Governance
	<u>17,746</u>	<u>1,070</u>	<u>18,816</u>	

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs are apportioned between the key charitable activities undertaken (see note 5) in the year. Refer to the table above for the basis of apportionment and the analysis of support and governance costs.

### 7 Trustees

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

### 8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Director	<u>2</u>	<u>1</u>

# SCOTTISH COMMUNITY ALLIANCE SCIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

<b>8 Employees</b>	<b>(Continued)</b>	
<b>Employment costs</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	39,589	49,817
Social security costs	15,231	1,168
Other pension costs	8,015	4,454
	<u>62,835</u>	<u>55,439</u>

Pension costs for the year of £5,567 (2022: £5,567) were made to employees defined pension plans during the year and are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds

The key management personnel comprise of the Director. The total employment costs for the key personnel was £55,691 (2022: £55,439), there were no additional benefits of the key management personnel of the charity.

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

## **9 Taxation**

The charity is exempt from tax on income and gains falling within section 505 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 objects.

## **10 Debtors**

<b>Amounts falling due within one year:</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other debtors	1,000	1,000
Prepayments	501	799
	<u>1,501</u>	<u>1,799</u>

## **11 Creditors: amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	2,599	-
Trade creditors	2,299	-
Other creditors	29,284	-
Accruals and deferred income	4,373	1,493
	<u>38,555</u>	<u>1,493</u>

# SCOTTISH COMMUNITY ALLIANCE SCIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 12 Funds held as agent

On occasion, the charity administers grants from funders on behalf of other groups or organisations. The charity has no control over the funds being distributed and, accordingly, the income and expenditure does not form part of the charity's own statement of financial activities.

The movement in such funds during the year to 31 March 2022 was as follows:

	2023 £	2022 £
Grants brought forward	(200)	15,876
Grants received	200	-
Grants disbursed	-	16,076
	<u>          </u>	<u>          </u>
Grants awaiting disbursement	-	(200)
	<u>          </u>	<u>          </u>

#### 13 Restricted funds

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

	<b>Movement in funds</b>			
	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Scottish Government: Pockets & Prospects	13,796	66,700	(64,316)	16,180
Scottish Government: Community Learning Exchange	67,261	75,000	(65,820)	76,441
	-			-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	81,057	141,700	(130,136)	92,621
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

	<b>Movement in funds</b>			
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Scottish Government: Pockets & Prospects	10,008	56,700	(52,912)	13,796
Scottish Government: Community Learning Exchange	30,279	75,000	(38,018)	67,261
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	40,287	131,700	(90,930)	81,057
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Name of Fund	Description, nature and purpose of fund
Pockets and Prospects	To mitigate the impacts of welfare reform and build local resilience.
Community Learning Exchange	To facilitate community-to-community learning exchange and one to one mentoring opportunities

# SCOTTISH COMMUNITY ALLIANCE SCIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 14 Unrestricted Fund

This fund is allocated as free reserves for no specific purpose and is spent at the discretion of the trustees in order to further the charity's purposes

##### For the year ended 31 March 2023

	Movement in funds			Balance at 31 March 2023 £
	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	
General	108,865	130,907	(94,878)	144,894

##### For the year ended 31 March 2022

	Movement in funds			Balance at 31 March 2022 £
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	
General	105,172	100,000	(96,307)	108,865

#### 15 Analysis of net assets between funds

	Unrestricted	Restricted	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:						
Current assets/(liabilities)	144,894	92,621	237,515	108,865	81,057	189,922
	<u>144,894</u>	<u>92,621</u>	<u>237,515</u>	<u>108,865</u>	<u>81,057</u>	<u>189,922</u>

#### 16 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).