

REGISTERED COMPANY NUMBER: SC380020 (Scotland)
REGISTERED CHARITY NUMBER: SC025308

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2023
for
Learning Link Scotland

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for the Year Ended 31 March 2023

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Report of the Trustees
for the Year Ended 31 March 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Charitable Purposes

The purposes of Learning Link Scotland ("LLS") are wholly and exclusively charitable. In particular, the purposes are:

- to advance the education of adults by supporting and developing the skills of organisations and practitioners providing adult education services throughout Scotland;
- to advance community development by working throughout Scotland with voluntary and community organisations that provide adult education services to improve their individual effectiveness and their collective impact; and
- to advance citizenship by encouraging adults throughout Scotland to take an active part in the social, economic and civic life of their communities through adult education.

ACHIEVEMENT AND PERFORMANCE

Our Objectives this year have been:

1. Third Sector adult learning organisations and their learners are effectively contributing to, and implementing, emerging policies in order to increase the effectiveness, and thereby maximise the impact, of adult learning provision on individuals, families and communities.
2. Workers in Third Sector adult learning organisations are supported and encouraged to engage in professional learning, networking and partnership opportunities, so that learners can increase their ability to achieve their goals as a result of high quality learning experiences.
3. There is robust evidence of the powerful impact Third Sector adult learning can make on learners' personal, family, work and community lives, which in turn strengthens the case for sustaining and developing the sector for the benefit of adult learners in Scotland's communities and Scotland as a whole.

We fulfil our first objective through:

- Representation on Strategic groups
- Consultation with the membership
- Regular communications with members and partners
- Quarterly National Network Meetings

We fulfil our second objective through:

- Collaboration with Scottish Government, Education Scotland and the CLD (Community Learning Development) Standards Council, amongst others, to develop approaches for professional learning for adult educators.
- Active participation in the Adult Learning Strategic Forum for Scotland
 - The development of project work, for example, Maths Week Scotland and Adult learning engagement using creative and scientific spaces

We fulfil our third objective through:

- Supporting members to evidence the impact of their transformational work in adult learning
 - Collaborating on national initiatives such as the EU funded Impact Forum co-ordinated by Scotland's Learning Partnership Membership
- There are approximately 500 subscribers to our general mailing list which we use for the majority of communications.
- The number of members is round 240 third sector organisations.

Key Policy Areas Adult Learning Strategy for Scotland

- LLS is a key member of this Strategy Forum for Adult Learning in Scotland and is a member of the Writing Group for the Strategy - Science, Technology, Engineering and Mathematics: education and training strategy
- LLS continues to support the development of the STEM Strategy for Scotland by collaborating in running the STEM CLD Network and the National Numeracy CLD Network
- LLS continue to support a cyber-resilient third sector by being a Cyber Catalyst for the sector.

Projects

Maths Week Scotland - a professional learning workshop for adult numeracy tutors run in collaboration with Glasgow Science Centre, Maths on Toast and AsCreatives in September with follow up workshops throughout the year

Digital CLD - Learning Link Scotland contributed to the development of Digital CLD awards and acted as an assessor of the first round of awards

Evaluation services - Learning Link Scotland have completed evaluation reports at the request of member organisations Open Door Scotland and Next Steps Initiative

FINANCIAL REVIEW

Financial position

During the year Learning Link Scotland had income of £84,166 (2022: £139,699) and expenditure of £85,589 (2022: £137,036) leading to a deficit (prior to adjustments for defined benefit pension scheme) of £1,423 (2022 surplus: £2,663)).

Reserves policy

The charity's policy on reserves is to hold sufficient funds in reserve to ensure the charity's ability to fulfil its charitable objectives.

Due to changes in financial reporting under SORP (FRS 102), we have now recognised our pension deficit liability as advised by our pension trustees. This has had the effect of bringing reserves into a negative position, however, as the agreement entered into with our pension trustees is a long term agreement over the next 15 years we do not anticipate this having an impact on our ability to fulfil our charitable objectives.

Given the above information reserves at the year end prior to deductions for the defined benefit pension scheme are £9,557 (2022: £18,434) with £3,143 in restricted funds (2022: £6,559).

The Trustees believe this is sufficient for the charity to continue for 12 months from the date of this report.

FUTURE DEVELOPMENTS

Learning Link Scotland - looking forward into 2023-24

Learning Link Scotland looks forward to the delivery of the Adult Learning Strategy and working with our partners in adult learning on the actions associated with the Strategy.

Funding

ALEC (Adult Learning and Empowering Communities) funding for 2023-24, we have been awarded continuing funding for this year.

Key highlights for 2022-23

- Learning link Scotland has been recognised for the support it offers third sector adult learning and for the work of an intermediary between the sector and Scottish Government, we will continue to work with our colleagues across the adult learning and CLD sector
- We continue to contribute to the delivery of the new Strategy for Adult Learning for Scotland
- Areas for potential development including income generation will focus around the interests and intentions of our member organisations and are likely to be in the area of leadership and digital professional development opportunities, equalities and sustainability and measuring the impact of adult learning
- We also see a strong role for Learning Link Scotland in continuing to raise the profile of adult learning and making a strong case for adult learning across a variety of sectors including health, equalities, engagement and democratic participation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company operates under the name Learning Link Scotland. The company registered with Companies House and was incorporated on the 9th June 2010. It has charitable status and is recognised by the Office of the Scottish Charity Regulator as a Scottish Charity.

Structure, Governance and Management

The Company is governed by its Memorandum and Articles of Association, which was formally adopted at the Special General Meeting, held 7th July 2010. The Directors of the Board made the decision at the 28th August 2010 meeting to transfer the assets and liabilities of the unincorporated Charity to the charitable Company. Following this decision the assets transferred to Learning Link Scotland, company number SC380020, charity number SC025308 on 1 October 2010.

Appointment of Member Directors/Trustees

Our trustees are recruited from our membership, we advertise vacancies through our member network.

Not less than 42 (forty two) days before each Annual General Meeting the Secretary shall send an invitation to all members of the Company inviting them to propose themselves or another member of the Company for appointment as a Member Director at the Annual General Meeting where by ordinary resolution, appoint or re-appoint as a Member Director any member of the Company or authorised representative of a member of the Company in respect of whom a written proposal has been received by the Secretary.

Organisational structure

All major operating decisions are decided by the Board of Directors and day to day management has been delegated to the CEO.

Staffing

We have a core staff of:

Jackie Howie - CEO

Shirley Howitt - Development Officer

We also have a group of excellent Learning Link Scotland Associate Workers who work for us on a variety of projects.

Risk management

The Board of Directors have examined the major strategic business and operational risks which the company faces and confirms that systems are in place to enable regular reports to be provided so that the necessary steps can be taken to minimise any potential risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC380020 (Scotland)

Registered Charity number

SC025308

Registered office

Robertson House
152 Bath Street
Glasgow
G2 4TB

Trustees

Sarah Cox
Simon Ashpool
Wendy Burton Chair
Jean Nelson Secretary
Kathleen Richardson
Piotr Zielinski Treasurer

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

Mathew Gillies LLB (Hons) ACPA FCIE
Cowan & Partners Limited
60 Constitution Street
Edinburgh
EH6 6RR

Solicitors

Bell and Scott
16 Hill Street
Edinburgh
EH2 3 LD

Bankers

Clydesdale Bank
Edinburgh Branch
20 Hanover Street
Edinburgh
EH2 2QW

Approved by order of the board of trustees on**21/12/2023**..... and signed on its behalf by:



.....
Wendy Burton - Trustee

I report on the accounts for the year ended 31 March 2023 set out on pages seven to sixteen.

Respective responsibilities of trustees and examiner

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

Basis of the independent examiner's report

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

Independent examiner's statement

In connection with my examination, no matter has come to my attention :

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mathew Gillies LLB (Hons) ACPA FCIE
Full member of the Association of Charity Independent Examiners

Cowan & Partners Limited
60 Constitution Street
Edinburgh
EH6 6RR

Date: 21 December 2023

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2023

	Notes	Unrestricted fund £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	2				
Core activity		75,999	8,167	84,166	139,699
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
EXPENDITURE ON					
Charitable activities	3				
Core activity		71,649	13,940	85,589	137,036
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET INCOME/(EXPENDITURE)		4,350	(5,773)	(1,423)	2,663
Transfers between funds	11	(2,357)	2,357	-	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit schemes		1,535	-	1,535	8,643
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net movement in funds		3,528	(3,416)	112	11,306
RECONCILIATION OF FUNDS					
Total funds brought forward		(25,902)	6,559	(19,343)	(30,649)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS CARRIED FORWARD		<u>(22,374)</u>	<u>3,143</u>	<u>(19,231)</u>	<u>(19,343)</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

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

Balance Sheet
31 March 2023

	Notes	Unrestricted fund £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
CURRENT ASSETS					
Cash at bank and in hand		10,897	3,143	14,040	23,098
CREDITORS					
Amounts falling due within one year	10	(4,483)	-	(4,483)	(4,664)
NET CURRENT ASSETS		<u>6,414</u>	<u>3,143</u>	<u>9,557</u>	<u>18,434</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,414	3,143	9,557	18,434
PENSION LIABILITY	12	(28,788)	-	(28,788)	(37,777)
NET ASSETS/(LIABILITIES)		<u>(22,374)</u>	<u>3,143</u>	<u>(19,231)</u>	<u>(19,343)</u>
FUNDS	11				
Unrestricted funds				(22,374)	(25,902)
Restricted funds				<u>3,143</u>	<u>6,559</u>
TOTAL FUNDS				<u>(19,231)</u>	<u>(19,343)</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 21/12/2023 and were signed on its behalf by:



Wendy Burton - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The accounts are presented in sterling which is the charity's functional currency, and rounded to the nearest pound.

No changes have been made to the basis of preparing the financial statements this year or to the previous year's financial statements.

Going Concern

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern and therefore the accounts are prepared on a going concern basis. The negative reserves position has arisen due to the recognition of the defined benefit pension liability which is a long term agreement and the trustees do not anticipate it having an impact on the ability to continue as a going concern as noted in the reserves policy on page 3.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements conforms with the requirements of the Charities SORP and general accepted accounting principles. The only area in which it is considered that accounting estimates and areas of judgement have been applied is depreciation, the policy on which is outlined below.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 33% on cost

The policy is to capitalise assets where they have an expected useful life of over one year.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

1. ACCOUNTING POLICIES - continued

Fund accounting

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the scheme are charged to the income and expenditure account in the period they are payable. In addition, the charity is a member of a multi-employer defined benefit scheme, details of which appear in Note 12.

Measurement of Debtors

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

Cash at Bank and on Hand

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

Creditors and Loans

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

VAT

Learning Link Scotland is not VAT registered and therefore all expenditure is recognised gross of VAT.

2. INCOME FROM CHARITABLE ACTIVITIES

	31.3.23	31.3.22
	£	£
Grants	84,166	139,699
	<u>84,166</u>	<u>139,699</u>

Grants received, included in the above, are as follows:

	31.3.23	31.3.22
	£	£
Scottish Government - Partnership Grant	73,499	69,999
Next Steps	-	2,000
National Museums Scotland	8,167	3,300
Scotland's Learning Partnership	-	64,400
Open Doors Scotland	1,600	-
Digital Schools	300	-
High Life Highlands	600	-
	<u>84,166</u>	<u>139,699</u>

3. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 4) £	Support costs (see note 5) £	Totals £
Core activity	82,711	2,878	85,589

4. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.23 £	31.3.22 £
Staff costs	62,648	60,905
Insurance	871	739
Property costs	2,114	1,239
Project costs	17,031	71,647
Interest payable and similar charges	47	61
	82,711	134,591

5. SUPPORT COSTS

	Governance costs £
Core activity	2,878

Support costs, included in the above, are as follows:

	31.3.23 Core activity £	31.3.22 Total activities £
Independent Examination	2,112	2,016
Interest payable and similar charges	766	429
	2,878	2,445

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

7. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.3.23	31.3.22
Staff	<u>2</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

Included in Staff costs are gross salaries paid to employees totalling £56,269 (2022: £54,708), Employer's National Insurance totalling £516 (2022: £1,340) and pension costs of £3,222 (2022: £3,245).

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Core activity	<u>71,999</u>	<u>67,700</u>	<u>139,699</u>
EXPENDITURE ON			
Charitable activities			
Core activity	<u>69,916</u>	<u>67,120</u>	<u>137,036</u>
NET INCOME	2,083	580	2,663
Transfers between funds	3,930	(3,930)	-
Other recognised gains/(losses)			
Actuarial gains on defined benefit schemes	<u>8,643</u>	<u>-</u>	<u>8,643</u>
Net movement in funds	14,656	(3,350)	11,306
RECONCILIATION OF FUNDS			
Total funds brought forward	(40,558)	9,909	(30,649)
TOTAL FUNDS CARRIED FORWARD	<u>(25,902)</u>	<u>6,559</u>	<u>(19,343)</u>

9. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2022 and 31 March 2023	<u>233</u>	<u>10,095</u>	<u>10,328</u>
DEPRECIATION			
At 1 April 2022 and 31 March 2023	<u>233</u>	<u>10,095</u>	<u>10,328</u>
NET BOOK VALUE			
At 31 March 2023	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2022	<u>-</u>	<u>-</u>	<u>-</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Social security and other taxes	1,079	1,407
Other creditors	1,292	1,241
Accrued expenses	2,112	2,016
	<u>4,483</u>	<u>4,664</u>

11. MOVEMENT IN FUNDS

	At 1.4.22	Net movement in funds	Transfers between funds	At 31.3.23
	£	£	£	£
Unrestricted funds				
General fund	(25,902)	5,885	(2,357)	(22,374)
Restricted funds				
ERASMUS + grant	6,559	(3,416)	-	3,143
Maths Week Scotland	-	(2,357)	2,357	-
	<u>6,559</u>	<u>(5,773)</u>	<u>2,357</u>	<u>3,143</u>
TOTAL FUNDS	<u>(19,343)</u>	<u>112</u>	<u>-</u>	<u>(19,231)</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	75,999	(71,649)	1,535	5,885
Restricted funds				
ERASMUS + grant	-	(3,416)	-	(3,416)
Maths Week Scotland	8,167	(10,524)	-	(2,357)
	<u>8,167</u>	<u>(13,940)</u>	<u>-</u>	<u>(5,773)</u>
TOTAL FUNDS	<u>84,166</u>	<u>(85,589)</u>	<u>1,535</u>	<u>112</u>

11. MOVEMENT IN FUNDS - continued**Comparatives for movement in funds**

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	(40,558)	10,726	3,930	(25,902)
Restricted funds				
ERASMUS + grant	6,559	-	-	6,559
Shift the Focus	3,350	(2,400)	(950)	-
Connect 4	-	2,568	(2,568)	-
Maths Week Scotland	-	412	(412)	-
	<u>9,909</u>	<u>580</u>	<u>(3,930)</u>	<u>6,559</u>
TOTAL FUNDS	<u>(30,649)</u>	<u>11,306</u>	<u>-</u>	<u>(19,343)</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	71,999	(69,916)	8,643	10,726
Restricted funds				
Shift the Focus	-	(2,400)	-	(2,400)
Connect 4	64,400	(61,832)	-	2,568
Maths Week Scotland	3,300	(2,888)	-	412
	<u>67,700</u>	<u>(67,120)</u>	<u>-</u>	<u>580</u>
TOTAL FUNDS	<u>139,699</u>	<u>(137,036)</u>	<u>8,643</u>	<u>11,306</u>

Restricted funds are grants that have been received for purposes expressed by the donor, the purposes of these funds are as follows:

Erasmus+ - Problem Solving in technology Rich Environments

Problem Solving in technology rich environments is funded by Erasmus+ and managed by Controlled Schools' Support Council, Northern Ireland and Learning Link Scotland receives funding as a partner in this project. The project is designed to develop resources and training materials to support the development of problem solving in numeracy and maths.

Shift the Focus

Income was received in 2021 from Foundation Scotland and Comic Relief as part of a 2 year programme to provide support for family learning for families with autistic children. This project came to an end in the year to 31 March 2022.

Maths Week Scotland

Funding received from National Museums Scotland to run a professional learning workshops for adult numeracy tutors run in collaboration with Glasgow Science Centre

11. MOVEMENT IN FUNDS - continued

Connect 4

A collaborative project with Scotland's Learning Partnership and West Dunbartonshire Council. We worked with 16 third sector organisations who ran 21 community-based adult learning projects focussed on getting adults back into learning. They worked with 574 adult learners 45 children and young people, all of whom are in the Scottish Government child poverty priority groups. This project came to an end in the year to 31 March 2022.

12. EMPLOYEE BENEFIT OBLIGATIONS

Learning Link Scotland participates in The Pensions Trust Scottish Voluntary Sector Pension Scheme ("the Scheme"), a multi-employer scheme which provides benefits to some 82 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 21 December 2021 and showed assets of £153.3m, liabilities of £160.0m and a deficit of £6.7m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

Deficit Contributions

	£1,473,969 per annum (payable monthly and increasing by)
From 1 April 2022 to 31 May 2024:	3% each year on 1st of April

Some employers have agreed concessions (both past and present) with the Trustee and have contributions up to 29 February 2034.

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

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

Present Values of Provision

	31 March 2023 (£)	31 March 2022 (£)	31 March 2021 (£)
Present Value of Provision	28,788	37,777	53,828

12. EMPLOYEE BENEFIT OBLIGATIONS - continued

Reconciliation of Opening and Closing Provisions

	Period Ending 31 March 2023 (£)	Period Ending 31 March 2022 (£)
Provision at start of period	37,777	53,828
Unwinding the discount factor (interest expense)	766	429
Deficit contribution paid	(8,220)	(7,837)
Remeasurements - impact of any change in assumption	(1,535)	(1,237)
Remeasurements - amendments to the contribution schedule	-	(7,406)
Provision at end of period	28,788	37,777

Income and Expenditure Impact

	Period Ending 31 March 2023 (£)	Period Ending 31 March 2022 (£)
Interest Expense	766	429
Remeasurements - impact of any changes to assumptions	(1,535)	(1,237)
Remeasurements - amendments to the contribution schedule	-	(7,406)

Assumptions

	31 March 2023 % per annum	31 March 2022 % per annum	31 March 2021 % per annum
Rate of Discount	5.40	2.30	0.86

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

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023 or 31 March 2022.