# Close the Gap (SCIO)

Report and financial statements
Year ended 31 March 2025

Charity no. : SC046842

# Contents

# Report of the trustees

The trustees present their report together with the financial statements for the year ended 31 March 2025. Comparative amounts are for the five months ended 31 March 2024 due to a change in year end date.

Members of the Board are its trustees for the purpose of charity law and throughout this report are collectively referred to as the members. The members serving during the year and since the year end are detailed on page 11.

## OBJECTIVES & ACTIVITIES

The charitable purposes of Close the Gap are set out in our constitution. The objects are the promotion of equality in the labour market in Scotland through providing information, training and advice; providing advocacy; and delivering capacity building among or on behalf of stakeholders including policymakers, employers, trade unions and the public at large.

Women experience a wide range of structural barriers which prevent them from accessing the labour market, doing their desired job, and progressing in their career. The inequalities that characterise women's labour market participation are particularly significant for women who are most marginalised such as disabled women, racially minoritised women, single parents and young mothers.

Close the Gap works strategically with policymakers, employers, unions and other key stakeholders to influence and enable the types of action that will advance equality for women. We do this by:

- Influencing the development of policy and legislation so that it meets women's diverse needs.
- Build capacity and confidence in employers to improve intersectional gender-competent employment practice.
- Develop research and insight so that women's experiences are more visible, especially those who are most marginalised.

## ACHIEVEMENTS & PERFORMANCE

In this period our staff team has delivered a broad range of activity and continued to build and strengthen relationships with partner organisations and other stakeholders. Much of Close the Gap's work continues to be shaped by the economic context, such as the impact of the cost of living crisis, rising levels of poverty among women, and the longer-term effects of Covid-19.

We have delivered a range of activity in five key areas to achieve our charitable aims:

1. Policy advocacy with Scottish Government and its delivery agencies to influence the design and implementation of policy around the labour market
2. Capacity building to improve employment practice on gender equality
3. Parliamentary engagement
4. Developing research and insight on women's experiences of the labour market
5. Growing our strategic communications to share our work and key messages

# Report of the trustees

## ACHIEVEMENTS & PERFORMANCE (continued)

**1. Policy advocacy with Scottish Government and its delivery agencies to influence the design and implementation of policy around the labour market**

This year Close the Gap has progressed existing policy advocacy work to support the delivery of our strategic priorities.

a) Women's in-work poverty

We maintain a strategic focus on women's poverty and their concentration in low-paid, stereotypically female jobs. This focus has become particularly important as the cost of living crisis has disproportionately affected women, especially those who are most marginalised such as disabled women, women who are single parents, and racially minoritised women. We have delivered a range of advocacy with Scottish Government on the need to centre gender analysis in the new child poverty delivery plan, and as a result have been invited to key events and advisory groups in which we shared evidence and expertise. This included participation in a roundtable with the First Minister, membership of the external stakeholder reference group for the plan development, and a participation in a research advisory group examining evidence on gender and poverty. Tackling women's poverty and women's low pay is a necessary step in meeting child poverty targets, which are currently at risk of being missed. Our participation in these strategic engagements demonstrates the authority of Close the Gap's voice on women, work and poverty. It is also an indicator of Scottish Government's increasing recognition of the need to centre women in strategies to tackle child poverty.

b) Addressing the undervaluation of women's work

The economy-wide undervaluation of women's work is a key cause of women's poverty, the gender pay gap, and women's labour market inequality, and is therefore a strategic priority for Close the Gap. This year we have delivered a range of activity to influence action including:

- Advocating for action on the undervaluation of women's work as a member of the working group overseeing the implementation of Scottish Government's fair work action plan. This included successfully advocating for a focused examination by the group of women's access to fair work including equal pay.
- Calling for the introduction of mandatory gender pay gap action plans in the public sector to lever action on undervaluation, a core driver of the sector's pay gap.
- Engaging with the development of the National Care Service including participation in the stakeholder reference group which informs its design.
- Speaking at a Women in Public Affairs Scotland event on pay transparency, equal pay and undervaluation.
- Delivering advocacy on the new child poverty delivery plan actions to include a focus on undervaluation as a key measure to reduce child poverty.

# Report of the trustees

## ACHIEVEMENTS & PERFORMANCE (continued)

The persistent problem of equal pay has become increasingly invisible in recent years, and our work to push for action is a necessary step to hold government and employers to account on this.

c) Other policy advocacy work with key stakeholders

A large component of Close the Gap's work is reactive policy advocacy which may be focused on the development of a strategy or policy and includes responding to consultations. This year our reactive work has included participation in strategic policy advisory and working groups on fair work, gender equality in education, National Care Service, primary prevention of VAW, and Minimum Income Guarantee. Close the Gap has also continued advocacy around the reform of the public sector equality duty, pushing for a more ambitious and effective set of regulations including gender pay gap action plans, improved leadership accountability, and intersectional data gathering and use.

As a member of the UK Equal Pay Alliance we led on a joint letter to UK Government on the actions needed to deliver effective pay gap reporting action plans, and on equal pay more widely.

We have submitted evidence to Scottish Government consultations on:

- The draft equality and human rights mainstreaming strategy
- Next steps on employment injuries assistance delivery
- Once for Scotland work-life balance policies.

This activity enables Close the Gap to share evidence and expertise on aspects of women's labour market inequality, and advocate for the gendering of policy to tackle its causes. It also allows us to raise the profile of Close the Gap's work and build networks with key stakeholders and partners in Scotland and the UK.

d) Engagement with the Scottish Covid inquiry

Working in partnership with Engender, Scottish Women's Aid, Rape Crisis Scotland and Just Right Scotland, Close the Gap is a core participant in the Scottish Covid inquiry. Our coalition, the Scottish Women's Rights Organisations, aims to influence both the work of the inquiry team so that it integrates an intersectional gendered approach, and the findings of the inquiry. In particular, Close the Gap has provided evidence and expertise on the disproportionate impact on women's employment, especially in female-dominated jobs and sector; the effect of school and nursery closures on women and their ability to do paid work; how the undervaluation of women's work and underinvestment in social care shaped the effects of the pandemic on that sector; health and safety risks and harms to women; and a failure by Scottish Government and public bodies to mainstream gender and do equality impact assessment. A key success has been successfully advocating for discrete equality and human rights hearings in the inquiry. This important work enables Close the Gap to present key evidence and insight on the many ways Covid worsened women's lives in and outwith the workplace, the impact of which is still being felt today.

# Report of the trustees

## ACHIEVEMENTS & PERFORMANCE (continued)

### 2. Capacity building to improve employment practice on gender equality

a) Equally Safe at Work

Close the Gap has successfully expanded the innovative employer accreditation programme, Equally Safe at Work, which is now being delivered in local government, the NHS, and the third sector. Equally Safe at Work enables employers to deliver action that will advance gender equality at work, better support victim-survivors in the workplace, and prevent violence against women (VAW).

There are now 18 accredited employers in Scotland, and this year a new cohort of public and third sector employers started working towards accreditation. The Equally Safe at Work community of practice, which brings together employers who are working on, or interested in, accreditation has grown and now has around 40 employers engaged. Peer support and learning have been critical success factors for employer engagement with the programme. The community of practice has met to discuss a range of themes including leadership for gender equality, taking an anti-racist approach to gender equality at work, and sexual harassment.

Key Equally Safe at Work activity this year, and the impact of this, is set out below.

- Establishing a refreshed strategic advisory group which draws in expertise from sectoral bodies and key stakeholders to women, work and VAW, which has strengthened our relationship with partners and stakeholders and ensures our work is informed by relevant expertise.
- Gathering quantitative and qualitative data from employees, including specific work with women in low-paid jobs, which expands the evidence base on women's experiences and provides valuable insight into organisational culture and practice.
- Delivery of a capacity building programme to build gender competence in employer working groups, with 73 participants from 10 organisations.
- Building capacity in employees through e-learning modules on sexual harassment, flexible working, and VAW and work. The modules are also integrated into the learning management systems of 17 organisations.
- Development of new awareness raising and training resources including an animation, *A Different Result*, on employer practice on supporting a domestic abuse victim-survivor, and employer case study videos.
- Working with NHS Education Scotland to influence improved national level gathering of gender pay gap data, the impact of which was the standardisation of median pay gap calculation, a key metric for women's labour market equality.
- Participation in the working group developing the Once for Scotland NHS gender-based violence policy, which enabled us to successfully advocate for a gendered approach to the policy guidance.
- Developing guidance for line managers on rape and sexual assault, which from our analysis, is the first of its kind internationally.
- Growing our networks and building links with key stakeholders such as trade unions, and NHS England, thereby expanding the profile of Equally Safe at Work.

# Report of the trustees

## ACHIEVEMENTS & PERFORMANCE (continued)

This year, employers have told us:

> *"I love how hands on ESAW is, we feel really supported to success. This isn't like other programmes, I'm really enjoying the process."*
>
> *"The community of practice is so valuable, I would like to see it sustained for the foreseeable future."*
>
> *"I really enjoyed the community of practice event last week, it was super helpful to do at this early stage and I'm looking forward to the sessions coming later this year."*
>
> *"I just wanted to say a big thank you on behalf of the team for delivering today's workshop…it was insightful, engaging and sparked some great reflection among our attendees."*

b) Growing our networks with business support organisations

Close the Gap has worked to grow its networks with business support organisations, as key intermediaries to private sector companies. We continue to work with the Institute of Directors Scotland, and this year also worked with Peer Works, a peer learning forum for businesses focused on improving innovation and productivity. This has created an opportunity to reach new audiences and promote our products and services.

We have also worked with Scottish Enterprise which involved delivering workshops to 35 companies on gender equality at work, and actions that should be prioritised by SMEs. Being able to work with strategic partners who have a business engagement function is important for a small organisation like Close the Gap as it enables us to extend our reach and reach employers it would be otherwise difficult to engage.

c) Demand-led employer support

This year we have provided advice and quality assurance to public bodies on reporting under the public sector equality duty, and provided expertise on equality impact assessment processes. We have also delivered support to large private and third sector organisations on gender pay gap reporting and analysis, and action planning. This work not only improves practice but also provides us with a greater understanding of practice in the sector and the problems that employers encounter.

> *"The session moved the [senior leadership] group forward in getting to grips with the technical aspects of the gender pay gap with a clear understanding of the university sector…This has helped us to develop a more targeted action plan on closing our gender pay gap and better meet our PSED duties."*

# Report of the trustees

## ACHIEVEMENTS & PERFORMANCE (continued)

d) Enhancing our online tools and resources for employers

Our online resources, Think Business, Think Equality, and Close Your Pay Gap are key employer engagement interventions which contain a wide range of guidance, tools, resources, self-assessment tests, case studies and graphics. We carried out user testing with SME employers to gather valuable feedback on the usefulness of our online tools. This allows us to incorporate learning into the Think Business, Think Equality refresh and ensure that the resource is both evidence based and effective. This year, Think Business, Think Equality had 3020 users, with 397 users taking tests, up from 177 taking tests this period last year, a 124% increase. The topic with the most engagement in this period is sexual harassment with 118 tests taken, a 123% increase. This increased engagement is likely because of the new preventative duty on sexual harassment. Our resources are providing critical capacity building for employers so that they can meet their new obligations.

**3. Parliamentary engagement**

We have continued to build our organisational capacity to identify opportunities to further our objectives through parliamentary engagement and worked to build and strengthen relationships with key parliamentarians. Specific activity has included:

- Building networks with relevant parliamentarians, parliamentary committees, and political party researchers;
- Working with parliamentarians to develop parliamentary questions on women and work, and influence legislative processes; and
- Engaging with political parties on policy and legislation around women's labour market participation.

A key activity for Close the Gap has been engaging with parliamentary processes, including giving evidence to parliamentary committees, and briefing parliamentarians ahead of debates. This year we have provided evidence to a number of legislative scrutiny processes including:

- Oral evidence to the Economy and Fair Work Committee for its Post-Legislative Scrutiny of the Procurement Reform (Scotland) Act 2014;
- Written evidence to the Education, Children and Young People Committee's scrutiny of the Education (Scotland) Bill; and
- Written evidence to the Health, Social Care and Sport Committee for its scrutiny on amendments to the National Care Service (Scotland) Bill.

Building and maintaining relationships with MSPs is central to our strategy, and as a result we have successfully engaged with the Equality, Human Rights and Civil Justice Committee and influenced the establishment of an inquiry on Scottish Government's approach to the review of public sector equality duty.

# Report of the trustees

## ACHIEVEMENTS & PERFORMANCE (continued)

We have also developed a range of MSP briefings for parliamentary debates. These have covered a broad variety of topics relevant to Close the Gap's work including tackling child poverty through parental employment; the Scottish Employment Injuries Advisory Council (Scotland) Bill; growing the economy; compensation for WASPI women; 16 Days of action against VAW; Programme for Government; and Challenge Poverty Week. This enables Close the Gap to share evidence around women's labour market participation, and advocate for action on critical systemic influencers that shape women's experiences at work.

Our parliamentary engagement activity has raised the profile of Close the Gap's work more broadly and has enabled us to strengthen existing partnerships and develop new networks. It has also allowed us to progress key priorities including on improving the public sector equality duty.

4. **Developing research and insight on women's experiences of the labour market**

a) Research on disabled women's experiences of the labour market

Close the Gap has continued its research project on disabled women's experiences of engaging with the labour market in Scotland. We commissioned disability equality experts, who are also disabled women, to deliver interviews and focus groups with disabled women and women with long-term health conditions. One group was held with disabled women of colour to better understand inequalities at the intersection of gender, ethnicity and disability. We have also delivered an online survey for disabled women and women with long-term health conditions which is gathering invaluable quantitative data to complement the qualitative data from interviews and focus groups. Engagement has been high, with more than 900 responses. This demonstrates the demand from disabled women to share their experiences. This work is enabling us to gather rich qualitative data on women's experiences of workplace culture, discrimination, employer practice around reasonable adjustments, and experiences of workplace learning and development, and progression. It has also meant we have built capacity in the staff team on doing research with disabled people, and on disability equality more widely, following an all-team training session on this. This work is particularly important in the current political context in which disabled people's rights are under threat with planned cuts to social security in the UK.

5. **Growing our strategic communications to share our work and key messages**

Close the Gap worked with a creative PR agency to develop a range of work to grow our communications capacity. This involved expert support on messaging and campaign development, asset development and branding, and channels for targeting audiences. This work informed our approach to designing a specific communications function and a new communications manager is now in post leading this area. As a result, we have dedicated resource to promote our work, products and services and expand our reach to new audiences.

# Report of the trustees

## FINANCIAL REVIEW

Total income for the year ended 31 March 2025 was £398,790 (2024: £102,416). £234,856 (2024: £62,155) received during the year was unrestricted and £163,934 (2024: £40,261) was restricted. Total expenditure for the year was £420,540 (2024: £223,149). The charity had a deficit for the year of £(21,750) (2024: deficit of (120,733)).

### Principal funding sources

The main funding sources for the year have been the Scottish Government and payment for consultancy work undertaken.

### Reserves policy

The charity's accumulated surplus stands at £172,289 (2024: £194,039) at the balance sheet date. At 31 March 2025, the charity holds restricted funds of £25,895 (2024: £56,717) (for more detailed information see Note 11) and unrestricted general funds of £146,394 (2024: £137,322). The Charity's free reserves were £146,210 at 31 March 2025.

Close the Gap's target level of unrestricted reserves is three months of core running costs (approximately £60,000). As at the year end, unrestricted reserves are above this level. This is primarily due to a combination of consultancy income and management fees retained from restricted grant programmes, and a period of reduced staffing capacity resulting from higher-than-usual staff turnover and associated recruitment activity, which meant the organisation had limited capacity to commit or utilise reserves to progress new areas of work. The Board intends to review its statement of ambition for reserves, and current levels of reserves, at its November meeting and will explore options for allocating unrestricted reserves to support our charitable objectives. It is therefore anticipated that the level of reserves will reduce during the next financial year as planned activity is taken forward.

### Plans for the future

In 2021 Close the Gap was awarded increased core funding from Scottish Government's Equality and Human Rights Fund until September 2024, and this has been extended to March 2026. We have also received Delivering Equally Safe funding to expand the Equally Safe at Work project which has been extended until March 2026. Close the Gap has also secured funding from Scottish Government to develop and deliver the Gender Beacon Collaborative initiative, which involves pilots of Equally Safe at Work in the NHS and third sector.

We have planned a range of activity that will support the delivery of our strategic objective of women's labour market equality. Key to this is new work on young mothers' employment. We have been successful in a funding bid to the Robertson Trust, and later in 2025 will work in partnership with Save the Children on this project which will involve research, employer engagement and influencing, underpinned by lived experience engagement.

We have a dedicated staff team which has worked hard to deliver activity in ongoing challenging economic contexts of Covid-19, cost of living crisis, and pressures on public sector spend. At the same time, we have worked to consolidate and create cohesion with an increased staff team. This has enabled Close the Gap to flourish, and places the organisation in a strong position as it plans for the future.

Five new trustees joined the organisation over 2025. Our new trustees bring significant skills and experience that will shape Close the Gap's future direction, ensuring we are able to further our charitable objectives.

# Report of the trustees

## STRUCTURE, GOVERNANCE AND MANAGEMENT

Close the Gap SCIO (known as Close the Gap) is a Scottish Charitable Incorporated Organisation, number SC046842, registered in September 2016.

**Organisational structure**
Close the Gap existed as a partnership initiative since 2001, and began operating as a registered charity on 1 April 2017. The charity has a single tier structure and the trustees are the members of the charity.

**Appointment and training of Trustees**
Our governing document is our constitution which allows for a minimum of three and maximum of eight trustees. We have undertaken a successful open recruitment exercise to expand and strengthen our board. Five new trustees joined the organisation over 2025. Our new trustees bring significant skills and experience that will shape Close the Gap's future direction, ensuring we are able to further our charitable objectives. We recognise that diverse boards make better decisions and are more effective, and increasing diversity is always a central aim in our board recruitment. New trustees are appointed by existing trustees, and each for a three year term. Trustees may be re-elected again but may serve no more than a maximum of nine years in total. Our office bearers are elected at the annual general meeting.

The board sets policy and objectives, and ensures good governance practice around management and financial stability. The board of trustees meets quarterly to provide governance and oversight to ensure the effective delivery of Close the Gap's strategic aim of women's labour market equality. Responsibility for operational activity is delegated to the Executive Director, who leads the staff team. Our current trustees have a range of valuable skills and experience and work to share these with staff to further the objectives of Close the Gap.

## REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|---|---|
| **Registered Name:** | Close the Gap (SCIO) |
| **Name the charity is known by:** | Close the Gap |
| **Charity registration number**: | SC046842 |
| **Registered and principle office:** | 166 Buchanan Street<br>Glasgow<br>G1 2LW |
| **Trustees** | [redacted] |
| **Key Management Personnel** | [redacted] |
| **Independent Examiner** | [redacted]<br>Stripe Accountants Ltd<br>5 South Charlotte Street<br>Edinburgh, EH2 4AN |

# Report of the trustees

## TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which show a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year. In preparing the financial statements, the trustees are required to:

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

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

Approved by the board on 1st November 2025 and signed on its behalf by:

[redacted]

Treasurer

# INDEPENDENT EXAMINER'S REPORT ON THE UNAUDITED ACCOUNTS OF CLOSE THE GAP (SCIO)

I report on the accounts of the charity for the year ended 31 March 2025 which are set out on pages 14 to 23.

## 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 trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

## Basis of independent examiner's statement

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

## Independent examiner's statement

In the course of 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
    - to prepare accounts which accord with the accounting records and 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.

[redacted]

Stripe Accountants Ltd
Edinburgh
1 November 2025

# Statement of financial activities

| | Note | Unrestricted funds £ | Restricted funds £ | Year ended 31 March 2025 £ | Period ended 31 March 2024 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 2 | **232,040** | **163,934** | **395,974** | 96,896 |
| Charitable activities | 3 | **2,750** | **-** | **2,750** | 5,475 |
| Investments | | **66** | **-** | **66** | 45 |
| **Total Income** | | **234,856** | **163,934** | **398,790** | 102,416 |
| **Expenditure on:** | | | | | |
| Charitable activities | 4 | **(233,784)** | **(186,756)** | **(420,540)** | (223,149) |
| **Total Expenditure** | | **(233,784)** | **(186,756)** | **(420,540)** | (223,149) |
| **Net income** | | **1,072** | **(22,822)** | **(21,750)** | (120,733) |
| **Transfers between funds** | 11 | **8,000** | **(8,000)** | - | - |
| **Net movement in funds** | | **9,072** | **(30,822)** | **(21,750)** | (120,733) |
| **Reconciliation of funds:** | | | | | |
| **Total funds brought forward** | | **137,322** | **56,717** | **194,039** | 314,772 |
| **Total funds carried forward** | 11,12 | **146,394** | **25,895** | **172,289** | 194,039 |

The accompanying accounting policies and notes form part of these financial statements.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities.

# Balance Sheet

| | Note | 2025 £ | 2024 £ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 8 | **184** | 530 |
| **Current assets** | | | |
| Debtors and prepayments | 9 | **21,684** | 11,908 |
| Cash at bank and in hand | | **192,350** | 212,907 |
| | | **214,034** | 224,815 |
| **Creditors: amounts falling due within one year** | 10 | **(41,929)** | (31,306) |
| **Net current assets** | | **172,105** | 193,509 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | **172,289** | 194,039 |
| **Funds** | | | |
| Unrestricted funds: General | 11 | **146,394** | 137,322 |
| Restricted funds | 11 | **25,895** | 56,717 |
| **Total charity funds** | | **172,289** | 194,039 |

Approved by the Board of Trustees on 1st November 2025 and signed on their behalf by:

[redacted]

Close the Gap (SCIO) SC046842

The accompanying accounting policies and notes form part of these financial statements

# Notes to the financial statements

## 1 Accounting policies

### Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended), and follow the recommendations in the 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 in October 2019) – Charities SORP (FRS 102).

Close the Gap (SCIO) is a Scottish Charitable Incorporated Organisation (SCIO). It is registered with the Office of the Scottish Regulator (OSCR) under charity number SC046842. The address of the registered office is given on page 11.

The charity constitutes a public benefit entity as defined by FRS 102.

The presentation currency is Pound Sterling (£).

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

### Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Income from government and other grants, whether "capital" grants or "revenue" grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

### Expenditure

Expenditure is recognised when a liability is incurred. Costs are allocated between categories on a direct basis. Irrecoverable input VAT is charged directly to the Statement of Financial Activities in the period it is incurred.

Charitable activities expenditure comprises those costs incurred by the charity in pursuit of its charitable objects and includes both the direct costs and support costs relating to these activities.

Support costs include central functions and have been allocated to cost categories on a direct basis.

# Notes to the financial statements

## 1 Accounting policies (continued)

### Tangible fixed assets & depreciation

Fixed assets are stated at cost less depreciation. The costs of minor additions under £1,000 are not capitalised. Depreciation is calculated to write off the cost of the asset evenly over its estimated life as follows:

- IT Equipment – 3 years straight line

No depreciation is charged in the period of acquisition.

### Debtors

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

### Creditors

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

### Pensions

The pension costs charged in the financial statements represent the contribution payable by the charity during the period.

### Leases

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

### Fund accounting

Unrestricted funds are donations and other incoming resources received or generated for the objects of the charity without further specified purpose and are available as general funds. Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees. If parts of the unrestricted funds are earmarked at the discretion of the trustees for a particular purpose they are designated as a separate fund. Such designation has an administrative purpose only and does not legally restrict the trustees' discretion to apply the fund.

Restricted funds are funds subject to requirements as to their use, but still within the wider objects of the charity. The specific requirements as to use may either be declared by the donor or with the donor's authority, or be created through legal processes.

# Notes to the financial statements

## 1 Accounting policies (continued)

### Financial Instruments

Financial instruments comprise financial assets and financial liabilities which are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial instruments are classified as "basic" in accordance with FRS102 and are accounted for at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash flows over the life of the financial assets or liability to the net carrying amount on initial recognition. Discounting is not applied to short-term receivables and payables, where the effect is immaterial. Financial assets comprise cash, trade debtors, other debtors and accrued income. Financial liabilities comprise bank overdraft, trade creditors, other creditors and accruals.

### Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held with banks.

## 2 Donations and legacies

| | **Unrestricted funds General funds** | **Restricted funds** | **Year ended 31 March 2025** | Period ended 31 March 2024 |
|---|---|---|---|---|
| | **£** | **£** | **£** | £ |
| Grants – Scottish Government | **226,540** | **163,934** | **390,474** | 96,896 |
| Donations | **5,500** | **-** | **5,500** | - |
| | **232,040** | **163,934** | **395,974** | 96,896 |

Income from donations and legacies was £395,974 (2024: £96,896) of which £232,040 (2024: £56,635) was unrestricted general and £163,934 (2024: £40,261) was restricted.

## 3 Income from charitable activities

| | **Unrestricted funds General funds** | **Restricted funds** | **Year ended 31 March 2025** | Period ended 31 March 2024 |
|---|---|---|---|---|
| | **£** | **£** | **£** | £ |
| Consultancy | **2,750** | **-** | **2,750** | 5,475 |
| | **2,750** | **-** | **2,750** | 5,475 |

Income from charitable activities was £2,750 (2024: £5,475). All income received during the year and the prior year was unrestricted general.

# Notes to the financial statements

## 4 Expenditure on charitable activities

| | Unrestricted funds General funds | Restricted funds | Year ended 31 March 2025 | Period ended 31 March 2024 |
|---|---|---|---|---|
| | **£** | **£** | **£** | £ |
| Staff costs | **161,706** | **128,894** | **290,600** | 139,012 |
| Premises costs | **9,143** | **3,000** | **12,143** | 5,152 |
| Running costs | **53,770** | **52,762** | **106,532** | 74,822 |
| Legal and professional fees | **2,145** | **-** | **2,145** | 863 |
| Governance costs | | | | |
| External scrutiny services | **912** | **-** | **912** | 912 |
| Accounting services | **6,108** | **2,100** | **8,208** | 2,388 |
| | **233,784** | **186,756** | **420,540** | 223,149 |

Expenditure on charitable activities was £420,540 (2024: £223,149), of which £233,784 (2024: £128,776) was unrestricted general and £186,756 (2024: £94,373) was restricted.

Support costs have not been separately identified as the Trustees consider there is only one charitable activity. Therefore, support costs relate wholly to that activity and have not been separately identified.

## 5 Net incoming resources

Net incoming resources are stated after charging:

| | Year ended 31 March 2025 | Period ended 31 March 2024 |
|---|---|---|
| | **£** | £ |
| Amounts payable to Independent Examiner: | | |
| External scrutiny services | **912** | 912 |
| Accountancy services | **8,208** | 2,388 |
| | **9,120** | 3,300 |

# Notes to the financial statements

## 6 Staff costs

| | **Year ended 31 March 2025** | Period ended 31 March 2024 |
|---|---|---|
| | **£** | £ |
| Salaries and wages | **240,494** | 112,997 |
| Social security costs | **19,357** | 12,218 |
| Pension costs | **23,361** | 9,573 |
| | **283,212** | 134,788 |

Excluding employer pension costs, one staff member earned between £60,000 and £70,000 (2024: one staff member earned between £60,000 and £70,000).

The Charity considers its key management personnel comprise the trustees and the Executive Director. The total employment benefits (including employer pension contributions) of the key management personnel received in the reporting period were £66,155 (2024: £30,362)

The average number of staff employed during the year was 7 (2024: 6).

The charity operates a defined contribution pension scheme on behalf of its employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the charity and amounted to £23,361 (2024: £9,573) of which £10,384 (2024: £4,316) was restricted and £12,977 (2024: £5,257) was unrestricted in the year. At the year-end an outstanding balance of £nil (2024: £2,166) was owed to the scheme of which £nil (2024: £948) was restricted and £nil (2024: £1,218) was unrestricted.

## 7 Trustees

There was no trustees' remuneration or expenses in the current year or prior period. There were no related party transactions in the current year and prior period.

## 8 Tangible assets

| | IT equipment | Total |
|---|---|---|
| | £ | £ |
| Cost | | |
| At 1 April 2024 | 10,438 | 10,438 |
| Additions | - | - |
| At 31 March 2025 | 10,438 | 10,438 |
| Depreciation | | |
| At 1 April 2024 | 9,908 | 9,908 |
| Charge for the year | 346 | 346 |
| At 31 March 2025 | 10,254 | 10,254 |
| **At 31 March 2025** | **184** | **184** |
| At 31 March 2024 | 530 | 530 |

# Notes to the financial statements

## 9 Debtors and prepayments

| | **2025** | 2024 |
|---|---|---|
| | **£** | £ |
| Trade debtors | **2,250** | 1,650 |
| Prepayments and accrued income | **19,434** | 10,228 |
| Other debtors | **-** | 30 |
| | **21,684** | 11,908 |

## 10 Creditors: amounts falling due within one year

| | **2025** | 2024 |
|---|---|---|
| | **£** | £ |
| Trade creditors | **34,580** | 27,069 |
| Accruals and other creditors | **2,049** | 4,237 |
| Deferred income | **5,300** | - |
| | **41,929** | 31,306 |

**Deferred income**

| Movement in deferred income account | **2025** | 2024 |
|---|---|---|
| | **£** | £ |
| Balance at 1 April 2024 | **-** | - |
| Added in the current year | **5,300** | - |
| Released to income in the current year | **-** | - |
| Balance at 31 March 2025 | **5,300** | - |

## 11 Movement in funds

| 2024/2025 | At 1 Apr 2024 | Incoming resources | Outgoing resources | Transfers | At 31 Mar 2025 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **Restricted funds** | | | | | |
| Delivering Equally Safe Fund | 4,569 | 161,046 | (140,750) | (8,000) | 16,865 |
| Equally Safe at Work: GBC | 52,148 | 2,888 | (46,006) | - | 9,030 |
| | 56,717 | 163,934 | (186,756) | (8,000) | 25,895 |
| **Unrestricted funds** | | | | | |
| General funds | 137,322 | 234,856 | (233,784) | 8,000 | 146,394 |
| **Total funds** | 194,039 | 398,790 | (420,540) | - | 172,289 |

# Notes to the financial statements

## 11 Movement in funds (continued)

**Restricted funds**
*Delivering Equally Safe Fund (formerly Violence Against Women and Girls Fund)* - Funding from Scottish Government to develop and pilot the Equally Safe at Work employer accreditation programme.
*Equally Safe at Work: GBC* – Funding from Scottish Government to develop and pilot the Equally Safe at Work employer accreditation programme in NHS, Third Sector and Scottish Government.
The transfers in the current year from the Restricted Funds to the Unrestricted General Fund are as set out below:

- £8,000 (2024: £7,111) relates to contributions from grant providers towards Close the Gap's support costs and management of the projects.

| 2023/2024 | At 1 Nov 2023 | Incoming resources | Outgoing resources | Transfers | At 31 Mar 2024 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **Restricted funds** | | | | | |
| Delivering Equally Safe Fund | 48,014 | 40,261 | (76,595) | (7,111) | 4,569 |
| Equally Safe at Work: GBC | 69,926 | - | (17,778) | - | 52,148 |
| | 117,940 | 40,261 | (94,373) | (7,111) | 56,717 |
| **Unrestricted funds** | | | | | |
| General funds | 196,832 | 62,155 | (128,776) | 7,111 | 137,322 |
| **Total funds** | 314,772 | 102,416 | (223,149) | - | 194,039 |

## 12 Analysis of net assets between funds

| 2024/2025 | Unrestricted General funds | Restricted funds | **Total** |
|---|---|---|---|
| | £ | £ | **£** |
| Tangible fixed assets | 184 | - | **184** |
| Net current assets | 146,210 | 25,895 | **172,105** |
| Net assets at 31 March 2025 | 146,394 | 25,895 | **172,289** |

| 2023/2024 | Unrestricted General funds | Restricted funds | **Total** |
|---|---|---|---|
| | £ | £ | **£** |
| Tangible fixed assets | 530 | - | **530** |
| Net current assets | 136,792 | 56,717 | **193,509** |
| Net assets at 31 March 2024 | 137,322 | 56,717 | **194,039** |

# Notes to the financial statements

## 13 Financial Commitments

At 31 March 2025, Close the Gap had total future commitments under non-cancellable operating leases as follows:

| | **2025** | 2024 |
|---|---|---|
| | **£** | £ |
| Within one year | **4,500** | 5,000 |
| Between one and five years | **-** | 3,750 |
| Over five years | **-** | - |

Operating lease payments of £8,000 (2024: £2,085) were made in the year.