

Company Number: SC126427
Charity Number: SC023879

APEX SCOTLAND
Report and Financial Statements
Year Ended 31 March 2022



APEX SCOTLAND
for the year ended 31 March 2022

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for the year ended 31 March 2022

Trustees and advisers

Trustees	A L Landels (Chair) S Bermingham D Asher P Forbes D Fraser K E Kelly P Kennedy G Mackenzie K E C Mackie M C Melville C L Middlebrook K Pryde G E Robinson V Sajid A Wilson	(appointed 30 June 2021) (resigned 3 December 2021) (appointed 30 June 2021) (resigned 31 March 2022) (appointed 30 June 2021) (appointed 21 January 2022) (appointed 21 January 2022) (resigned 30 June 2021) (resigned 6 December 2021) (appointed 21 January 2022)
	<i>Observer:</i> S Harper	
Chief Executive	A Staff	
Office	9 Great Stuart Street Edinburgh EH3 7TP	
Bankers	Virgin Money 83 George Street Edinburgh EH2 3ES	
Solicitors	Morton Fraser LLP Quatermile Two 2 Lister Square Edinburgh EH3 9GL	
Auditors	Geoghegans Chartered Accountants 6 St Colme Street Edinburgh EH3 6AD	
Company Number	SC126427	
Charity Number	SC023879	

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Trustees Report for the year ended 31 March 2022

Introduction

This report, as required by company law, provides an opportunity for the Trustees of Apex Scotland to present stakeholders with full information on all aspects of the organisation's performance in the financial year 2021-22 as well as outlining plans for 2022-23. Thanks are given to Finance staff for their work in ensuring Apex Scotland complies with all necessary requirements and legislation and also to our Auditors, Geoghegans, for their advice, guidance and diligence during the audit process. We have continued with a, primarily, remote financial audit as a result of Covid-19 and our ongoing thanks go to the Finance Team and Auditors for their flexibility and diligence.

Structure Governance and Management

The organisation is a company limited by guarantee. It is recognised as a charity by the Office of the Scottish Charity Regulator and Her Majesty's Revenue and Customs, number SC023879 and is registered at Companies House, number SC126427. The governing document for the organisation is the Articles of Association as lodged at Companies House.

Trustees are appointed by the Board of Trustees and can serve for a maximum of 6 years, 3 years initially and then a further 3 years if so desired. The Chair is appointed for a period of 3 years, notwithstanding previous Board membership and can then, if he/she so wishes, become a Board member for a further 3 years. During the year to 31 March 2022 the following Board Members retired: Giles Robinson; David Asher; Vahaab Sajid and Karen Kelly. Karen had also served as Chair of the Finance & Audit Committee. Thanks are given to all of them for their advice, support and guidance. During the year we welcomed 6 new members to the Board, being Stephen Bermingham; Diana Fraser; Gordon McKenzie; Malcolm Melville; Claire Middlebrook and Adam Wilson. We look forward to working with and benefitting from the experience of our new Board members.

The Scottish Government, as a funder of Apex Scotland, has an observer to the Board as a condition of grant.

Trustees are appointed with a significant degree of knowledge of the activities of Apex Scotland which is then enhanced through Trustee induction training. This primarily takes the form of discussion with the Chair, followed by discussions with the Corporate Management Team and an opportunity to visit our services around the country as well as attendance at our annual staff conference, Covid-19 allowing. This is augmented by attendance at periodic Board/Corporate Management Team "away days" where greater time is made available to discuss specific matters of interest and importance, as well as attendance at external bespoke Trustee training where appropriate. In the past year any and all of these interactions have taken place remotely and new Board members are to be thanked for their commitment to gaining the required knowledge in these strange times. On a yearly basis the Trustees are requested required to complete a Declaration Register of Interests form and Declarations of Interest are noted at the start of each Board meeting to ensure that there is no potential conflict of interest arising from their membership of the Board of Trustees of Apex Scotland.

The Board of Trustees has responsibility for setting the pay and remuneration of key management personnel. A number of years ago, the organisation undertook a remuneration review covering all staff which was accepted and approved by the Board. This created a spinal point system which has been adhered to since that date and is only impacted upon by decisions to award cost of living increases. The review took account of pay and remuneration in similar sized charities in an effort to create a benchmark.

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Trustees Report (continued) for the year ended 31 March 2022

Structure, Governance and Management (continued)

At the quarterly Trustees meeting, the Trustees agree the broad strategy and areas of activity for the charity, including consideration of reserves, risk management, operational direction and development, financial/contractual performance and policies. The day to day administration of the charity is delegated to the Chief Executive who, along with the Director of Finance and Corporate Development, Director of Operations and Director of Skills Development, comprise the Corporate Management Team.

Risk Management

The Board of Trustees, along with the Corporate Management Team, has considered the major risks to which the charity is exposed and has established systems and procedures to manage those risks. This takes the form of two risk registers which are updated on a quarterly basis and consider the probabilities of any identified risk occurring and the impact should any of those risks materialise. These registers, the Corporate and Financial Risk Registers, closely relate to each other but have a slightly different focus ensuring that we cover all potential risks thoroughly. During the vast majority of the period to 31 March 2022 the economic climate and an increasingly competitive funding environment continued as the greatest long term risks to the organisation. Throughout 2021-22 the impact of Covid-19 pandemic remained as a factor in all of our discussions and decision making. However, it has to be noted that our public sector funders, along with independent funders, continued their commitment to Apex and as such our income survived relatively unscathed and allowed us to keep all staff working, albeit in a more flexible manner in that staff had, where appropriate, the opportunity to work from home. Whilst this was originally driven by the pandemic and the need to reduce the potential for transmissions, it also reflected our ability to work in a number of different ways which we hope offers a better work life balance for our staff members. Similarly, discussions continue to take place in an effort to allow Apex to best deal with the increasingly competitive environment within which we work, whilst remaining true to our charitable objectives.

The 2021-22 financial year produced a healthy operating surplus for the charity. This has been contributed to by a number of factors. We were able to offer assistance to Local Authorities in their efforts to clear the backlog of Community Payback Orders in a number of areas of the country and were also involved in a number of short term initiatives supported by the Community Renewal Fund. This Fund was the precursor to the Shared Prosperity Fund which will replace European Funding and offers both opportunities and challenges for us. Our Training and Consultancy income recovered after the impact of the pandemic and enabled us to offer support to other Third Sector organisations. Our development of courses which can be accessed by our clients through the Scottish Government's Individual Training Account scheme continued to make a significant contribution to both the organisations finances and to our service users. Donations reduced from those received in 2020-21 but remained much higher than in pre-pandemic years. The Statement of Recommended Practice, which governs the presentation of our financial figures stipulates that we must recognise income in the period in which it is received but readers of this report should be assured that we will utilise those donations in a prudent and effective manner which could be over a longer period of time. This financial performance has been achieved despite a reduction in the funding model associated with the European Social Fund along with static or reduced funding from many Local Authorities. This latter aspect is contributed to by public sector funding pressures, and a continuing inability to fully recover all costs essentially incurred in the local management and co-ordination of services. The figures have also been contributed to by a continued reduction in costs as a result of altered ways of working and provision of support during the Covid-19 pandemic, although this started to reduce as the year wore on. Praise must once again be given to our loyal and dedicated staff, many of whom have only joined Apex during the last two or three financial years, who have worked tirelessly to provide high quality service to our service users in this climate whilst expanding the range of services.

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Trustees Report (continued) for the year ended 31 March 2022

Risk Management (continued)

The financial year saw a significant number of applications for funding being submitted, either through open tender process or applications to independent funding bodies. This is over and above the continuation of existing services and reflects the importance placed upon the creation of new funded services by the Board and Corporate Management Team. Disappointingly there are fewer opportunities open to Apex and other, similar, organisations and is felt to be the result of reductions in funding available in recent years or of a move towards large scale contracts which can dilute the role of many agencies within the Third Sector. Many of these applications are relatively small scale and are submitted to add value to existing initiatives or to enable small scale services to commence. We also continue to attempt to engage with larger scale initiatives whenever possible and a number of applications/tenders are being considered at this time. We have also suffered from the requirement to reduce support staffing in past years which has impacted on our ability to engage more fully with emerging opportunities. This has been addressed, in part, by the reshaping of some of the posts within the Corporate Management Team. We have created a clearer distinction between Operations and Skills Development, with the latter having greater responsibility to create more overt ties between Apex and our subsidiary All Cleaned Up and the former seeking to gain stronger evidence to support our view as to the positive impact of our interventions. The intention of these changes is to strengthen Apex in terms of our ability to engage more fully with a constantly changing funding and political environment.

We recognise that the public sector funding pressures and the transition from European Funding to the Shared Prosperity Fund may continue to impact upon the financial position of Apex and we will redouble our efforts to mitigate this through lessening our reliance on those public sector funded services. This will include the development of appropriate social enterprises, social investment and the continuing development of Individual Training Accounts, should these opportunities be available and can be resourced.

Objectives and Activities

The primary activity of the organisation is to work with people with convictions and those at risk. Our objective is, by the provision of support and employability training, to help individuals to stabilise their lives and gain the skills employers want and support them in progressing to employment or an employment related activity. It is recognised that by gaining employment, the likelihood of re-offending reduces by between one third and one half, thereby confirming our contribution to Scottish Government strategy and a safer society.

In short we encourage service users to **AIM HIGHER, BEHAVE DIFFERENTLY AND CHANGE THEIR FUTURE**. This message has been designed to neatly encapsulate the breadth of the services we offer to a variety of service user groups.

We have increasingly seen a need for Apex to contribute to pre-employment activity and support where, at times, the outcome may not in itself be employment but may be the gaining of skills that will enable individuals to consider a future involving employment. Apex has significant skills and expertise in this area and has sought to position itself as a partner of choice in this regard. This includes our work with school age and post school clients. This does not diminish the work we undertake which is more directly employment related.

Equally, our aim is to be a leading not for profit organisation working with people of all ages and backgrounds who are the most disadvantaged and disengaged from society, and who are at risk of (re)offending, in a way which promotes desistance and enables them to re-engage and work towards a positive future.

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Trustees Report (continued) for the year ended 31 March 2022

Objectives and Activities (continued)

We aim to achieve that vision through the following approaches:

- Developing early intervention services designed to reduce the likelihood of people gaining convictions.
- Developing desistance based services which reduce the likelihood of re-offending.
- Developing social enterprises designed to be self sustaining models which create opportunities for employment and other meaningful activity and social re-integration.
- Undertaking influence based activities designed to promote social, economic and political change in accordance with our vision.
- Creating and nurturing strategic partnerships which allow more effective or efficient use of resources and opportunity to achieve our purpose.

The organisation looks to achieve its strategic aims and carry out its operational objectives through partnerships with a variety of statutory and non-statutory partners. This is done particularly with Local Authorities, Community Planning Partnerships, Scottish Government, Schools, Skills Development Scotland, Jobcentre Plus, Department for Work and Pensions, Community Justice Scotland, Alcohol and Drug Partnerships, independent funders and a range of voluntary sector partners. Evidence of the success of our work is varied and dependent upon the needs of funders, but is enhanced through utilisation of our A Positive Future assessment tool which can evidence the progression of each of our service users across a range of factors. Apex recognises the importance of evidencing the success of what we do and providing clarity of work undertaken to our funders. The nature of that evidence is further explained in Achievements and Performance below but is an area where we have a belief that we can evidence real progression for our service users. This is underpinned by our continued investment in our ASSET database which enables us to record greater amounts of data and produce a broader range of informative reports which will be of significant use to us, our funders and to wider stakeholders.

As well as an incredibly talented and committed workforce, Volunteers are playing a prominent role in our activities alongside a continuing and significant involvement in the Community Jobs Scotland initiative funded by the Scottish Government and the emergence of the Kickstart scheme funded by the UK Government. Sadly, the former has been discontinued as a stand alone initiative but we are hopeful of its positive impact continuing through the No One Left Behind Strategy promoted by the Scottish Government. In both areas we believe that we provide support and training for those individuals working with us and in return we receive highly motivated and increasingly skilful individuals who enable us to enhance our service delivery. We anticipate that the use of volunteers will continue to grow in the coming months and years.

Achievements and Performance

The main area of the organisation's work continues to be the provision of employability focused personal development training to people with convictions and those at risk.

Employability Training can take many forms and is delivered on behalf of a diverse range of funders. It can be delivered on our own premises, on an outreach basis or remotely; on a 1:1 or groupwork basis; delivered solely by Apex or in partnership with other agencies; within prison or in the community.

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Trustees Report (continued) for the year ended 31 March 2022

Achievements and Performance (continued)

Performance is often measured by considering the numbers of service users who progress into the hard outcomes of employment, voluntary work, further training, further education or accessing the intermediate labour market. Pleasingly, greater importance has been placed upon the achievement of “soft skills” including reliability, self esteem, team working, conflict resolution, rehabilitation period calculation, letters of disclosure, etc. In the current economic climate and with a more overt involvement of the UK Government in employability matters via the Shared Prosperity Fund we remain cautious as to whether the importance of “soft skill” attainment will continue to be seen as a crucial progression along the employability pipeline. This has particularly been the case with our European funded STEPS service whereby we generally work with people at Stages 1 or 2 of the employability pipeline with the primary progression being to Stage 3 of the pipeline with another provider.

Apex is well placed to evidence the improvement in those soft skills through the use of our *A Positive Future* assessment tool which considers the areas of critical importance in an individual’s life. At the commencement of their time with us the service user and staff member will assess the barriers to be overcome which will inform the personal action plan. This is then periodically reviewed and progress can be measured against those areas. This is underpinned by the utilisation of our ASSET information management portal. This portal evidences the work undertaken with each client. This enables us to have up to date, comprehensive information on the work we are carrying out both for our own purposes and for those of our funders. In our schools-based work we utilise the SHANARRI Well Being indicators, evidencing that the young person has the opportunity to be Safe; Healthy; Achieving; Nurtured; Active; Responsible; Respected and Included. This is graphically evidenced through use of the Well Being Web.

Apex provided services in, or worked with, 16 Local Authorities. In the main this is in the form of an Employability service but also includes, in certain areas, involvement in the provision of the Community Payback Order. Scottish Government funding to tackle the backlog in the delivery of Community Payback Orders enabled us to assist a number of Local Authorities in the provision of this statutory order. We are hopeful that the success of our work in this area will lead to further opportunities for us to increase our provision in this area of work as it is recognised that the impact of the pandemic on the delivery of non custodial Court Orders will be long lasting. By and large engagement with Apex is voluntary and it is testament to the work of our staff that service users continue to choose to engage with our services when there is no compulsion to do so.

A positive impact of the pandemic was that it forced us to look at different ways of working. During the year we further developed our online training portal which can be accessed by staff and service users, after its introduction last year. This has proven to be a great success and will form a key element of how we take the organisation forward. This approach was supported initially, in part, by the Scottish Government through the Wellbeing Fund which was introduced to aid organisations dealing with the impact of Covid-19.

We also made a move away from our historic intranet system to a more modern and better supported facility through the introduction of Microsoft Sharepoint. Initially this is being implemented as an improved data storage and access facility but we are intent on making greater use of this tool to enable us to work in a more “joined up” and effective manner. We are now also looking at Cyber Assurance Accreditation to better protect ourselves and to give greater comfort to funders and partners.

Work continues on our Communications Strategy which we believe will impact on how we communicate both internally and externally and bring greater benefit to the organisation.

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Trustees Report (continued) for the year ended 31 March 2022

Achievements and Performance (continued)

A significant element of our delivery continued through our European Funded STEPS service, delivered as part of the National Third Sector Consortium. This has enabled us to maintain a significant presence and service in 10 of the Local Authority areas in which we operate. Primarily this service is for individuals who are assessed as being at Stage 1 or Stage 2 of the Employability Pipeline. Our work is therefore to enable those individuals to be able to progress onto further stages of the Employability Pipeline in a more sustainable manner than may have otherwise been the case. This service is of particular significance, or should be, to Local Authorities who, through our ability to bring in supplementary funding, benefit from an increased resource and support mechanism for many of their most disadvantaged individuals. As a result of Brexit this funding will end at the end of December 2022 and we are constantly assessing the impact of that alongside the introduction of the Shared Prosperity Fund as a potential successor funding source.

We continued our delivery in a relatively small but growing number of schools part funded by the Scottish Government's Children and Young People's Early Intervention Fund, managed by the Corra Foundation and the schools themselves, along with support from Robertson Trust for one particular school. Whilst still not as significant as we would have hoped for in terms of the number of schools worked with, we continue to make headway in developing a track record of delivery which is flexible, responsive to the needs of the schools and reflective of emerging thinking, particularly around the impact of adverse childhood experiences.

Developing our understanding of adverse experiences, as mentioned above, strongly informed our application to the Robertson Trust for Partners in Change Funding. Our success in that application means that we will spend the next 3 years learning about the impact of traumatic events on services users, and staff, and how we can adapt our services to better deal with the impact of those traumatic events. A dedicated development manager has been appointed and an advisory group has been established. We are working closely with the Resilience Learning Partnership, Dundee University and an accredited Adult Psychotherapist in our efforts to better understand the issues in this complex area for the longer term benefit of our service users and staff.

Apex continued to provide a number of one off services to Local Authorities and other funders, evidencing our ability to develop services reflective of local need.

Apex continued, in the past 12 months, to utilise the opportunities offered through the Individual Training Account scheme administered by Skills Development Scotland on behalf of the Scottish Government. Primarily services were focused around the gaining of the CSCS card which enables individuals to gain employment on building sites as well as Portable Appliance Testing. Apex is accredited by Skills Development Scotland, the Scottish Qualifications Authority and the Construction Industry Training Board to deliver a range of courses to individuals. This has proven to be hugely popular with our service users and with existing funders. For service users, they can gain independent, industry recognised, qualifications which can only aid and enhance their job search. For existing funders this provision is seen as providing real added value to their core funding. We remain keen to develop our range of ITA courses in the future, whilst being aware of the possibility of others attempting to deliver this kind of service. Our performance in this area of work, given the sporadic impact of the pandemic was very pleasing and praise must be given to our staff who have been involved in all aspects of our ITA delivery.

Apex had previously also taken the strategic decision to develop its own social enterprise, All Cleaned Up, as the first step towards attempting to reduce our reliance on grant or public sector funding. Greater detail will be provided on All Cleaned Up later in this report.

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Trustees Report (continued) for the year ended 31 March 2022

Achievements and Performance (continued)

We also continued to contribute to the discussions around the development of alternative funding models, whether that be PSP's, Social Investment or other methods. Whilst progress has been slow on this front we remain confident that this approach will provide some real success for us in the future and once again shows our commitment to reducing our reliance on more traditional forms of funding as we seek to source a more sustainable future. This allied with our policy influencing role shows the important role Apex has to play in developing a fairer Scotland.

Apex also continued to be a member of the Community Jobs Scotland initiative created by the Scottish Government. We have benefitted from the enthusiasm and skills of the young people we have employed through this initiative and feedback from them suggests that they have gained significant work experience and training from their time with Apex. We also put ourselves forward as an agency that could engage with the UK Government Kickstart scheme and began to see the growth of that initiative over the year.

2021-22 saw the continuing development of the wholly owned subsidiary of Apex, All Cleaned Up. This has been set up as a social enterprise with a dual aim, being to generate profits which can be gifted to the charity in order to allow us to further our charitable objectives and have less reliance upon grant funding, and also to create employment opportunities for our client group. That latter point has been achieved as a very significant number of the employees of ACU, past and present, have been typical of the client group that Apex has worked with over the years.

All Cleaned Up was set up to deliver close cleaning and waste removal services to a commercial market and, hopefully, to public bodies. All Cleaned Up recorded a profit in the sum of £12,440 during 2021-22. This is a hugely positive result but also serves as a reminder of the extremely competitive market within which All Cleaned Up operates and every effort is being made to strengthen the organisation to enable it to be a success in future years. Changes and improvements continue to be made in an effort to ensure the organisation has a positive future and 2021-22 saw a significant growth in the number of contracts and numbers of staff employed – with a large number being service users. As mentioned elsewhere in this report, we have attempted to better integrate the work of Apex and All Cleaned Up as we believe that initiatives such as the Shared Prosperity Fund may focus more overtly on hard outcome achievement. Our approach to All Cleaned Up and the support we offer has been sharpened and increased in a business sense, but also maintaining the original ethos of supporting our client group into real work. We are hopeful of these changes and developments leading to continuing profitability.

All Cleaned Up continued to contribute to the Secret Jobs initiative of City of Edinburgh Council and they are to be thanked for their faith in this initiative. Staff at All Cleaned Up are to be thanked for their commitment and enthusiasm to developing and stabilising this entity.

Aside from the challenges of achieving a profitable entity, which is closer to being achieved on an ongoing basis now more than at any time since its creation, All Cleaned Up faces a similar problem to that of many smaller entities being the speed of payment from its customers. At times this can lead to cashflow pressures which are the result of that timing difference. Greater effort is being put into reducing the period of time within which debtors pay for services received. This is evidenced by an improved cash position which forms part of a revised cashflow and projected profit and loss for the coming 12 months. Allowing for all known factors and including challenging yet realistic targets means that we remain of the view that All Cleaned Up can be viewed as a going concern.

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Trustees Report (continued) for the year ended 31 March 2022

Achievements and Performance (continued)

Looking forward to 2022-23 we are hopeful that the changes we have made both in terms of support and focus enables the name and growing good reputation of All Cleaned Up to produce a continuing profitable return. Social Investment Scotland and the Big Invest are both to be thanked for their continued support of this enterprise.

It is important to note that this enterprise has been set up as a separate legal entity to ensure no potential liability passes to Apex Scotland.

Financial Review

Apex has been forced to continue to work within an environment of reduced or static funding, no inflationary uplift, increased competition and the retention of fixed costs. All of these factors, allied with the disappointing norm of short term funding from the majority of our funders and less than full cost recovery, have contributed to a financial position in recent years where use of our reserves has been necessary in order to enable us to deliver our charitable objectives.

The last two financial years have, in so many ways, been extraordinary for all organisations and individuals. We have faced challenges in terms of continuing to provide an effective service in order to justify the funding we received from our funding partners; challenges in terms of ensuring the safety of our staff and service users as well as ensuring adequate communication with staff in order to assure them as well as to motivate them. Whilst we had an opportunity to benefit from a partial year of an improved ESF funding formula, before it was then reduced, we also benefitted from a significant reduction in specific costs and the retention of specific elements of our income to a much greater, and more positive, extent than we had anticipated. The combination of all of these factors has brought about a financial out-turn which we believe is unlikely to be repeated in future years and enables us to report a surplus of £233,669. It should be noted that the regulations around the Statement of Recommended Practice, which determines the recording and recognition of income and expenditure differs from that employed in Management Accounts, which shows a lesser surplus, however we cannot deny that this past year, financially, will enable us to better protect the organisation going forward.

Importantly we have continued to support a significant number of people through the most challenging time in their lives and have shown a continuing ability to participate in and manage a sizeable European contract. As mentioned elsewhere we were successful with our application to continue this service for the period July to December 2022 when it will end. We continue to contribute to planning for the Shared Prosperity Fund as the successor programmes but remain very aware as to the potential negative impact this may have on our finances and operations in the future. Much of this is difficult to quantify at this stage but we will remain vigilant in our approach. Equally, we remain acutely aware of the volatility and vulnerabilities of annual funding faced by so many in our sector.

It should be noted that the consolidated accounts of Apex Scotland and our trading subsidiary, social enterprise, All Cleaned Up, show a surplus for the year in the sum of £246,108 after taking consolidation adjustments into account. As ever, Apex is not funded in a manner which will cover redundancy costs or lease commitments and, as such, severance and dilapidation payments can impact upon the performance evidenced in any financial year. This highlights the need for relatively significant reserves being held, or aspired to. More will be mentioned on reserves shortly but Apex is confident that it can meet all responsibilities and contractual obligations to staff.

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Trustees Report (continued) for the year ended 31 March 2022

Financial review (continued)

Overall income for the charity reduced by 1.32%, or £40,877 when compared to 2020-21. As can be seen from the detailed Income and Expenditure Account Covid-19 awards fell by £162,642 from 2020-21 to 2021-22 and it can therefore be said that our underlying income actually grew by £121,765 in the year. Despite the positive figures of this past year we still face the same challenges of certain services being underfunded and for a sixteenth year, we received no inflationary uplift on any of our funding from the majority of our funders. We believe this to be an impressive performance but are acutely aware of the challenges that lie ahead. Some have been mentioned elsewhere in this report but we must also add the sharp rise in inflation which has occurred and is expected to increase further. Much of that performance is related to the funding model for our European funded STEPS service, despite a reduction in the funding intervention rate, along with the previously mentioned reduction in certain operating costs as a result of the pandemic. ITA involvement also contributed to this position. A tangible positive of the pandemic is that we witnessed a continuing higher level of donations to Apex, primarily for use within our Foodbanks, when compared to pre-pandemic years. We are indebted to the kindness of individuals and companies who trusted us to help those most in need and we have undertaken to ensure that these monies are used in a strategic manner and in a way which will ensure ongoing support for those individuals rather than a knee jerk, sticking plaster approach.

The reserves we have accumulated over previous years whilst prioritising high quality service delivery have allowed us to withstand significant financial pressures over recent years but the Trustees and Corporate Management have always recognised the need to ensure that Apex lives within its means by both bringing in new sources of funding and ensuring appropriate payment for services delivered. The steps mentioned elsewhere in this report give an indication of the steps being taken to ensure that is achieved.

Apex always attempts to provide services within agreed funding limits but the changing behaviour of some funders, or altered internal circumstances, may, on occasion, mean that this is not always possible. As such this may necessitate transfers between Unrestricted and Restricted funds. The fact that we are able to do this when required says much for Apex's ability to have built up reserves over a prolonged period of time and has been strengthened by the financial performance this year although we recognise that the years to come may be very different.

Reserves Policy

The Board of Trustees has examined the charity's requirements for reserves in light of the main risks to the organisation. It has established a policy, to date, that all unrestricted funds be held in a general unspecified fund for the benefit of the organisation. This allows us to utilise the funds effectively in ever changing conditions whilst not sending out confusing messages to funders and supporters alike. It is also reflective of the fact that as a labour intensive organisation, significant funds require to be retained to fund ongoing operations. The positive performance in 2021-22 does not negate the relevance of this approach. Funding pressures are expected to continue and Apex has to be aware of the potential need to access such unrestricted funds to conduct an orderly wind down of services should restricted funds be limited, or withdrawn. Whilst we remain confident as to the ability of Apex to cope with the economic uncertainty there must be recognition of the costs which would be associated with any wind down of the organisation. The contingency for costs which may be required to conduct such an exercise amounts to approximately £355,000 for redundancy costs alone should we have to wind up the organisation.

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Trustees Report (continued) for the year ended 31 March 2022

Reserves Policy (continued)

At the end of 2021-22 Apex holds £1,304,306 in reserves made up of £368,675 in restricted funds and £935,631 of unrestricted funds. This level of unrestricted reserves equates to 15 weeks of anticipated expenditure for 2022-23. This exceeds our stated intention of 14 weeks of expenditure being covered by unrestricted reserves, although it should be noted that they are not free reserves as much of that would be required to cover redundancies as stated above with further sums required to cater for reactive or proactive expenditure on areas such as IT replacement; maintenance of current premises; dilapidation costs upon the exit from premises; provision to cater for static funding and for strategic investments. Corporate Management and the Board, via the Finance and Audit Committee, continue to work on more clearly identifying the sums which should be designated to meet those potential costs in order to enable funders to better understand our true financial position but it is clear that genuinely free reserves will not be of great significance.

Investment Policy

Surplus funds, generally held in the form of cash, are invested in a variety of higher interest accounts in an effort to produce the best returns for the organisation with minimal risk. This policy is reviewed on an annual basis to determine its suitability to the organisation and its requirements and, whilst the return on such investments is low given the prevailing interest rate, it is felt that this approach remains the most appropriate for the organisation at this time. With recent rises in interest rates, and with more expected to occur, we expect to see a greater return on those funds in the coming months.

Miscellaneous Matters

Apex recognises its contribution to the aim of a fairer Scotland, in the widest sense and as such has continued to work to ensure that we are compliant with the General Data Protection Regulations which came into effect in early 2018-19. This has resulted in work being undertaken in relation to the information we hold on staff, service users and other legitimately interested parties. Similarly we have registered as a Lobbying organisation as part of the Lobbying Act which came into effect towards the end of financial year 2017-18. Whilst we are not required to do so, we have examined our salary structure to determine any potential gender pay gap. Apex pays the living wage as a minimum and is very clear that all posts are remunerated at the same level regardless of gender. At present, in overall terms, we are reporting a gender pay gap in favour of male employees. However, it should be noted that is entirely reflective of the fact that during 2021-22 3 of the 4 members of Corporate Management were male. Should the position be reversed then we would see an equal gender pay gap in favour of female employees.

Impact of Covid-19 and Plans for Future Periods

As with all areas of society Apex has been severely impacted by the Covid-19 global pandemic. Whilst much has been said about the impact of the pandemic elsewhere in this report it is felt that its significance merits consideration in this report.

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Trustees Report (continued) for the year ended 31 March 2022

Impact of Covid-19 and Plans for Future Periods (continued)

Significant work was undertaken by the Corporate Management Team and Human Resources Officer to inform the response from the organisation. We ensured that the vast majority of our income for the financial year 2021-22 would remain as anticipated. This enabled us to continue providing services, albeit in a variable manner, around the country. Due to the impact of partial and sporadic lockdowns and the state of the economy, much of our work was a mix of face to face, telephone, email, online and zoom support to service users. The nature of that support also returned more overtly to having the focus of improving the employment prospects of individuals through improving their employability skills. We found that we had to continue to engage in lower level mental health support to service users and informed our Partners in Change funding application. This action, whilst necessary for the wellbeing of the individual still fitted with our aim of providing personal development support to those in need.

Pleasingly towards the end of the year as restrictions began to lift and at various points throughout the year we still managed to assist a number of our service users into work. This is testament to the commitment, professionalism and caring nature of our staff.

The one area where we saw a negative impact was in our offerings to Department of Work and Pensions. The approach by DWP and Jobcentre Plus in response to the pandemic resulted in a reduction in referrals and a limited opportunity to utilise their premises. We are hopeful of this improving over the coming months.

The charity does not intend to dramatically alter the nature of its offering, however it is anticipated that ongoing change will be necessary to allow Apex to continue operating in a financially viable manner. This is a necessity given the impact of public sector funding pressures being encountered. The aim is for Apex to maintain its profile, presence and quality of service delivery throughout what is undoubtedly a challenging time.

Development of new areas of work will continue to be given a high priority in the coming months, where it is appropriate for Apex to be involved. This may include services in new geographic areas as well as an attempt to increase our range of provision in existing areas. It is also opportune for us to revisit the ongoing model of delivery and, particularly, the need for premises as a base for delivery. We are finding that more and more of our delivery is on an outreach and one to one basis. We have also found that since the emergence of Covid-19 we can deliver services in a different manner.

Particular areas of work being pursued include, as mentioned elsewhere:

- Continued development of our integrated approach to Apex and All Cleaned in an effort to provide a more comprehensive offering to funders and services users.
- Continued development of our trauma informed work to inform future service delivery and products.
- Development of our research and evidence base to aid the communication of the worth of the work we undertake.
- Undertaking influence based activities designed to promote social, economic and political change in accordance with our vision.
- Creating and nurturing strategic partnerships which allow more effective or efficient use of resources and opportunity to achieve our purpose.
- Exploration of alternative funding models.
- Continued development of our ITA provision.
- Increased involvement in the Scottish Government and UK Government Employability Programmes where appropriate.

APEX SCOTLAND

Trustees Report (continued) for the year ended 31 March 2022

Responsibilities of the Board of Trustees

The Trustees (who are also directors of Apex Scotland for the purposes of company law) 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).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is aware; and
- the Trustees 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.

Approval

At the time of approving this report, the Trustees are aware of no relevant audit information of which the company's auditors are unaware and have taken all steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Trustees on 20 September 2022 and signed on their behalf by:



A Landels
Chair of Trustees

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF APEX SCOTLAND

Opinion

We have audited the financial statements of Apex Scotland ("the parent charitable company") and its subsidiary ("the group") for the year ended 31 March 2022 which comprise the group and parent charitable company Statement of Financial Activities, the group and parent charitable company Balance Sheet, the group and parent charitable company Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their presentation 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 group's and parent charitable company's affairs as at 31 March 2022 and of the group's and parent charitable company's incoming resources and application of resources, including the group's and parent charitable company's income and expenditure for the year 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 regulations 6 and 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 group and parent 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent 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 trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF APEX SCOTLAND (CONTINUED)

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, incorporating the directors' report 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 the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF APEX SCOTLAND (CONTINUED)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent 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 trustees either intend to liquidate the group or the parent 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 identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures to respond to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we consider the following:

- the nature of the industry, control environment and business performance of the group and the parent charitable company
- the results of our enquiries with management and trustees about their own identification and assessment of the risks of irregularities
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we consider the opportunities and incentives that may exist within the group and parent charitable company for fraud. In common with all audits under ISAs (UK), we perform specific procedures to respond to the risk of management override and inappropriate income recognition. We also obtain an understanding of the legal and regulatory environment in which the group and parent charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements and those which may be fundamental to the group and parent charitable company's ability to operate. The key laws and regulations we considered in this context included the Companies Act 2006, the Statement of Recommended Practice: Accounting for Charities FRS 102 (2019), the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF APEX SCOTLAND (CONTINUED)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of the report

This report is made solely to the group's and parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the group's and parent charitable company's trustees, as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the group's and parent charitable company's members and its trustees 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 its trustees as a body for our audit work, for this report, or for the opinions we have formed.

Paul Marshall

Paul Marshall (Senior Statutory Auditor)
For and on behalf of Geoghegans, Statutory Auditor

20 September 2022

6 St Colme Street
Edinburgh
EH3 6AD

Geoghegans is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

APEX SCOTLAND

Consolidated statement of financial activities (Incorporating Income and Expenditure Account) for the year ended 31 March 2022

	Note	Year ended 31 March 2022			Year ended 31 March 2021		
		Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:							
Donations and legacies	2	411,569	55,341	466,910	416,392	105,023	521,415
COVID-19 awards	3	14,395	-	14,395	180,820	39,084	219,904
Income from investments	4	182	-	182	236	-	236
Other trading activities	5	471,745	-	471,745	380,143	-	380,143
Charitable activities	6	<u>1,912,965</u>	<u>820,630</u>	<u>2,733,595</u>	<u>1,791,536</u>	<u>717,449</u>	<u>2,508,985</u>
Total income		<u>2,810,856</u>	<u>875,971</u>	<u>3,686,827</u>	<u>2,769,127</u>	<u>861,556</u>	<u>3,630,683</u>
Expenditure on:							
Raising funds	7	612,322	-	612,322	540,321	-	540,321
Charitable activities	8	<u>2,053,763</u>	<u>774,634</u>	<u>2,828,397</u>	<u>2,010,827</u>	<u>617,004</u>	<u>2,627,831</u>
Total expenditure		<u>2,666,085</u>	<u>774,634</u>	<u>3,440,719</u>	<u>2,551,148</u>	<u>617,004</u>	<u>3,168,152</u>
Net income		144,771	101,337	246,108	217,979	244,552	462,531
Transfers							
Transfers between funds		<u>(9,492)</u>	<u>9,492</u>	<u>-</u>	<u>85,741</u>	<u>(85,741)</u>	<u>-</u>
Net movements in funds	19	135,279	110,829	246,108	303,720	158,811	462,531
Reconciliation of funds							
Total funds brought forward	19	<u>655,862</u>	<u>257,846</u>	<u>913,708</u>	<u>352,142</u>	<u>99,035</u>	<u>451,177</u>
Total funds carried forward	19	<u>791,141</u>	<u>368,675</u>	<u>1,159,816</u>	<u>655,862</u>	<u>257,846</u>	<u>913,708</u>

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

All results in the current year relate to continuing activities.

APEX SCOTLAND

Company statement of financial activities (Incorporating Income and Expenditure Account) for the year ended 31 March 2022

	Note	Year ended 31 March 2022			Year ended 31 March 2021		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		£	£	£	£	£	£
Income from:							
Donations and legacies	2	411,569	55,341	466,910	416,392	105,023	521,415
COVID-19 awards	3	1,241	-	1,241	124,799	39,084	163,883
Income from investments	4	182	-	182	236	-	236
Other trading activities	5	21,757	-	21,757	3,390	-	3,390
Charitable activities	6	1,753,370	820,630	2,574,000	1,698,594	717,449	2,416,043
Total income		<u>2,188,119</u>	<u>875,971</u>	<u>3,064,090</u>	<u>2,243,411</u>	<u>861,556</u>	<u>3,104,967</u>
Expenditure on:							
Charitable activities	8	2,055,787	774,634	2,830,421	2,012,506	617,004	2,629,510
Total expenditure		<u>2,055,787</u>	<u>774,634</u>	<u>2,830,421</u>	<u>2,012,506</u>	<u>617,004</u>	<u>2,629,510</u>
Net income		132,332	101,337	233,669	230,905	244,552	475,457
Transfers							
Transfers between funds		(9,492)	9,492	-	85,741	(85,741)	-
Net movements in funds	19	122,840	110,829	233,669	316,646	158,811	475,457
Reconciliation of funds							
Total funds brought forward	19	812,791	257,846	1,070,637	496,145	99,035	595,180
Total funds carried forward	19	<u>935,631</u>	<u>368,675</u>	<u>1,304,306</u>	<u>812,791</u>	<u>257,846</u>	<u>1,070,637</u>

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

All income and expenditure is derived from continuing operations.

APEX SCOTLAND

**Consolidated balance sheet
at 31 March 2022**

	<i>Note</i>	2022		2021	
		£	£	£	£
Fixed assets					
Intangible assets	12	-	-	-	-
Tangible assets	13		<u>30,731</u>		<u>35,924</u>
			30,731		35,924
Current assets					
Stock	15	7,192		14,293	
Debtors and prepayments	16	372,822		241,897	
Cash at bank and in hand		<u>1,226,142</u>		<u>1,083,710</u>	
		1,606,156		1,339,900	
Creditors: amounts falling due within one year	17	<u>(427,696)</u>		<u>(451,136)</u>	
Net current assets			<u>1,178,460</u>		<u>888,764</u>
Total assets less current liabilities			1,209,191		924,688
Creditors: amounts falling due after more than one year	18		<u>(49,375)</u>		<u>(10,980)</u>
Net assets			<u>1,159,816</u>		<u>913,708</u>
Funds					
Unrestricted	19,20		791,141		655,862
Restricted	19,20		<u>368,675</u>		<u>257,846</u>
			<u>1,159,816</u>		<u>913,708</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved and authorised for issue by the trustees on 20 September 2022 and are signed on their behalf by:



A Landels
Trustee

APEX SCOTLAND
Company balance sheet
at 31 March 2022

	Note	2022		2021	
		£	£	£	£
Fixed assets					
Intangible fixed assets	12		-		-
Tangible fixed assets	13		12,299		7,064
Investments	14		<u>1</u>		<u>1</u>
			12,300		7,065
Current assets					
Stock	15	7,192		14,293	
Debtors and prepayments	16	394,672		257,091	
Cash at bank and in hand		<u>1,134,410</u>		<u>1,062,867</u>	
		1,536,274		1,334,251	
Creditors: amounts falling due within one year	17	<u>(244,268)</u>		<u>(270,679)</u>	
Net current assets			<u>1,292,006</u>		<u>1,063,572</u>
Net assets			<u>1,304,306</u>		<u>1,070,637</u>
Funds					
Unrestricted	19,20		935,631		812,791
Restricted	19,20		<u>368,675</u>		<u>257,846</u>
			<u>1,304,306</u>		<u>1,070,637</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved and authorised for issue by the trustees on 20 September 2022:



A Landels
Trustee

Company Registration Number: SC126427

APEX SCOTLAND
Consolidated statement of cash flows
for the year ended 31 March 2022

	Note	Group 2022 £	Group 2021 £
Cash flows from operating activities			
Net income for the year (as per the SOFA)		246,108	462,531
Adjustments for:			
Income from investments		(182)	(236)
Depreciation and amortisation charges		14,193	13,427
Gain on disposal of fixed assets		(8,000)	-
Decrease/(increase) in stock		7,101	(2,922)
(Increase)/decrease in debtors		(130,925)	198,407
Increase in creditors		25,030	101,104
		<u>153,325</u>	<u>772,311</u>
Net cash flow provided by operating activities			
Cash flows from investing activities			
Interest received		182	236
Payments to acquire fixed assets		(9,000)	(19,583)
Receipts from disposal of fixed assets		8,000	-
		<u>(818)</u>	<u>(19,347)</u>
Net cash (used in) investing activities			
Cash flows from financing activities			
Loan repayments	22	<u>(10,075)</u>	<u>(5,416)</u>
		<u>(10,075)</u>	<u>(5,416)</u>
Net cash (used in) financing activities			
Change in cash and cash equivalents in the year	22	142,432	747,548
Cash and cash equivalents at beginning of year	22	<u>1,083,710</u>	<u>336,162</u>
Cash and cash equivalents at end of year	22	<u><u>1,226,142</u></u>	<u><u>1,083,710</u></u>

APEX SCOTLAND**Company statement of cash flows
for the year ended 31 March 2022**

	Note	2022 £	2021 £
Cash flows from operating activities			
Net income for the year (as per the SOFA)		233,669	475,457
Adjustments for:			
Income from investments		(182)	(236)
Depreciation and amortisation charges		3,765	5,700
Gain on disposal of fixed assets		(8,000)	-
Decrease/(increase) in stock		7,101	(2,922)
(Increase)/decrease in debtors		(137,581)	228,019
(Decrease)/increase in creditors		(26,411)	38,831
		<u>72,361</u>	<u>744,849</u>
Net cash flow provided by operating activities			
Cash flows from investing activities			
Interest received		182	236
Payments to acquire fixed assets		(9,000)	(5,188)
Receipts from disposal of fixed assets		8,000	-
		<u>(818)</u>	<u>(4,952)</u>
Net cash (used in) investing activities			
Change in cash and cash equivalents in the year	22	71,543	739,897
Cash and cash equivalents at beginning of year	22	<u>1,062,867</u>	<u>322,970</u>
Cash and cash equivalents at end of year	22	<u>1,134,410</u>	<u>1,062,867</u>

APEX SCOTLAND

Notes to the financial statements for the year ended 31 March 2022

1 Accounting policies

A summary of principal accounting policies, all of which have been applied consistently throughout the year and the preceding year is set out below.

(a) Basis of preparation

Apex Scotland is a charitable company limited by guarantee, incorporated in Scotland. The address of the registered office is given on page 1 of these financial statements.

The financial statements are prepared on a going concern basis under the historical cost convention with items recognised at cost or transaction values unless otherwise stated in the relevant notes to the financial statements. The financial statements are presented in Sterling which is the functional currency of the charitable company and rounded to the nearest £.

The charitable company constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and UK Generally Accepted Accounting Practice.

Going concern

The financial statements are prepared on a going concern basis. Trustees have considered the impact of the COVID-19 pandemic on the financial position and future performance of the group. They regularly monitor the funding streams and evaluate the projected expenditure and the free reserves which are available and have concluded that there is a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

(b) Group financial statements

These financial statements consolidate on a line by line basis the results of the charitable company and the results of its wholly owned subsidiary, All Cleaned Up (Scotland) Limited. The subsidiary was incorporated on 24 October 2011 and commenced trading on 1 April 2012.

(c) Income

Income is recognised when the charitable company has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations and legacies income is received by way of grants where entitlement is not conditional on the delivery of a specific performance by the charitable company, and is included in the statement of financial activities in the period in which they are receivable, which is when the charitable company becomes entitled to that resource.

APEX SCOTLAND

Notes to the financial statements for the year ended 31 March 2022

1 Accounting policies (continued)

(c) Income (continued)

Income from charitable activities include grants where these are related to performance and specific deliverables, and also includes contract and other income. Grants are included in the statement of financial activities when the charitable company is entitled to those funds, any performance conditions have been met, it is probable the income will be received and the amount can be measured reliably. Any grant income which may be repayable to the donor is treated as a creditor and is included in 'Other Creditors'. Where the donor has stipulated application of the money in a future year or where amounts have been received in advance for services not yet provided this is included in Deferred Income.

Any income by way of a grant awarded but not yet received is included in debtors as 'Grant income receivable' provided all conditions for entitlement have been met.

Capital grants are credited to the statement of financial activities when the charitable company receives or becomes entitled to that money.

Donations in kind are not recognised in the financial statements unless material.

Contract and other similar income based on the provision of services, is included in the statement of financial activities when earned. Any contract income which may be repayable to the contractor is treated as a creditor and is included in 'Other Creditors'. Amounts received in advance for services not yet provided are treated as deferred income.

(d) Expenditure

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

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned based on the management charge that is charged from Head Office. The allocation of overhead and support costs is analysed in note 8.

Expenditure on raising funds includes costs associated with generating income for the charitable company through the trading subsidiary. Expenditure on charitable activities includes cash costs incurred in supporting the charitable company and its objectives.

Charitable expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them and an allocation of governance costs.

Support costs are allocated between governance costs and other support costs. Governance costs comprise these costs involving the public accountability of the charitable company and its compliance with regulations and good practice. They therefore include the costs of statutory audit and costs related to the strategic management of the charitable company. Other support costs relate to the administrative costs of running the charitable company.

APEX SCOTLAND

Notes to the financial statements (continued) for the year ended 31 March 2022

1 Accounting policies (continued)

(e) **Intangible fixed assets**

Intangible fixed assets are included in the accounts at cost. Amortisation is provided on all intangible fixed assets at rates calculated to write off the cost by equal instalments over the useful economic life as follows:

Management information system - over 5 years

(f) **Tangible fixed assets and depreciation**

Tangible fixed assets are included in the accounts at cost. Those tangible fixed assets costing below £1,000 are not capitalised. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost by equal instalments over the useful economic life, as follows:

Fixtures and fittings - over 5 years

Tenant's improvements - over 5 years

Training and IT equipment - over 4 years

Motor vehicles - over 4 years

(g) **Food bank stock**

Stock of donated food is weighed at the year-end and valued based on an agreed value per kilo of £1.75 used by The Trussell Trust for foodbank monitoring. Disbursed foodbank stock during the financial year is assessed and is not recognised in the financial statements unless material. Stock of donated hygiene items is not recognised in the financial statements unless material.

(h) **Debtors**

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

(i) **Cash at bank and in hand**

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

(j) **Creditors and provisions**

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

(k) **Funds received as Agent**

Monies received in acting as agents where the charitable company has no responsibility for the ultimate application of the funds, are not recognised in the statement of financial activities.

(l) **Training allowances**

Amounts received from funders to distribute on their behalf for training allowances are recognised on a receivable basis net of expenditure as these are not considered to be monies within the charitable company's control.

APEX SCOTLAND

Notes to the financial statements (continued) for the year ended 31 March 2022

1 Accounting policies (continued)

(m) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company. Monies earned from contracts for services are treated as unrestricted funds.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by funders. Disclosure is made of separate restricted fund balances at the year-end where these exceed £10,000.

Transfers between restricted funds and unrestricted funds are made where appropriate to account for expenditure previously met from unrestricted funds at the year end. Where other transfers are required the reasons are noted in the appropriate funds note.

(n) Taxation

No provision has been made for income tax. The charitable company is recognised by HM Revenue & Customs as a charity for the purpose of the Corporation Tax Act 2010 part II and is exempt from income and corporation tax on its charitable activities.

(o) Pensions

The charitable company operates a defined contribution pension scheme. The amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting year.

(p) Redundancy payments

Compensation for loss of employment due to redundancy is based on the current statutory entitlement, however the payment will be calculated using the employee's actual salary and is not subject to the earnings ceiling.

Employees with less than two years' service are not entitled to statutory redundancy pay, they will however receive an ex-gratia payment of two weeks salary.

(q) Operating leases and hire purchase contracts

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

Assets obtained under hire purchase contracts are recorded in the balance sheet as tangible fixed assets and are depreciated with the policy on depreciation. Future instalments, net of finance charges are included within creditors. Rentals payable are apportioned between the finance element and the capital element. The finance element is charged to the Statement of Financial Activities evenly over the period of each contract at the rate applicable at the date of the commencement of the contract. The capital element reduces the outstanding obligation for future instalments.

APEX SCOTLAND

**Notes to the financial statements (continued)
for the year ended 31 March 2022**

2 Donations and legacies

	Group and Company 2022 £	Group and Company 2021 £
Scottish Government Donations	412,429 <u>54,481</u>	414,429 <u>106,986</u>
	<u>466,910</u>	<u>521,415</u>

3 COVID -19 awards

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
CJRS claims	14,395	1,241	106,524	50,503
Scottish Government	<u>-</u>	<u>-</u>	<u>113,380</u>	<u>113,380</u>
	<u>14,395</u>	<u>1,241</u>	<u>219,904</u>	<u>163,883</u>

4 Income from investments

	Group and Company 2022 £	Group and Company 2021 £
Bank interest	<u>182</u>	<u>236</u>

5 Other trading activities

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Training and consultancy	15,117	15,117	550	550
Other income	6,640	6,640	2,840	2,840
Turnover – All Cleaned Up	<u>449,988</u>	<u>-</u>	<u>376,753</u>	<u>-</u>
	<u>471,745</u>	<u>21,757</u>	<u>380,143</u>	<u>3,390</u>

APEX SCOTLAND

Notes to the financial statements (continued) for the year ended 31 March 2022

6 Income from charitable activities

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
<i>Grants</i>				
Scottish Government	80,000	80,000	80,000	80,000
Local Authorities	391,378	391,378	389,272	389,272
	<u>471,378</u>	<u>471,378</u>	<u>469,272</u>	<u>469,272</u>
<i>Contracts</i>				
Local Authorities & Community Justice Authorities	62,455	62,455	67,205	67,205
European Union	1,018,017	1,018,017	1,151,702	1,151,702
Job Centre Plus	34,326	34,326	14,625	14,625
Community Jobs Scotland	6,470	6,470	35,599	35,599
Skills Development Scotland	16,749	16,749	9,218	9,218
Alcohol and Drug Partnership	81,900	81,900	81,900	81,900
Scottish Prison Service	21,192	21,192	9,570	9,570
Partnership income	526,603	526,603	349,825	349,825
	<u>1,767,712</u>	<u>1,767,712</u>	<u>1,719,644</u>	<u>1,719,644</u>
<i>Other income</i>				
SDS ILA/ITA income	165,559	165,559	91,756	91,756
Partnership income	43,359	43,359	65,118	65,118
Robertson Trust	34,495	34,495	12,500	12,500
Hollywood Trust	81,022	81,022	54,976	54,976
Other income	170,070	10,475	95,719	2,777
	<u>494,505</u>	<u>334,910</u>	<u>320,069</u>	<u>227,127</u>
	<u><u>2,733,595</u></u>	<u><u>2,574,000</u></u>	<u><u>2,508,985</u></u>	<u><u>2,416,043</u></u>

7 Expenditure on raising funds

	Group 2022 £	Group 2021 £
Trading: All Cleaned Up – Cost of goods sold and other costs	<u>612,322</u>	<u>540,321</u>

APEX SCOTLAND

**Notes to the financial statements (continued)
for the year ended 31 March 2022**

8 Expenditure on charitable activities

	Employability		Group 2022 Total £	Company 2022 Total £	Group 2021 Total £	Company 2021 Total £
	Training Direct Costs £	Support Costs £				
2021/22						
Payments to/for Partners	9,592	-	9,592	9,592	(1,429)	(1,429)
Foodbank	36,302	-	36,302	36,302	41,965	41,965
Premises	139,657	48,969	188,626	194,025	191,616	197,015
Operating	55,998	63,413	119,411	119,411	81,885	81,885
Professional/Financial	33,379	38,473	71,852	71,852	91,212	91,212
Promotions/Publications	338	6,179	6,517	6,517	10,589	10,589
Trainee Costs	92,656	-	92,656	92,656	62,500	62,500
Travel Costs	69,726	16,436	86,162	86,162	66,921	66,921
Staff Costs	1,687,023	465,282	2,152,305	2,152,305	2,019,339	2,019,339
Governance costs (note 9)	64,974	-	64,974	61,599	63,233	59,513
	<u>2,189,645</u>	<u>638,752</u>	<u>2,828,397</u>	<u>2,830,421</u>	<u>2,627,831</u>	<u>2,629,510</u>

Support costs are pro-rata apportioned Management fee.

	Employability		Group 2021 Total £	Company 2021 Total £	Group 2020 Total £	Company 2020 Total £
	Training Direct Costs £	Support Costs £				
2020/21						
Payments to/for Partners	-	(1,429)	(1,429)	(1,429)	101,154	101,154
Foodbank	41,965	-	41,965	41,965	73,196	73,196
Premises	150,370	41,246	191,616	197,015	209,663	215,112
Operating	40,909	40,976	81,885	81,885	87,829	87,829
Professional/Financial	39,451	51,761	91,212	91,212	75,899	75,899
Promotions/Publications	4,851	5,738	10,589	10,589	11,558	11,558
Trainee Costs	62,211	289	62,500	62,500	60,076	60,076
Travel Costs	49,803	17,118	66,921	66,921	129,136	129,136
Staff Costs	1,578,889	440,450	2,019,339	2,019,339	1,896,636	1,896,636
Governance costs (note 9)	63,233	-	63,233	59,513	61,592	57,992
	<u>2,031,682</u>	<u>596,149</u>	<u>2,627,831</u>	<u>2,629,510</u>	<u>2,706,739</u>	<u>2,708,588</u>

APEX SCOTLAND

Notes to the financial statements (continued) for the year ended 31 March 2022

9 Governance costs

		Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
	Basis of allocation				
Management team costs	20% salary costs	48,909	48,909	47,351	47,351
Audit fees: Company	Direct	12,690	12,690	12,162	12,162
	Subsidiary	3,030	-	3,375	-
Other fees: Subsidiary		345	-	345	-
		<u>64,974</u>	<u>61,599</u>	<u>63,233</u>	<u>59,513</u>

10 Staff emoluments and numbers

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Gross wages and salaries	2,418,645	1,969,421	2,266,905	1,860,688
Employer's National Insurance	180,584	162,090	163,106	147,803
Pension contributions	64,938	57,268	60,814	54,019
	<u>2,664,167</u>	<u>2,188,779</u>	<u>2,490,825</u>	<u>2,062,510</u>
Recruitment and training	<u>12,435</u>	<u>12,435</u>	<u>4,180</u>	<u>4,180</u>
	<u>2,676,602</u>	<u>2,201,214</u>	<u>2,495,005</u>	<u>2,066,690</u>
	Group 2022 No	Company 2022 No	Group 2021 No	Company 2021 No
Average number of employees	<u>140</u>	<u>91</u>	<u>145</u>	<u>90</u>

Staff emoluments for the subsidiary company are included within cost of generating funds.

There was 1 employee (2021: 1) whose emoluments were between £60,000 - £70,000.

There were 2 employees (2021: 2) whose emoluments were between £70,000 - £80,000.

Total remuneration and benefits of the key management personnel of the charitable company were £264,756 (2021: £257,214) and also employer payments made to a defined contribution pension scheme for these personnel were £17,576 (2021: £17,619).

Included in gross wages and salaries is redundancy payments of £1,013 (2021: £793).

11 Taxation

No group liability to UK corporation tax arose from the ordinary activities of the trading subsidiary All Cleaned Up for the year to 31 March 2022.

APEX SCOTLAND

**Notes to the financial statements (continued)
for the year ended 31 March 2022**

12 Intangible fixed assets

Group and company	Management Information system £
Cost	
At beginning and end of year	<u>18,000</u>
Amortisation	
At beginning and end of year	<u>18,000</u>
Net book value	
At 31 March 2022	<u><u>-</u></u>
Net book value	
At 31 March 2021	<u><u>-</u></u>

13 Tangible fixed assets

Group	Tenant's improvements £	Training equipment £	Motor vehicles £	Total £
Cost				
At beginning of year	3,217	19,812	153,457	176,486
Additions	-	-	9,000	9,000
Disposals	-	(4,000)	(18,400)	(22,400)
	<u>3,217</u>	<u>15,812</u>	<u>144,057</u>	<u>163,086</u>
At end of year	<u>3,217</u>	<u>15,812</u>	<u>144,057</u>	<u>163,086</u>
Depreciation				
At beginning of year	1,983	13,982	124,597	140,562
Charge for year	643	1,998	11,552	14,193
Eliminated on disposal	-	(4,000)	(18,400)	(22,400)
	<u>2,626</u>	<u>11,980</u>	<u>117,749</u>	<u>132,355</u>
At end of year	<u>2,626</u>	<u>11,980</u>	<u>117,749</u>	<u>132,355</u>
Net book value				
At 31 March 2022	<u><u>591</u></u>	<u><u>3,832</u></u>	<u><u>26,308</u></u>	<u><u>30,731</u></u>
Net book value				
At 31 March 2021	<u><u>1,234</u></u>	<u><u>5,830</u></u>	<u><u>28,860</u></u>	<u><u>35,924</u></u>

APEX SCOTLAND

**Notes to the financial statements (continued)
for the year ended 31 March 2022**

13 Tangible fixed assets (continued)

Company

	Tenant's improvements £	Training equipment £	Motor vehicles £	Total £
Cost				
At beginning of year	3,217	14,487	84,699	102,403
Additions	-	-	9,000	9,000
Disposals	-	-	(18,400)	(18,400)
At end of year	<u>3,217</u>	<u>14,487</u>	<u>75,299</u>	<u>93,003</u>
Depreciation				
At beginning of year	1,983	8,657	84,699	95,339
Charged for year	643	1,998	1,124	3,765
Eliminated on disposal	-	-	(18,400)	(18,400)
At end of year	<u>2,626</u>	<u>10,655</u>	<u>67,423</u>	<u>80,704</u>
Net book value				
At 31 March 2022	<u>591</u>	<u>3,832</u>	<u>7,876</u>	<u>12,299</u>
Net book value				
At 31 March 2021	<u>1,234</u>	<u>5,830</u>	<u>-</u>	<u>7,064</u>

14 Fixed asset investments

Investments (neither listed nor unlisted) were as follows:

Group and Company	Company 2022 £	Company 2021 £
Investment in All Cleaned Up (Scotland) Limited	<u>1</u>	<u>1</u>

At 31 March 2022 Apex Scotland owned 100% of the issued share capital of All Cleaned Up (Scotland) Limited, a company incorporated in Scotland on 24 October 2011 with a share capital of £1.

The principal activity of All Cleaned Up (Scotland) Limited is to create real jobs for the people that Apex Scotland support who are often deemed disadvantaged in the employment market. The social enterprise firm provides cleaning and clearing services.

	Net liabilities £	Turnover £	Expenditure £	Profit £
All Cleaned Up (Scotland) Limited	<u>409,486</u>	<u>628,137</u>	<u>615,697</u>	<u>12,440</u>

APEX SCOTLAND

**Notes to the financial statements (continued)
for the year ended 31 March 2022**

15 Stock

	Group and Company 2022 £	Group and Company 2021 £
Stock held for foodbanks	<u>7,192</u>	<u>14,293</u>

16 Debtors

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Grant income receivable	271,794	271,794	156,514	156,514
Other debtors	76,849	102,522	68,132	86,135
Prepayments	<u>24,179</u>	<u>20,356</u>	<u>17,251</u>	<u>14,442</u>
	<u>372,822</u>	<u>394,672</u>	<u>241,897</u>	<u>257,091</u>

A balance of £265,000 (2021: £265,000) is due from the subsidiary company, All Cleaned Up (Scotland) Limited but a full provision has been made against this balance as recovery is considered remote.

17 Creditors: Amounts falling due within one year

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
<i>Amounts falling due within one year</i>				
Trade creditors	38,074	15,249	34,184	23,133
Tax and social security	175,363	46,329	134,956	45,851
Other creditors	25,998	13,455	96,781	34,208
Accruals and deferred income	<u>188,261</u>	<u>169,235</u>	<u>185,215</u>	<u>167,487</u>
	<u>427,696</u>	<u>244,268</u>	<u>451,136</u>	<u>270,679</u>

18 Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £
Other creditors	<u>49,375</u>	<u>10,980</u>

APEX SCOTLAND

**Notes to the financial statements (continued)
for the year ended 31 March 2022**

19 Analysis of movement in funds

Group 2021/22	At 1 April £	Net movement in funds £	At 31 March £
Unrestricted			
General funds	655,862	135,279	791,141
Restricted			
Local Authority	101,525	(35,217)	66,308
Partnership Income	-	66,098	66,098
Donations	83,037	3,148	86,185
Trust Income	-	25,000	25,000
Other (balances <£10,000)	73,284	51,800	125,084
	257,846	110,829	368,675
Total	913,708	246,108	1,159,816
Group 2020/21	At 1 April £	Net movement in funds £	At 31 March £
Unrestricted			
General funds	352,142	303,720	655,862
Restricted			
Partnership - Diageo	2,500	(2,500)	-
Local Authority	11,025	90,500	101,525
Donations	33,571	49,466	83,037
Other (balances <£10,000)	51,939	21,345	73,284
	99,035	158,811	257,846
Total	451,177	462,531	913,708

APEX SCOTLAND

**Notes to the financial statements (continued)
for the year ended 31 March 2022**

19 Analysis of movement in funds (continued)

Company 2021/22	At 1 April £	Net movement in funds £	At 31 March £
Unrestricted			
General funds	812,791	122,840	935,631
Restricted			
Local Authority	101,525	(35,217)	66,308
Partnership Income	-	66,098	66,098
Donations	83,037	3,148	86,185
Trust Income	-	25,000	25,000
Other (balances <£10,000)	73,284	51,800	125,084
	<u>257,846</u>	<u>110,829</u>	<u>368,675</u>
Total	<u>1,070,637</u>	<u>233,669</u>	<u>1,304,306</u>
Company 2020/21	At 1 April £	Net movement in funds £	At 31 March £
Unrestricted			
General funds	496,145	316,646	812,791
Restricted			
Partnership - Diageo	2,500	(2,500)	-
Local Authority	11,025	90,500	101,525
Donations	33,571	49,466	83,037
Other (balances <£10,000)	51,939	21,345	73,284
	<u>99,035</u>	<u>158,811</u>	<u>257,846</u>
Total	<u>595,180</u>	<u>475,457</u>	<u>1,070,637</u>

APEX SCOTLAND

**Notes to the financial statements (continued)
for the year ended 31 March 2022**

20 Analysis of net assets between funds

Group	Unrestricted £	Restricted £	Total £
Fixed assets	30,731	-	30,731
Net current assets	809,785	368,675	1,178,460
Long term liabilities	(49,375)	-	(49,375)
Total net assets at 31 March 2022	791,141	368,675	1,159,816
	Unrestricted £	Restricted £	Total £
Fixed assets	35,924	-	35,924
Net current assets	630,918	257,846	888,764
Long term liabilities	(10,980)	-	(10,980)
Total net assets at 31 March 2021	655,862	257,846	913,708

20 Analysis of net assets between funds

Company	Unrestricted £	Restricted £	Total £
Fixed assets	12,300	-	12,300
Net current assets	923,331	368,675	1,292,006
Total net assets at 31 March 2022	935,631	368,675	1,304,306
	Unrestricted £	Restricted £	Total £
Fixed assets	7,065	-	7,065
Net current assets	805,726	257,846	1,063,572
Total net assets at 31 March 2021	812,791	257,846	1,070,637

APEX SCOTLAND

**Notes to the financial statements (continued)
for the year ended 31 March 2022**

21 Commitments

Total future minimum lease payments under non-cancellable operating leases for each of the following periods are as follows:

	2022		2021	
	Group £	Company £	Group £	Company £
Not later than one year	53,631	52,281	56,052	54,252
Later than one year and not later than five	<u>38,701</u>	<u>38,701</u>	<u>67,501</u>	<u>67,501</u>
	<u>92,332</u>	<u>90,982</u>	<u>123,553</u>	<u>121,753</u>
Lease payments recognised as an expense	<u>113,965</u>	<u>105,699</u>	<u>136,644</u>	<u>128,407</u>

22 Analysis of changes in net funds – Group

2021/22	1 April	Cashflows	Non-cash	31 March
	£	£	Movements £	£
Long term borrowings	(10,980)	10,980	(49,375)	(49,375)
Short term borrowings	<u>(59,508)</u>	<u>(905)</u>	<u>49,375</u>	<u>(11,038)</u>
Total borrowings	(70,488)	10,075	-	(60,413)
Cash and cash equivalents	<u>1,083,710</u>	<u>142,432</u>	<u>-</u>	<u>1,226,142</u>
Total net funds	<u>1,013,222</u>	<u>152,507</u>	<u>-</u>	<u>1,165,729</u>

22 Analysis of changes in net funds - Company

2021/22	1 April	Cashflows	Non-cash	31 March
	£	£	Movements £	£
Borrowings	-	-	-	-
Cash and cash equivalents	<u>1,062,867</u>	<u>71,543</u>	<u>-</u>	<u>1,134,410</u>
Total net funds	<u>1,062,867</u>	<u>71,543</u>	<u>-</u>	<u>1,134,410</u>

APEX SCOTLAND

Notes to the financial statements (continued) for the year ended 31 March 2022

23 Related party transactions

Trustees received no remuneration or reimbursement of expenses in the current or prior period. Trustee indemnity insurance of £1,175 (2021: £1,120) was paid during the year.