



Annual Accounts



Director's Report & Financial Statements for
the Year Ended 31st March 2025

includem 



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Reference & Administrative Details of the Charity, it’s Directors and Advisors
for the Year Ended 31st March 2025

Directors	Iain M Forbes OBE, Chair John Fanning, Vice Chair Stuart Kennedy Kevin O’Hare Donna Bell CBE Kirsty MacArthur Jacqueline Cassidy Hannah Paylor Mel Kinsella Shaheen Baber Alan Hill Lesley Taylor Bruce Marks Mike Stevenson	appointed 17 th March 2025 appointed 17 th March 2025 resigned 2 nd December 2024 resigned 17 th March 2025 resigned 6 th November 2025
Company Registered Number	SC207985	
Charity Registered Number	SC030233	
Registered Office	Unit 6000 Academy Business Park Gower Street Glasgow G51 1PR	
Chief Executive Officer	Martin Dorchester (resigned 30 th November 2025)	
Independent Auditor	CT Audit Limited & Statutory Auditor 61 Dublin Street Edinburgh EH3 6NL	
Bankers	The Royal Bank of Scotland 10 Gordon Street Glasgow G1 3PL	
Solicitors	Burness Paull LLP 31 York Street Glasgow G2 8AS	

Chair & Chief Executive's Statement for the Year Ended 31st March 2025

Chair's Introduction

Our Chief Executive, Martin Dorchester, has given in his report a very comprehensive review of our last full financial year which highlights both the numerous challenges we faced and the successes we achieved despite difficult operating circumstances. I am very pleased to confirm that the strategic objectives we set in 2020, and regularly review, are being met. These include widening the services includem offer, procuring contracts in more geographic areas in Scotland, producing meaningful research and ensuring the voices of the young people and families we support are heard.

There continues to be a highly challenging funding landscape in Scotland as well as the rest of the UK. Whilst acknowledging this applies to the Scottish Government, Local Authorities and most statutory organisations, including the NHS, the Charity and Voluntary sector always seems to be asked to bear the brunt of cuts to funding. Our sector is often referred to as The Third Sector behind the Public and Private Sectors. Sometimes it really feels as if we are regarded as The Third-Class Sector. Would most public and private sector organisations be able to survive if they were told they were to be paid up to three months in arrears for contracted services already delivered? Where is the logic and fairness when some statutory organisations who fund most of our sector give their own staff benefits and annual wage increases whilst refusing to build similar annual increases into contracts lasting up to five years for organisations such as includem? How can we prove to our funders our services are making the vital difference they are seeking if the contracts include no recognition of the fact we must pay for research and analysis as well as other vital resources such as HR, IT, Financial Services and Communications? I like the current move by the Scottish Council for Voluntary Organisations to have our sector known as the Essential Sector because that is what we are. Our research and the voices of the young people and families we support show just how much our services are needed and appreciated—now more than ever.

I would like to give my heartfelt thanks to all the staff at includem— the senior executive team, all the managers, frontline and office-based staff for their tireless work and genuine commitment to making a vital difference to the lives of the children, young people and families we support. To my fellow trustees I owe you a debt of gratitude for voluntarily bringing your time, skills and experience to the Board of includem to ensure the organisation is well governed and achieves its agreed objectives.

Iain M Forbes OBE

Iain M Forbes OBE

Chair

Date: 1st December 2025

Chair & Chief Executive's Statement (continued) for the Year Ended 31st March 2025

Chief Executive's Statement

“Our mission is to provide the support children and young people need to make positive changes in their lives, and to inspire a more hopeful future for children, young people, their families and communities.” We continue to do everything we can to deliver this.

During the year we welcomed a new First Minister and a new Prime Minister and saw the economy grow by an estimated 1% and inflation remained challenging.

We continue to see funding reduced or tightened, and the labour market is challenging in terms of recruitment and retention. Includem, as with other organisations, has experienced short termism regarding funding and contract awards. As a result, issues around recruitment and retention are compounded and planning for the future of children, young people and families becomes increasingly difficult.

As a result of this we have continued to focus on our business objectives, been agile in our delivery, developed new skills and learning, increased our core capability and recruited great people. We have focused on supporting the children, young people and families and used our flexibility to support the ongoing crisis of unmet demand for services that we have especially seen through our ADAPT work. The learning from our ADAPT work has been shared and will be used to support our families and the development of our services as we move forward.

Our key business objectives have been continuously tested and reviewed by the organisation. In the current economic climate, we have found them to be valid and robust, and they have stood us in good stead. In terms of our performance for the year, we have delivered:

- Revenue £6.3m
- Surplus after gain on investments of £56.8k
- Winning new health contract working with GP practices that serve the most socially and economically deprived areas in Scotland
- Re-Launch of includem RESPONSE

To deliver our revenue growth we have continued to work hard on building and developing our contract and funding base while attempting to diversify into other areas. Although required this brings extra levels of complexity, cost and capacity to deliver. Our development into the “deep end” practice work on top of our previous health work is a great example of this. Includem continues to innovate in the delivery of services by bridging that space between community and families.

As is the includem way for our children, young people and families, we have grown and developed our research.

Chair & Chief Executive's Statement (continued) for the Year Ended 31st March 2025

We have continued to give voice to the families and communities we work with and woven the voice of lived experience throughout our practice and our research. Whether through our Youth Inspire Group, direct employment, focus groups, peer research or other forms of engagement we strive to fund vital research and insight. Listed below is some of the ground breaking research we have delivered:

April 2024: MRC Research

October 2024: Family Finances and Support Needs

March 2025: Beyond the Budget

Aligned to our research work and development includem continues to respond to information requests, provide thought pieces and use our insight to influence policy at both a macro and micro level. Some of the excellent work we have done in the year:

Insight, and reports we produced in 2024/25:

April 2024: Transforming lives

June 2024: Includem election campaign

November 2024: The Essential sector no more

December 2024: Eight tests for the government's child poverty strategy

Over the year some amazing organisations have supported includem with a variety of gifts and donations and we thank all contributors for their ongoing support.

The organisation has a very strong Board of Trustees with a strong corporate governance model of board meetings supported by strategic committees as well as strategy days.

During the year we progressed work on our environmental sustainability. Working closely with MacArthur Green we continued our Seeds of Hope project and we will continue to support children, young people and families to improve their communities.

Looking forward includem will celebrate its 25th Anniversary in September 2025 by holding a celebratory conference in Perth to thank colleagues, both past and present, for their amazing support and service.

Now that ADAPT funding has ended includem is looking at developing a number of projects that were developed and piloted over the past 3 years. Underpinning this will be includem's focus on supporting the promise and driving systemic change.

We will also seek to develop our health work over the next few years. Includem has long believed that better engagement between Health and Social Care is a positive route to take.

Chair & Chief Executive's Statement (continued) for the Year Ended 31st March 2025

Following includem's success in delivering a multiple risk project for NHS Glasgow and Clyde, we secured a contract to deliver community link services in 12 "deep end practices" across Glasgow. This grew immediately from 11 to 12 and we will be looking at developing this across Scotland.

Includem believes strongly in supporting families in their communities and working with partners across all sectors to deliver systemic change. As we move into 2025/26 we will continue to build partnerships with other 3rd sector organisations, statutory bodies and both the public and private sector. Some of the key partnerships going forward will include the Scottish Violence Reduction Unit, CORRA, NHS and Police Scotland.

Includem has long realised that investment in Early and Effective Intervention is a positive move, but at the same time this leaves many young people "stuck" in the here and now. As such we have developed includem RESPONSE and subsequently includem Crisis. We are seeing a greater need for our intense service in the community and frequently now at a younger age. We will strive to secure adequate funding for what we believe is a necessary service.

Funding continues to be a major challenge for include, whether legacy funds, philanthropic investment or long-term core funding. We have a development team in place as well as a Youth Advisory Group. This will provide a key building block for us going forward to make sure we raise our profile and build our capability.

As we enter this new year we face many challenges around funding and rising costs. We are winning new contracts and delivering new services. We are developing an excellent research function and raising our profile and subsequently that of the families we support. Our services will continue to develop and our focus on children, young people and families will continue to be unwavering. We will continue to advocate for our families, challenge government policy where appropriate and make sure the right voices are heard by the right people. In many ways, "business as usual" for includem. Our focus on the eradication of poverty remains and our commitment to developing new opportunities for children, young people and families will get stronger. It has been a solid year for us and a great performance from the includem team.

"Success is not the key to happiness. Happiness is the key to success. If you love what you are doing, you will be successful." Albert Schweitzer

Martin Dorchester

Chief Executive Officer (resigned 30th November 2025)

Director's Report for the Year Ended 31st March 2025

The Directors present their annual report together with the audited financial statements of the Charity for the year 1 April 2024 to 31 March 2025. The Annual report serves the purposes of both a Trustees' report and a Directors' report under company law. The Directors confirm that the Annual report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and Activities

Objectives and Aims

The Charity's objectives are:

To advance citizenship and community development, promote equality, advance education, and health, prevent poverty and relieve those in need, and in particular, but without limitation, by:

- Providing intensive community-based support for young people with significant needs and risks, as the result of, for example, trauma, abuse, offending or relationship breakdown with the aim of improving their quality of life and unlocking their potential.
- Providing support for parents, carers, and other family members to rebuild family relationships and prevent the breakdown of accommodation.
- Working in partnership with local authorities, health services and other advisory or community organisations, to facilitate access to a full range of support and information networks; and
- Contributing to knowledge and research on young people and the sector more generally by encouraging, promoting, and facilitating research into the impact and effectiveness of the Charity's activities.

Significant Activities

The Charity's main activity is supporting vulnerable, distressed, and complex children, young people and families through intensive, integrated, one to one support. We work with young people aged between 0 and 26, and their families and carers, who are subject to formal measures of care, have vulnerabilities or needs which may be provided in their own homes and in the wider community.

Director's Report (continued) for the Year Ended 31st March 2025

We have an established infrastructure in Glasgow, Fife, Stirling, Dundee and Aberdeen and a delivery footprint covering the East & West of Scotland, primarily working in areas of multiple deprivation, providing support 24/7, through the includem helpline.

Our work challenges young people to achieve positive sustained change in their behaviour and relationships so they can move towards leading fulfilling lives.

We believe young people are never beyond reach and that they require the support of a responsible service at their time of most need. By achieving better outcomes for young people, we improve family relationships, community safety, provide for better futures, reduce public spending and divert them from the justice system. As a result, we build strong communities, and the whole of society benefits.

Achievements and Performance

Charitable Activities

The Charity has been resolute in its commitment to engage, support and encourage the most vulnerable and disadvantaged children, young people, and families within communities in Scotland. This clear and defined purpose aligned with the steadfast assistance received from Local Authorities, grant funders, partners and stakeholders has ensured that the impact of our operations has been both wide reaching and empowering to the people whom it has supported into meaningful and life changing circumstances.

Includem has been supporting young people and their families for 25 years and has helped 1,197 young people this year.

The Board maintained the Charity's focus during 2024/25 on supporting individuals and key target groups with multiple challenges and continued providing services that support those needs. By focusing activity on key target groups, including those with multiple and complex needs, the Charity also continued to address its long-held commitment to support and engage with the most disadvantaged communities in Scotland by providing guidance, encouragement, and a route to social inclusion. This, in a number of circumstances, is extremely challenging and is only possible due to the range of support measures coordinated by includem and with the support of a network of partners.

Director's Report (continued) for the Year Ended 31st March 2025

Over the last 25 years includem has supported Fair Work Practices, through measures such as the adoption and accreditation of the Real Living Wage, supporting the Scottish Business Pledge and the introduction of people-friendly (flexible) working policies. We are also an accredited SCQF Inclusive Recruiter.

Includem continues to support community events to raise awareness of services available to the community by:

- Engaging local schools to promote services and widen participation by providing accessible opportunities.
- Hosting consultation events with local people to actively encourage co-production and help shape future service provision for the community.
- Promoting Diversity, Equity & Inclusion, the Real Living Wage and Fair Work Practices within the workplace.

The Care Inspectorate

Includem's last inspection was carried out before the national lockdown in February 2020 and was scored 'very good'. There has been no formal inspection since then. During lockdown we quickly adapted to a different way of engaging with the Care Inspectorate on an ongoing basis.

The senior services team has been meeting with our inspector on a quarterly basis which has enabled us to continue to develop the quality of our services but also our national reach and impact.

The regular sharing of information has ensured the Care Inspectorate has seen the positive developments we have made in developing and expanding our service offer across Scotland, increasing the public voice of children, young people and families, through includem across a number of forums and national platforms and further embedding participation.

Our inspector was also very positive about the investment includem had made in additional staff, justice services and research to further evidence the need for includem support to children, young people, and families across Scotland. Although a formal inspection was not instructed by the Care Inspectorate during the 2024/25 financial year, we continue to be regarded as sector leaders and recognised as supporting the greatest number of young people in community based services across Scotland.

Director's Report (continued) for the Year Ended 31st March 2025

Financial Review

Results

Income for the year was £6,369,986 (2024: £5,601,092) reflecting 14% growth through new contracts and grant income, and expenditure was £6,326,076 (2024: £5,705,647). After net gains on investments of £12,921 (2024: net gain £94,118) a surplus of £56,831 is reported (2024: deficit £10,437).

Going Concern

After making appropriate enquiries, considering the Cost-of-Living increase and the stability of the Charity's income streams on the operations and financial resources of the Charity and preparing cash flow forecasts to 31st March 2027, the Board has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Investment Policy and Performance

Under the Memorandum and Articles of Association the Charity has the powers to invest funds not immediately required for the purposes of the Charity's activities in such investments and securities in any way the Directors deem fit. The investment policy of the Charity is to maximise the investment returns whilst managing risk. The risk level adopted as part of the Investment Policy continues to be low/medium.

The Board has appointed Brewin Dolphin as investment advisors to assist with the investment of Charity funds. The Trustees have asked RBC Brewin Dolphin, who are a signatory to the UN Principles of Responsible Investment, to incorporate Environmental Social & Governance considerations as part of the investment selection process. In addition, investments are not made in areas that conflict with the aims and objectives of the charity.

Risk Management

The Board has identified the major strategic risks that includem is exposed to and has established controls and mitigating actions to minimise potential adverse outcomes. Risk is a significant part of daily operations for includem and is thus accorded considerable management time.

Director's Report (continued) for the Year Ended 31st March 2025

As far as possible, the Board has ensured that all operational risks to staff, assets and third parties have been examined and appropriate plans put in place to manage this risk. The most recent review of the corporate risk register identified the most serious risks to be the following:

Risk area	Risk description	Mitigation
Government changes/ strategic policy change	Changes in either Scottish or UK Governments may bring changes to policy focus that affects the operations of the organisation. These effects could be positive or negative. Ultimately, the policy changes will impact on government and local authority expenditure. Key issues include Scottish Government elections 2026 and Local Authority elections 2027. Potential Age of Criminal Responsibility changes and Children's Hearing Panels.	Effective environmental scanning; engagement with relevant bodies; campaigning for relevant policy changes; develop operational flexibility; members of various influencing and referencing bodies; challenging direction of travel at most senior level; collaborative support with wide range of organisations; engagement with MSPs, MPs, Councillors and Local Authorities; responding to Government consultations on relevant topics.
Financial pressures	Cost of living crisis: funders tightening budgets while asking for more services and delivery. Funding shortfalls (often driven by flat funding) leading to budget deficits, use of reserves. Ongoing impact of Inflation and National Insurance contributions driving up employment costs. Ongoing impact of being a real living wage employer.	Regular and frequent contact with all contract issuers. Information on commissioning entities plans is gathered, collated and acted upon. Potential contract tender and funding pipeline is continually developed and managed. Proactive contract management plans are used for each contract and risks with continuation highlighted. Portfolio of contracts spread across different sectors to spread risk.
Safeguarding and other reputational risk	Safeguarding of children, young people and families is a key risk due to the essential work that we carry out with vulnerable groups.	Includem is registered with the Care Inspectorate; staff who work with children, young people and families are registered with SSSC; Disclosure and PVGs in place as appropriate to the job role; robust training and supervision; robust policies and procedures in place.

Director's Report (continued) for the Year Ended 31st March 2025

Risk area	Risk description	Mitigation
Recruitment and retention, and the wellbeing landscape	Recruiting and retaining skilled staff is becoming harder, especially with competition from other sectors (National Health Service and Local Authorities).	Proactive market engagement and benchmarking; effective two-way workforce engagement through includem's Employee Forum; certified Real Living Wage Employer; Scottish Credit and Qualifications Framework (SCQF) Inclusive Recruiter; adherence to Fair Work Practices; investment in wellbeing benefits; Board HR Committee oversight.

The Board also actively reviews the major financial risks which includem faces on a regular basis and believes that maintaining free reserves at the levels stated, combined with ongoing review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions.

The Board undertakes a review of the risk register at every quarterly Board Meeting, which prioritises the main risks facing includem. Each review looks at the probability and impact associated with each risk, existing controls, and mitigating actions to manage these risks. The Chief Executive is accountable for ensuring controls are followed and implementing the mitigating actions.

Director's Report (continued) for the Year Ended 31st March 2025

Reserves Policy

The Board approved the Reserves Policy at the Board Meeting in December 2024. The Board will review reserves levels annually to ensure they are appropriate to the Charity's needs, taking into account the risks and challenges facing the organisation. In December 2024, the Board considered the appropriate level of free reserves required to meet includem's contractual obligations and settle all liabilities in the event of winding up the charity. This figure is currently £1.4million.

Any funds in excess of these reserves will be made available for projects that support and further the Charity's purpose and strategy. Funds are transferred to a designated reserve, with oversight by the Finance & IT Committee. To release funds requires a fully costed proposal, reviewed by the Finance & IT Committee, and approved by the Board. The Finance & IT Committee monitor the expenditure to ensure objectives are met.

The balance of Restricted Funds held at 31 March 2025 amounted to £1,149 (2024: £14,324).

The unrestricted reserves of the Charity at 31 March 2025 are £1,656,322 (2024: £1,586,316).

After adjusting for tangible fixed assets and designated reserves agreed by the Board of £223,171 (2024: £291,466), the 'free reserves' of the Charity are £1,378,256 (2024: £1,222,629).

Structure, Governance and Management

Constitution

Includem is a registered charity (registered in Scotland (No. SC030233) incorporated under the Companies Act 2006 as a company limited by guarantee (No. SC207985).

The Charity was established under Articles of Association which established the objects and powers of the Charity and is governed under its Articles of Association. In the event of the Charity being wound up, members are required to contribute an amount not exceeding £1. Revisions were adopted by Members' Special Resolution to the Articles of Association in March 2018 to bring them into line with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and were approved by OSCR.

Director's Report (continued) for the Year Ended 31st March 2025

Board of Trustees

Board members serve until the next Annual General Meeting, at which the Members of the Charity will decide on their reappointment. The retiring Board Members who are eligible for re-election at the December 2025 AGM are:

- Stuart Kennedy
- Iain M Forbes
- Kevin O'Hare
- John Fanning

Method of Appointment of Election of Directors

The Board regularly reviews the skills currently represented by existing members and uses any identified gaps to frame the search for new members.

Policies Adopted for the Induction and Training of Directors

New members of the Board receive information about the Charity and the role of Trustees from the Chair and Chief Executive prior to taking up position.

The Board meetings also allow the communication of changes in regulation and ensure that the Board members keep up to date. Board members review their performance and training needs as part of the annual strategy review.

Organisation Structure and Decision Making

The Board has three committees which meet quarterly, Human Resources, Finance & IT, and Services Development.

The Board meets quarterly during which time they receive information and reports from the three committees, the Chief Executive and executive team.

Key Management Personnel

The Board takes responsibility for the strategic governance of includem and delegates implementation and operational management to the Chief Executive and a team of two senior executives.



Director’s Report (continued) for the Year Ended 31st March 2025

Appointment of the Chief Executive and Senior Executives are approved by the Board with the Chair or appointed Trustees involved in the recruitment process. The Board sets the salaries of the Chief Executive and delegates responsibility to the Chief Executive and executive team to set all other salaries.

The performance of the Chief Executive in relation to the agreed strategic objectives is monitored by the Chair and regular appraisals are undertaken. The Chief Executive carries out regular appraisals with the Senior Executives. The executive team cover all the areas necessary to run the Charity and are shown below:

Martin Dorchester , Chief Executive	resigned 30 th November 2025
Lucy Neilson , Operations Director	
Tracey Stewart , Services Director	appointed 1 st August 2025
Andrew Collier , Services Director	resigned 2 nd May 2025

Director's Report (continued) for the Year Ended 31st March 2025

Workforce

Includem's staff are an essential component of our work in improving the lives of young people and their families. Includem recognises that nurturing high performance through effective development of a diverse workforce is essential if we are to remain successful. To this end, includem has adopted a set of Policies and Procedures which ensure all decisions about the employment and development of our employees, or potential employees, are free from discrimination of any kind. Includem is committed to fair work practices and is a Real Living Wage Accredited employer and SCQF Inclusive Recruiter.

In order to promote and ensure effective engagement with staff, an Employee Forum meets regularly with elected representation from various parts of the organisation. Includem also has a Mental Health First Aid Group with Mental Health First Aiders available to employees.

Plans for Future Periods

The main challenges facing the Charity are the ongoing impact of cuts in government funding, recruitment and retention of staff and the continuing uncertainty surrounding its operating environment. The current economic landscape is impacting the majority of commercial business, which both directly and indirectly places pressure on the charity sector and in particular includem's operating partners. Over the period 2025/26 the Charity will continue to undertake a range of activities to develop and enhance the capacity and sustainability of the organisation and will advance its mission to be a leading provider of quality support in its sector.

Director's Responsibilities Statement

The Directors (who are also Trustees of includem for the purposes of charity law) are responsible for preparing the Directors' 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.

Director's Report (continued) for the Year Ended 31st March 2025

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 2019 (FRS102) ;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

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

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

This report was approved by the Board and signed on its behalf by:

Iain M Forbes OBE

Iain M Forbes OBE

Chair

Date: 1st December 2025

Independent Auditor's Report to the Members of includem

Opinion

We have audited the financial statements of includem (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities (including the income and expenditure account), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for Opinion

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

Conclusions Relating to Going Concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent Auditor's Report to the Members of includem

Other Information

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

Opinion 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on Which We are Required to Report by Exception

In the light of our 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.

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

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

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

Responsibilities of Trustees

As explained more fully in the Directors' Responsibilities Statement (set out on page 18), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the industry in which it operates and considered the risks of acts by the charitable company which were contrary to applicable laws and regulations, included fraud. These included but were not limited to the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- enquiries of management and the trustees about any known or suspected instances of non-compliance with laws and regulations including fraud;
- review of minutes of Board meetings throughout the period;
- review any available correspondence with regulators;
- review and consideration of the basis of preparation and assumptions use in key accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

There are inherent limitations in an audit of financial statements and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Board that represented a material misstatement due to fraud.

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

Use of Our Report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's directors, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and directors 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 charitable company, the charitable company's members as a body and the charitable company's directors as a body, for our audit work, for this report, or for the opinions we have formed.

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

Steven Smillie

Steven Smillie (Senior Statutory Auditor)

For and on behalf of

CT Audit Limited

Statutory Auditors

61 Dublin Street, Edinburgh, EH3 6NL

Date: 04 December 2025

CT Audit Limited are eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities for the Year ended 31st March 2025 (Incorporating Income & Expenditure Account)

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
	Note				
Income from:					
Donations and legacies	4	-	20,818	20,818	6,539
Charitable activities	5	3,403,636	2,837,852	6,241,488	5,496,916
Investments	6	32,410	-	32,410	36,488
Other income	7	75,270	-	75,270	61,149
Total income		3,511,316	2,858,670	6,369,986	5,601,092
Expenditure on:					
Raising funds	8	122,753	145,631	268,384	273,310
Charitable activities	9	3,331,478	2,726,214	6,057,692	5,432,337
Total expenditure		3,454,231	2,871,845	6,326,076	5,705,647
Net income and expenditure before investment gains and losses		57,085	(13,175)	43,910	(104,555)
Net gains on investments		12,921	-	12,921	94,118
Net income/expenditure		70,006	(13,175)	56,831	(10,437)
Transfers between funds	21	-	-	-	-
Net movement in funds		70,006	(13,175)	56,831	(10,437)
Reconciliations of funds:					
Total funds brought forward		1,586,316	14,324	1,600,640	1,611,077
Net movement in funds		70,006	(13,175)	56,831	(10,437)
Total funds carried forward		1,656,322	1,149	1,657,471	1,600,640

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 28 to 52 form part of these financial statements.

Statement of Financial Position as at 31st March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	14	54,895	72,221
Investments	15	1,063,389	1,170,482
		1,118,284	1,242,703
Current assets			
Debtors	16	385,159	414,959
Cash at bank and in hand		814,892	514,048
		1,200,051	929,007
Creditors: amounts falling due within one year	17	(583,864)	(494,070)
Net current assets		616,187	434,937
Total assets less current liabilities		1,734,471	1,677,640
Provision for liabilities	19	(77,000)	(77,000)
Total net assets		1,657,471	1,600,640
Charity funds			
Restricted funds	20	1,149	14,324
Unrestricted funds			
Designated funds	20	223,171	291,466
General funds	20	1,433,151	1,294,850
Total unrestricted funds	20	1,656,322	1,586,316
Total funds		1,657,471	1,600,640

Statement of Financial Position as at 31st March 2025 (continued)

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

Iain M Forbes OBE

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Iain M Forbes OBE

Date: 1st December 2025

Company Registered Number SC207985

The notes on pages 28 to 52 form part of these financial statements.

Statement of Cash Flows for the Year Ended 31st March 2025

		2025	2024
	Note	£	£
Cash flows from operating activities			
Net cash used in operating activities	23	168,065	(169,212)
Cash flows from investing activities			
Dividends and interests from investments		32,410	36,488
Purchase of tangible fixed assets	14	(19,645)	(50,966)
Proceeds from sale of investments		545,876	305,886
Purchase of investments	15	(425,862)	(305,886)
Net cash provided by investing activities		132,779	(14,478)
Cash flows from financing activities			
		-	-
Change in cash and cash equivalents in the year		300,844	(183,690)
Cash and cash equivalents at the beginning of the year		514,048	697,738
Cash and cash equivalents at the end of the year		814,892	514,048

Notes to the Financial Statements for the Year Ended 31st March 2025

1. General Information

The Charity is a company limited by guarantee, incorporated in the UK and registered in Scotland (Company number: SC207985). Its registered office is Unit 6000, Academy Park, Gower Street, Glasgow, G51 1PR. The members of the Charity are the Directors named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. Accounting Policies

2.1 Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Includem meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going Concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The Trustees have prepared cash flow forecasts for the period to 31st March 2026 which indicate that, taking account of reasonably possible downsides, being incurring unbudgeted costs to deliver committed services, on the operations and its financial resources, the Charity will have sufficient funds to meet its liabilities as they fall due for that period.

Notes to the Financial Statements for the Year Ended 31st March 2025

The Charity is dependent on income from contracts it has with the Scottish Government, Local Authorities and grant givers to ensure its objectives continue to be achieved for the longer term. The financial statements have been prepared on the basis that the Charity has the continued support of its funders and sufficient funds in the current and future years. The Charity has no reason to believe that funding will not continue and that new opportunities will not continue to present themselves.

Consequently, the Trustees are confident that the Charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity, and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Notes to the Financial Statements for the Year Ended 31st March 2025

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

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 on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities, as detailed in note 10, is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Service Development expenditure includes expenditure on service development supported by either grants or reserves.

Fundraising costs are those incurred in seeking contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters.

All expenditure is inclusive of irrecoverable VAT. Irrecoverable VAT is charged as a cost against the activity for which the expenditure is incurred.

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Notes to the Financial Statements for the Year Ended 31st March 2025

Support costs have been analysed across the Charity's main activities. Governance costs have not been allocated to the cost of raising funds as this is neither significant nor practical to allocate appropriately. The allocation of support costs is analysed in note 10.

2.5 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.6 Tangible Fixed Assets and Deprecation

Tangible fixed assets are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are capitalised in the year of purchase and are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition are included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Short-term leasehold property	- Straight line over the period of the lease
Fixtures and fittings	- Straight line over 5 years
Computer equipment	- Straight line over 3 years

Notes to the Financial Statements for the Year Ended 31st March 2025

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the statement of financial activities.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their opening carrying value. Realised and recognised investment gains and losses are combined in the statement of financial activities.

2.8 Debtors

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

2.9 Cash at Bank and in Hand

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.

2.10 Liabilities

Liabilities and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Notes to the Financial Statements for the Year Ended 31st March 2025

2.11 Provisions

Provisions are recognised when the Charity has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2.12 Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify under FRS 102, as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Operating Leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.14 Pensions

Employees of the Charity are entitled to join a defined contribution 'money purchase' scheme. The Charity contribution is restricted to the contributions disclosed in note 26. The management costs of the defined contribution scheme are included within support and governance costs and charged to the unrestricted funds of the Charity.

Notes to the Financial Statements for the Year Ended 31st March 2025

The money purchase plan, managed by Legal and General, invests the contributions made by the employee and employer in investment funds designated by the employee to build up over the term of the plan. The pension fund is converted into a pension upon the employee's normal retirement age, defined as when they are eligible for a state pension. The Charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

2.15 Fund Accounting

General funds, created from services commissioned by Local Authorities for young people in their responsibility, or other services provided directly to or by third parties, are available for use at the discretion of the Board in developing the quality and scale of its services to young people, and not designated for other specific purposes. They provide financial security, taking account of the risks and challenges facing the service and ensure continuous service development and efficiency.

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes, to further the charitable aims and to develop the services to support those charitable aims. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are grants, donations or legacies received from donors for work not provided under services commissioned by local authorities, unless contractually specified, and applied to meet the donor's objectives. These generally represent a timing difference between the receipt of funds and the provision of the actual service to young people, or staff development as appropriate.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical Accounting Estimates and Areas of Judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Notes to the Financial Statements for the Year Ended 31st March 2025

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. These are detailed below.

Provisions

Provisions are recognised where the Charity has an obligation, as a result of a past event, that can be measured reliably. The recording of provisions is an area which requires the exercise of management judgement relating to the nature, timing and probability of the liability.

Notes to the Financial Statements for the Year Ended 31st March 2025

4. Income from donations and legacies

	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	20,818	20,818	6,539
<i>Total 2024</i>	6,539	6,539	

5. Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Contracts – service delivery	3,399,744	-	3,399,744	2,995,622
Grants – service delivery & development	3,892	2,837,852	2,841,744	2,501,294
Total 2025	3,403,636	2,837,852	6,241,488	5,496,916
<i>Total 2024</i>	2,995,622	2,501,294	5,496,916	

Analysis of grants received

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Grants received				
Scottish Government	-	1,185,978	1,185,978	935,000
Scottish Local Authorities	-	1,280,457	1,280,457	1,316,269
Dunlossit & Islay	-	-	-	-
R S McDonald	-	13,350	13,350	13,092
NHS	-	-	-	4,000
CORRA Foundation	-	358,067	358,067	232,933
Global Giving Foundation	3,892	-	3,892	-
	3,892	2,837,852	2,841,744	2,501,294

Notes to the Financial Statements for the Year Ended 31st March 2025

6. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Investments	24,304	24,304	25,568
Bank interest received	8,106	8,106	10,920
Total 2025	32,410	32,410	36,488
<i>Total 2024</i>	36,488	36,488	

7. Other income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Secondments	75,270	75,270	61,149
<i>Total 2024</i>	61,149	61,149	

8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Allocated management/staff costs	122,753	145,631	268,384	273,310
<i>Total 2024</i>	133,180	140,130	273,310	

Notes to the Financial Statements for the Year Ended 31st March 2025

9. Analysis of expenditure on charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Contracts - service delivery	3,331,478	321,539	3,653,017	3,044,580
Grants - service delivery & development	-	2,370,682	2,370,682	2,361,163
Young Person's support fund	-	33,993	33,993	26,594
	3,331,478	2,726,214	6,057,692	5,432,337
<i>Total 2024</i>	3,044,580	2,387,757	5,432,337	

10. Analysis of expenditure on charitable activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Contracts – service delivery	2,625,507	705,971	3,331,478	3,044,580
Grants – service delivery & development	1,920,226	771,995	2,692,221	2,361,163
Young Person's support fund	33,993	-	33,993	26,594
	4,579,726	1,477,966	6,057,692	5,432,337
<i>Total 2024</i>	3,950,563	1,481,774	5,432,337	

Notes to the Financial Statements for the Year Ended 31st March 2025

Analysis of direct costs

	Contracts - service delivery	Grants - service delivery & development	Young person's support fund	Total funds	<i>Total funds</i>
	2025	2025	2025	2025	2024
	£	£	£	£	
Staff costs	2,225,542	1,577,002	-	3,802,544	3,215,674
Depreciation	17,523	19,448	-	36,971	24,015
Young people expenditure	174,035	88,520	33,993	296,548	287,028
Property & office costs	116,412	127,296	-	243,708	206,151
Communication & IT costs	89,644	105,170	-	194,814	208,127
Regulatory costs	2,351	2,790	-	5,141	9,568
	<u>2,625,507</u>	<u>1,920,226</u>	<u>33,993</u>	<u>4,579,726</u>	<u>3,950,563</u>
<i>Total 2024</i>	<i><u>2,285,581</u></i>	<i><u>1,638,388</u></i>	<i><u>26,594</u></i>	<i><u>3,950,563</u></i>	

Notes to the Financial Statements for the Year Ended 31st March 2025

10. Analysis of expenditure on charitable activities (continued)

Analysis of support costs

	Contracts – service delivery	Grants – service delivery & development	Total funds	<i>Total funds</i>
	2025	2025	2025	2024
	£	£	£	£
Staff costs	625,559	665,591	1,291,150	1,314,849
Service development	21,437	36,436	57,873	38,210
Governance costs	58,975	69,968	128,943	128,715
	705,971	771,995	1,477,966	1,481,774
<i>Total 2024</i>	758,999	722,775	1,481,774	

Notes to the Financial Statements for the Year Ended 31st March 2025

11. Auditor's remuneration

	2025 £	2024 £
Fees payable to the Charity's auditor for the audit of the Charity's Financial Statements	14,820	13,980

12. Staff costs

	2025 £	2024 £
Wages and salaries	4,627,438	4,092,138
Social security costs	411,072	348,548
Contribution to defined contribution pension schemes	231,853	172,023
	5,270,363	4,612,709

Included in wages and salaries is £15,000 (£48,000 2024) relating to compensation for loss of office.

The average number of persons employed by the charity during the year was as follows:

	2025 No.	2024 No.
Permanent staff	147	128
Sessional staff	31	38
	178	166

The number of employees whose employee benefits (excluding employer national insurance and pension contributions) exceeded £60,000 was:

	2025 No.	2024 No.
In the band £60,001 - £70,000	0	0
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	0	1
In the band £90,001 - £100,000	0	0
In the band £100,001 - £110,000	1	1

The key management personnel of the Charity are the Board and the executive team. The three key managers were paid employee benefits (including employer national insurance and pension contributions) totalling £310,448 (2024: £392,833 five managers).

Notes to the Financial Statements for the Year Ended 31st March 2025

13. Directors' remuneration and expenses

During the year no Directors received any remuneration or other benefits (2024 - £NIL).

During the year one Director received travel expenses of £61 (2024 – one Director £26).

14. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2024	159,036	93,632	375,418	628,086
Additions	-	-	19,645	19,645
Disposals	-	-	-	-
At 31 March 2025	159,036	93,632	395,063	647,731
Depreciation				
At 1 April 2024	157,694	93,109	305,062	555,865
Charge for the year	690	105	36,176	36,971
Disposals	-	-	-	-
At 31 March 2025	158,384	93,214	341,238	592,836
Net book value				
At 31 March 2025	652	418	53,825	54,895
At 31 March 2024	1,342	523	70,356	72,221

Notes to the Financial Statements for the Year Ended 31st March 2025

15. Fixed asset investments

	Listed investments £
Fair value	
At 1 April 2024	1,170,482
Additions	425,862
Disposals at market value	(545,876)
Revaluations	12,921
At 31 March 2025	<u>1,063,389</u>

Fixed asset investments are measured at fair value through income and expenditure. The fair value is determined by prices from a recognised stock exchange.

Historical cost of listed investments

	2025 £	2024 £
Historical cost	<u>1,002,246</u>	<u>1,047,864</u>

16. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	290,437	192,323
Other debtors	3,753	6,641
Prepayments and accrued income	90,969	215,995
	<u>385,159</u>	<u>414,959</u>

Notes to the Financial Statements for the Year Ended 31st March 2025

17. Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	63,412	67,525
Other taxation and social security	97,996	91,309
Accruals and other creditors	193,143	172,733
Deferred income	229,313	162,503
	583,864	494,070

18. Deferred income

	2025 £	2024 £
Deferred income at 1 April 2024	162,503	344,513
Resources deferred during the year	229,313	162,503
Amounts realised from previous periods	(162,503)	(344,513)
Deferred income at 31 March 2025	229,313	162,503

Deferred income relates to performance related funding received under contract during the year which relates to projects that will be delivered in future periods.

Notes to the Financial Statements for the Year Ended 31st March 2025

19. Provisions

Dilapidations provision

	2025 £	2024 £
Provisions at 1 April 2024	77,000	77,000
Additional provision during the year	-	-
Provisions at 31 March 2025	77,000	77,000

The charity makes provision for dilapidations, being the cost of bringing the properties back to the state they receive them. It is expected that the dilapidations provision will be utilised in the next 1-3 years.

20. Statement of funds

Statement of funds – current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains (Losses) £	Balance at 31 March 2025 £
Unrestricted funds						
Designated fund						
Digital strategy	106,950	-	(18,295)	-	-	88,655
Service promotion/ diversification	50,000	-	-	(50,000)	-	-
Service transition	134,516	-	-	-	-	134,516
	291,466	-	(18,295)	(50,000)	-	223,171
General funds						
General funds – all funds	1,294,850	3,511,316	(3,435,936)	50,000	12,921	1,433,151
Total unrestricted funds	1,586,316	3,511,316	(3,454,231)	-	12,921	1,656,322

Notes to the Financial Statements for the Year Ended 31st March 2025

20. Statement of funds (continued)

Statement of funds – current year (continued)

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains (Losses) £	Balance at 31 March 2025 £
Restricted funds						
Young people support	14,324	20,818	(33,993)	-	-	1,149
Core service	-	2,837,852	(2,837,852)	-	-	-
	14,324	2,858,670	(2,871,845)	-	-	1,149
Total of funds	1,600,640	6,369,986	(6,326,076)	-	12,921	1,657,471

Statement of funds – prior year

	Balance at 1 April 2023	Income £	Expenditure £	Transfers in/out £	Gains (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
Designated funds						
Digital strategy	144,150	-	(37,200)	-	-	106,950
Service promotion/ diversification	-	-	-	50,000	-	50,000
Service transition	-	-	-	134,516	-	134,516
Includem justice team	184,516	-	-	(184,516)	-	-
	328,666	-	(37,200)	-	-	291,466
General funds						
General funds – all funds	1,248,033	3,093,259	(3,140,560)	-	94,118	1,294,850
Total unrestricted funds	1,576,699	3,093,259	(3,177,760)	-	94,118	1,586,316

Notes to the Financial Statements for the Year Ended 31st March 2025

20. Statement of funds (continued)

Statement of funds – prior Year (continued)

	<i>Balance at 1 April 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains (Losses) £</i>	<i>Balance at 31 March 2024 £</i>
<i>Restricted funds</i>						
<i>Young people support</i>	34,378	6,539	(26,593)	-	-	14,324
<i>Core service</i>	-	2,501,294	(2,501,294)	-	-	-
	<u>34,378</u>	<u>2,507,833</u>	<u>(2,527,887)</u>	<u>-</u>	<u>-</u>	<u>14,324</u>
<i>Total of funds</i>	<u>1,611,077</u>	<u>5,601,092</u>	<u>(5,705,647)</u>	<u>-</u>	<u>94,118</u>	<u>1,600,640</u>

Notes to the Financial Statements for the Year Ended 31st March 2025

The aim and use of the **designated** fund is broken down as follows:

Digital Strategy - the Board approved the level of reserves required to achieve our plans for the digital transformation and deliver on the approved strategy. In the year to 31 March 2025, £18,295 expenditure was incurred on the project with £88,655 carried forward for completion.

Service Promotion/Diversification – there was no expenditure against this designated fund in 2024/25 and the balance of £50,000 was removed at March 2025.

Service Transition – in March 2024 the Board designated £134,516 to fund service transitions. Includem is committed to ensuring that children, young people and families are supported when service responsibility moves to/from includem to/from another service provider, and that budgetary influence must not leave vulnerable people without support. No draw down from this fund was required in 2024/25.

The aim and use for each **restricted** fund is as follows:

Young People Support – the young person fund is a small fund raised from donations, used to provide for essential needs such as food, heat & light and clothing, and to enable children, young people and families to have experiences they would otherwise not have the opportunity to, which many of us take for granted.

Core services – includem is supported by the Scottish Government and Local Authorities to support young people and divert them from participating in criminal behaviour, help them to positively engage within their neighbourhood, help improve their wellbeing and resilience and they are respected, responsible and included.

Notes to the Financial Statements for the Year Ended 31st March 2025

21. Summary of funds

Summary of funds – current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains (Losses) £	Balance at 31 March 2025 £
Designated funds	291,466	-	(18,295)	(50,000)	-	223,171
General funds	1,294,850	3,511,316	(3,435,936)	50,000	12,921	1,433,151
Restricted funds	14,324	2,858,670	(2,871,845)	-	-	1,149
	<u>1,600,640</u>	<u>6,369,986</u>	<u>(6,326,076)</u>	<u>-</u>	<u>12,921</u>	<u>1,657,471</u>

Summary of funds – prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains (Losses) £	Balance at 31 March 2024 £
Designated funds	328,666	-	(37,200)	-	-	291,466
General funds	1,248,033	3,093,259	(3,140,560)	-	94,118	1,294,850
Restricted funds	34,378	2,507,833	(2,527,887)	-	-	14,324
	<u>1,611,077</u>	<u>5,601,092</u>	<u>(5,705,647)</u>	<u>-</u>	<u>94,118</u>	<u>1,600,640</u>

Notes to the Financial Statements for the Year Ended 31st March 2025

22. Analysis of net assets between funds

Analysis of net assets between funds – current period

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total Funds 2025 £
Tangible fixed assets	54,895	-	54,895
Fixed asset investments	1,063,389	-	1,063,389
Current assets	1,198,902	1,149	1,200,051
Creditors due within one year	(583,864)	-	(583,864)
Provisions for liabilities and charges	(77,000)	-	(77,000)
Total	1,656,322	1,149	1,657,471

Analysis of net assets between funds – prior period

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total Funds 2024 £</i>
<i>Tangible fixed assets</i>	<i>72,221</i>	<i>-</i>	<i>72,221</i>
<i>Fixed asset investments</i>	<i>1,170,482</i>	<i>-</i>	<i>1,170,482</i>
<i>Current assets</i>	<i>914,683</i>	<i>14,324</i>	<i>929,007</i>
<i>Creditors due within one year</i>	<i>(494,070)</i>	<i>-</i>	<i>(494,070)</i>
<i>Provisions for liabilities and charges</i>	<i>(77,000)</i>	<i>-</i>	<i>(77,000)</i>
Total	1,586,316	14,324	1,600,640

Notes to the Financial Statements for the Year Ended 31st March 2025

23. Reconciliation of net movement in funds to net cash flow from operating activities

	2025	<i>2024</i>
	£	<i>£</i>
Net (expenditure)/income for the period (as per Statement of Financial Activities)	56,831	<i>(10,437)</i>
Adjustments for:		
Depreciation charges	36,971	<i>24,015</i>
(Gain) on investments	(12,921)	<i>(94,118)</i>
Dividends and interest from investments	(32,410)	<i>(36,488)</i>
Increase in provisions	-	<i>-</i>
(Increase)/decrease in debtors	29,800	<i>93,434</i>
(Decrease)/increase in creditors	89,794	<i>(145,618)</i>
Net cash (used in)/provided by operating activities	168,065	<i>(169,212)</i>

24. Analysis of changes in net funds

	<i>At 1 April 2024</i>	Cash flows	At 31 March 2025
	<i>£</i>	£	£
Cash at bank and in hand	<i>514,048</i>	300,844	814,892
	<i>514,048</i>	300,844	814,892



Notes to the Financial Statements for the Year Ended
31st March 2025

25. Pension commitments

The charity contributes to a defined contribution scheme operated by Legal & General.
The charity makes contributions of 5.5% (5% 2024) of gross salary to the scheme for those who have elected to join with employees contributing a minimum of 3.5%.
The charity contributed £154,213 in the year (2024: £172,023).

26. Operating lease commitments

At 31st March 2025 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Lease periods < 1 year	93,427	65,326
Lease periods 2 to 5 years	54,065	131,551
	<u>147,492</u>	<u>196,876</u>

27. Related Party Transactions

There were no transactions with related parties during the year (2024: no transactions).



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