Company registration number SC272855 (Scotland)

Charity registration number SC035936 (Scotland)

SOCIAL ENTERPRISE ACADEMY (SCOTLAND)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

SOCIAL ENTERPRISE ACADEMY (SCOTLAND)

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SOCIAL ENTERPRISE ACADEMY (SCOTLAND)

DIRECTORS' REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR ENDED 31 MARCH 2026

The directors present their annual report and financial statements for the year ended 31 March 2026.

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

Objectives and activities

The Social Enterprise Academy is a leading learning and development organisation supporting people and organisations to create positive social change.

The Academy designs and delivers practical, experiential learning that develops leadership, entrepreneurial thinking and the confidence and capacity of people to create change. We work with adults, young people, organisations and communities, increasingly creating opportunities for learning and collaboration across traditional boundaries between the third, public and private sectors.

Our work recognises that the social and economic challenges facing communities are complex and cannot be addressed by organisations or sectors acting alone. Through our adult learning programmes, Social Enterprise Schools and partnerships with businesses, funders and communities, we strengthen both individual leadership and the relationships and collective capacity required to create lasting change.

Through this work, we:

- Strengthen leadership, entrepreneurial thinking and the agency of people working for positive social change;
- Enable young people to develop confidence, skills and a sense of agency through practical experience of social enterprise;
- Build the capacity, sustainability and impact of social enterprises, third-sector organisations and communities; and
- Create connections across sectors that encourage collaboration, innovation and stronger communities.

Although focused on learning and development, the Academy exists to enable social change. Our work is grounded in a belief in the potential of people and communities and in the importance of investing in their leadership, confidence, connections and capacity.

Our purpose and values are captured in our Manifesto, which guides our decisions and partnerships:

Academy Manifesto:

> *Most people think that if we want to change the world, we need large companies to make big steps.*
> *We like to disagree.*
>
> *We are convinced that a better future will be fuelled by the strength of millions of communities.*
> *Because a community is the only scale where the power of trust, commitment, and loyalty naturally comes together. It's the world at its best.*
>
> *So to turn this floating blue marble into something good, we should start with empowering the change makers in communities. The social entrepreneurs. We call them: agents of change.*
>
> *Because a world in transformation needs transformational leaders. We don't tell them what to do. We don't teach them. We facilitate their development into skilful leaders. It's deep learning that creates deep-rooted transformation.*
>
> *And once they find that, their dreams and energy don't just add up, they multiply. Because there is nothing more powerful than a determined social entrepreneur with a warm heart, a clear goal, and buckets full of self-confidence.*

Because passion and purpose are infectious. It attracts others and the momentum grows. One person will become two. Then two becomes twenty and twenty becomes a thousand. That's the magic happening.

So never think you can't be the one to change the world. You're just where it starts.

Achievements & Performance

The year to 31 March 2026 represented a year of significant progress for the Social Enterprise Academy; strengthening the organisation's financial position and developing the reach and relevance of its work. We supported 858 adult learners from 263 organisations and 9,014 young people in 174 schools.

This progress was achieved against a challenging environment for the social economy, including constrained public finances and significant financial pressures affecting many of the organisations and communities we serve. Against this backdrop, the Academy continued to deliver learning and development across Scotland, maintained its important strategic relationship with the Scottish Government and developed new opportunities through partnerships with businesses, funders and communities.

During the year we also continued to develop an increasingly connected approach to our work. Alongside our established Adult Learning and Social Enterprise Schools programmes, partnerships with organisations including Aegon, Experian, SAP and McLaughlin & Harvey have enabled us to explore how businesses, young people, social entrepreneurs and communities can learn from and contribute to one another.

This reflects our growing understanding that many of the challenges facing communities are complex and interconnected. Leadership development remains central to our work, but increasingly our role is also to create the conditions in which people can build relationships across organisational and sector boundaries, learn from different perspectives and develop the confidence and capacity to act together.

Building on the restructuring and refocusing undertaken over the previous two years, the Academy delivered a substantial improvement in financial performance while continuing to meet its charitable objectives and programme commitments. The organisation generated a surplus of £200,686, compared with a deficit of £29,997 in the previous year, and reduced net liabilities from £559,929 to £359,243. While rebuilding reserves and longer-term financial resilience remains an important priority, these results provide tangible evidence of progress against the Board's five year recovery plan.

OTHER ACTIVITIES:

Extending our work across the UK
While remaining firmly rooted in our Scottish purpose, the Academy continued during 2025/26 to extend the reach of its learning across other parts of the United Kingdom.

Social Enterprise Schools remained an important part of this development, building on our established work in Scotland and previous development in London and the North East of England. Partnerships with businesses including Aegon, Experian, SAP and McLaughlin & Harvey have helped us explore the wider potential of connecting businesses with schools, young people and communities. These relationships bring additional resources, experience and connections to young people's learning while creating opportunities for employees and business leaders to engage directly with communities and learn from perspectives different from their own.

We are also grateful for continued support from philanthropic partners including People's Postcode Lottery, the Rank Foundation and the BGF Foundation, which has enabled us to develop opportunities for young people beyond Scotland.

Alongside our work with young people, we continued to explore opportunities to extend the Academy's practical, experiential and peer-based approach to adult leadership development across the UK. This reflects increasing interest in approaches which strengthen not only individual leadership but also the relationships and collaborative capacity required to respond to increasingly complex social and economic challenges.

International Work
The Academy's international network continued to demonstrate the adaptability of our learning approach across different cultural and economic contexts. Licensed partners in Australia, South Africa, Canada, Egypt and Sweden continued to adapt and deliver Academy learning with a shared commitment to experiential practice, quality and social impact.

During 2025/26, we continued to deepen collaboration across the network, supporting knowledge exchange between partners and strengthening shared approaches to quality assurance and impact. International partnerships also created opportunities for collaborative programme delivery, including continued work with IKEA and Movember.

The international network provides more than geographical reach. It creates a community of practitioners able to share learning across different contexts and contributes to the continuing development of the Academy's approach. It also enables expertise and intellectual property developed in Scotland to generate both social impact and income through collaboration with partners internationally.

Dragonfly Trust
During 2025/26, the Academy continued to support the development of the Dragonfly Trust, which was formally constituted as an independent Scottish Charitable Incorporated Organisation (SCIO) in July 2025.

Dragonfly has grown from the Academy's work with businesses, funders and social organisations and from a shared belief that investment in social change needs to include investment in the people leading it. Its model seeks to connect corporate leadership development with investment in leadership and capacity across the social economy, creating value for businesses while strengthening people and organisations working to create positive social change.

During the year, Dragonfly developed its governance and partnerships and secured its first commissioned work with major corporate partners, providing important early validation of the proposition. Since the year end, further corporate and philanthropic engagement, including the development of a place-based approach involving multiple businesses, has provided encouraging evidence of the model's potential to extend social impact and create new opportunities for the Academy's learning and development expertise.

While Dragonfly is independently governed, the Academy sees significant potential for collaboration between the two organisations. Its development provides an important opportunity to diversify commissioned activity while extending the reach and impact of the Academy's charitable purpose.

Financial review

During the year the charity generated incoming resources of £2,359,790 (2025:£2,349,767) and incurred expenditure of £2,159,504 (2025:£2,379,764). This resulted in a surplus of £200,686 for the year (2025: deficit of £29,997). The charity has net liabilities of £359,243 (2025: net liabilities £559,929).

Going concern

The Board has reviewed the organisation's financial position and forecasts, taking professional advice where appropriate. Following the operational restructuring completed during the year, the improvement of financial controls, and the receipt of additional funding in 25/26, the Directors are satisfied that the Social Enterprise Academy has adequate resources to continue in operational existence for the foreseeable future.
The Scottish Government has confirmed its ongoing commitment to funding and to the Academy's role as a strategic partner within Scotland's social enterprise ecosystem. Accordingly, the Board considers that the going concern basis of preparation remains appropriate.

Reserves policy

It is the aim of the charity to maintain a level of free reserves which will ensure that , in the event of a significant drop in funding, it will be able to continue current activities while consideration is given to ways in which additional funds may be raised.

Free Reserves are the Total Funds less Fixed Assets, less Restricted and Designated Funds. The Directors have set a target for free Reserves to reach £600,000 which equates to just over 3 months operating costs.

The Directors have agreed a five-year plan to achieve this level of reserves. This first year was a period of stabilisation whilst future years will target surplus and reserves generation. Current financial plans suggest we are on track with this recovery plan.

Principal funding sources

- Scottish Government provided outcome specific investment to cover the work plan referred to above.
- Outcome specific grant income from a number of institutions including the Heritage Lottery Fund, Rank Foundation and PPL was also received
- Fee income from participants and their organisations.
- Fee income from organisations operating outside the Scottish geographical area including other regions of the United Kingdom, Europe, Africa and Asia.
- Fundraising and Donations.
- A financial analysis is shown in notes 2 to 5 to the financial statements.

Investment policy

Under the Memorandum and Articles of Association, the charity has the power to invest any money that it does not immediately require in any investments, securities or properties. As there are few funds available for long-term investment the Trustees, having regard to the liquidity requirements of operating the charity and to the reserves policy, have operated a policy of keeping available funds in an interest-bearing bank account.

Risk Management

The Board's annual strategic review and forward planning event considers the risks to which the charity is exposed and identifies what needs to be in place to manage these risks throughout the year. In addition, a risk register is maintained by the CEO and staff which is presented to the board on a quarterly basis. The risks faced by the company fall into two categories, internal and external.

Internal risks are minimised by the implementation of procedures for authorisation of transactions and activities and to ensure consistent quality of delivery for all operational aspects of the company. A scheme of delegation is in place for payment authorisation and this has been agreed with the finance subcommittee.

Financial risks are monitored within the executive team on a monthly basis with the scrutiny of cash flow, balance sheets and profitability statements.

External risks relate largely to the sustainability of the company and the blended nature of income streams with much of the charitable work of the organisation dependent on the provision of grants by external bodies including the Scottish Government. This is augmented by the delivery of learning programmes to organisations who can afford to purchase these on behalf of their staff, or beneficiaries. There continues to be growing demand for the delivery of learning programmes both in Scotland and beyond which is indicative of the Academy's strategy to reduce reliance on grant funding by public bodies. Independent grant funding including an increased level of interest in the social economy by corporate foundations also looks likely to mitigate this risk.

Any variation from the business plan has an associated risk assessment that is presented to the board of directors for consideration and approval.

The Board is aware of the growing risk of cyber-attack and have taken appropriate steps to protect the company including additional security and back up facility with our IT provider and a comprehensive training programme for all staff.

Plans for future periods

The Academy enters the year ahead from a stronger financial and organisational position, with encouraging progress against the recovery plan and a continuing focus on rebuilding longer-term financial resilience. Our priorities are to maintain strong financial discipline, build unrestricted reserves and further diversify our income while continuing to develop the relevance, quality and impact of our learning.

Strengthening our Learning and Impact
We will continue to develop our core work in adult learning and Social Enterprise Schools, building on the Academy's established approach to experiential and peer-based learning. Our focus remains on developing leadership, entrepreneurial thinking, confidence and agency, and enabling people to apply their learning to the challenges they face within their organisations and communities.

Increasingly, we recognise that many of the social and economic challenges facing communities are complex and interconnected and cannot be addressed by one organisation or sector acting alone. We will therefore continue to create opportunities for people to learn across organisational, community and sector boundaries, strengthening relationships and the collective capacity to create change.

Learning, Technology and Demonstrating Impact
The way people learn is continuing to evolve, accelerated by developments in digital technology and artificial intelligence. The Academy will continue to explore how these developments can complement rather than replace the experiential, facilitated and relationship-based learning that is central to our approach.

Our partnership with MindTools is an important part of this work, helping us explore how digital learning can extend access, complement facilitated learning and support learners beyond individual programmes. We will also continue to explore the responsible use of emerging technologies, including artificial intelligence, where these can strengthen learning, improve accessibility and help us better understand and demonstrate impact.

Demonstrating the difference our work makes remains an important priority. We will continue our relationship with Social Value Lab to ensure that our approach to impact assessment reflects evolving best practice, while exploring new ways of gathering and understanding evidence of longer-term change for learners, organisations and communities.

We will also continue to work closely with partners including Education Scotland and Skills Development Scotland. These relationships help ensure that our learning remains connected to developments in Scotland's education, skills and economic systems, while enabling the experience of our learners, schools and communities to contribute to wider thinking and systemic change.

Building Cross-Sector and Place-Based Partnerships
We will continue to develop partnerships with businesses, funders, public bodies and community organisations which connect leadership development with investment in people and communities.

The development of the Dragonfly Trust, together with learning from our existing corporate partnerships, is creating promising opportunities to explore place-based approaches in which multiple businesses within a shared geography participate. These models have the potential to connect senior leadership development with opportunities for emerging and high-potential employees to engage with schools, social organisations and communities.

Early experience suggests that this can create value at several levels: developing leaders within businesses; strengthening leadership and capacity within the social economy; bringing additional relationships and resources into communities; and creating opportunities for young people to engage with workplaces and people they may not otherwise encounter.

We are particularly encouraged by the willingness of participating businesses to introduce other employers within their local networks. We will continue to explore how these relationships can develop into sustainable local partnerships which strengthen communities while creating new opportunities for the Academy's learning and development expertise.

Building Long-Term Financial Resilience
Diversification of income remains central to the Academy's longer-term sustainability. Alongside our important strategic relationship with the Scottish Government, we will continue to develop earned income, philanthropic partnerships and commissioned work with organisations across the private, public and third sectors.

The emerging opportunities created through Dragonfly and our wider corporate partnerships provide an additional route through which the Academy's expertise in leadership development, experiential learning and Social Enterprise Schools can generate commissioned activity while advancing our charitable purpose.

Alongside our work in Scotland, we will continue to develop appropriate opportunities across the UK and through our international network, enabling learning and intellectual property developed in Scotland to achieve wider impact and generate sustainable income.

Our ambition is not simply to restore the Academy's financial position, but to build a more resilient and relevant organisation: one with a broader range of partnerships and income sources, capable of adapting to changes in learning and technology, demonstrating its impact and continuing to invest in people and communities over the long term.

Thematic Priorities: Building on the themes emerging from government policy and our own experience of community learning, our future programme development will focus on:

- **Social Mobility and Opportunity** – leadership development for those working to widen access to employment, enterprise and learning.
- **Climate and Community Action** – supporting place-based initiatives that enable communities to respond to the climate emergency through innovation and collaboration.
- **Alleviation of Poverty** – equipping leaders and organisations to tackle the structural causes of poverty through enterprise, partnership and systemic change.
- **Compassionate and Purpose-led Leadership** – embedding reflective practice, collaboration and wellbeing into leadership across all sectors.

Through these thematic approaches we will continue to demonstrate how investment in people, in the capacity and confidence of leaders at every level, delivers lasting benefit for communities and for Scotland's economy as a whole.

Structure, governance and management
The charity is a company limited by guarantee governed by its Memorandum dated 26 August 2004 and Articles of Association adopted by special resolution on 23 November 2006 and subsequently amended and adopted by special resolution on 9 June 2016. It is a registered Scottish Charity.
The Social Enterprise Academy designs and delivers educational programmes and professional development in leadership and business skills for social entrepreneurs and those involved in social enterprise.

Recruitment and appointment of trustees
The Articles provide for a maximum of twelve directors and a minimum of three. A person automatically becomes a director of the company upon his/her admission to membership. Membership is open to any individual wishing to support the aims and activities of the company who has been nominated for membership by three directors of the company and supported by 75% of the directors in office.

Organisational structure

Charity name	Social Enterprise Academy (Scotland)
Charity number	SC035936
Company number	SC272855
Registered office and principal address	Thorn House 5 Rose Street Edinburgh EH2 2PR
Directors	Paul Chowdhry (Resigned 5 June 2025) Roland Brinkman Julie Waites Gregory Kinsman-Chauvet (Resigned 5 March 2026) Julie Drybrough Johann Kennedy (Resigned 13 January 2025) Dr Jahangir Wasim (Resigned 6 October 2025) Allan Watt Cheryl Harding Wyper (Appointed 23 May 2025) Paul Boyle (Appointed 22 May 2025) (Resigned 10 November 2025) Faye Bowser (Appointed 22 January 2026) Neil Davey (Appointed 22 January 2026) Jennifer Mackenzie (Appointed 22 January 2026) Hannah Corbett (Appointed 22 January 2026)
Chief Executive	Neil McLean
Auditors	Thomson Cooper 3 Castle Court Carnegie Campus Dunfermline Fife KY11 8PB
Bankers	Triodos Bank NV Brunel House 11 The Promenade Bristol BS8 3NN

The full board of directors meets quarterly. The Board also spends a day each year undertaking a strategic review and forward planning for the organisation.

A finance subcommittee has delegated authority to consider matters of a financial nature including budget management. Management accounts are prepared monthly and this sub committee meets on a quarterly basis by arrangement to review them.

A Nominations Subcommittee has responsibility to oversee board member recruitment, induction and training.

Advisory groups are also in place to provide guidance to both the Global Learning Lab and the Education team. The Global Learning Lab has delegated responsibility to review all aspects of quality improvement within the context of the European Framework for Quality Management which was successfully introduced to the organisation on 5th August 2013 (date formally approved by European Framework for Quality Management).

The CEO produces a report of the organisation's progress to the directors on a quarterly basis. The CEO has delegated powers to make day-to-day decisions regarding operations. A work plan and budget is agreed between the CEO and the directors and if there is significant variation required, this is referred to the directors for approval.

Induction and training of trustees

After appointment/co-option an induction programme is offered to all new directors. In addition, all directors receive an information pack that contains the Memorandum and Articles of Association, roles and responsibilities of being a director, and background information on the organisation.

Remuneration policy

Key management personnel of the charity are the Directors and the Chief Executive Officer, Neil McLean, who is charged with the day to day running of the charity. All directors give of their time freely and no directors' remuneration was paid in the year. Details of directors' expenses and related party transactions are disclosed in the notes to the financial statements.

Directors are required to disclose all relevant interests and register them with the Chief Executive and in accordance with the Company's policy withdraw from discussions where a conflict of interest arises. No conflicts of interest arose during the financial year.

The pay of the company's Chief Executive is reviewed annually and is currently on a ratio of 3 to 1 with the company's administrative staff which the directors consider to be a fair and reasonable multiple. The remuneration is also bench-marked with charitable companies of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Relationship with related parties

The Social Enterprise Academy (Scotland) co-operates with a range of organisations across Scotland, the UK, and internationally that share its purpose of supporting social enterprise and community-led development.

The Academy continues to receive outcome-specific investment from the Scottish Government, which remains a principal funder and strategic partner. Engagement takes place within the framework of the national Social Enterprise Strategy and the 10-year Ecosystem plan.

During the year to 31 March 2025, preparatory work was undertaken to establish the Dragonfly Trust, a new charitable vehicle designed to connect corporate and philanthropic partners with leadership development in the social economy. The Trust was formally constituted as a Scottish Charitable Incorporated Organisation (SCIO) in July 2025, after the financial year end.

The Academy and the Dragonfly Trust share several trustees/directors in common to ensure strategic alignment and shared governance principles. Appropriate terms of reference and conflict-of-interest procedures have been agreed to safeguard independence of decision-making, financial integrity, and accountability between the two entities.

Beyond these relationships, the Academy continues to collaborate with other social enterprises, public agencies, and sector bodies—including Social Enterprise Scotland, Just Enterprise partners, and the regional social enterprise networks—to maximise the reach and impact of its learning programmes.

No related-party transactions took place during the year other than those disclosed in the notes to the financial statements.

Statement of directors' responsibilities

The directors, who also act as trustees for the charitable activities of Social Enterprise Academy (Scotland), are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the directors are required to:
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Auditor

In accordance with the company's articles, a resolution proposing that Thomson Cooper be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The directors' report was approved by the Board of Directors.

Mr A Watt
Director

6 November 2026

SOCIAL ENTERPRISE ACADEMY (SCOTLAND)

INDEPENDENT AUDITOR'S REPORT

TO THE DIRECTORS OF SOCIAL ENTERPRISE ACADEMY (SCOTLAND)

Opinion

We have audited the financial statements of Social Enterprise Academy (Scotland) (the 'charity') for the year ended 31 March 2026 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2026 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the directors' report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

Extent to which the audit was capable of detecting irregularities, including fraud

We considered the opportunities and incentives that may exist within the group for fraud and identified the greatest potential for fraud in the following areas: existence and timing of recognition of income, posting of unusual journals along with complex transactions and manipulating the Charity's key performance indicators to meet targets. We discussed these risks with management, designed audit procedures to test the timing and existence of revenue, tested a sample of journals to confirm they were appropriate and inspected minutes from meetings held by management and trustees for any reference to breaches of laws and regulations. In addition, we reviewed areas of judgement for indicators of management bias to address these risks.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the officers and other management (as required by the auditing standards).

We reviewed the laws and regulations in areas that directly affect the financial statements including applicable charity and company law and considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

With the exception of any known or possible non-compliance with relevant and significant laws and regulations, and as required by the auditing standards, our work in respect of these was limited to enquiry of the officers and management of the charity.

We communicated identified laws and regulations and potential fraud risks throughout our team and remained alert to any indications of non-compliance or fraud throughout the audit. However the primary responsibility for the prevention and detection of fraud rests with the trustees.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities is available on the Financial Reporting Council’s website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Fiona Haro (Senior Statutory Auditor)
for and on behalf of Thomson Cooper. Statutory Auditors
Dunfermline

6 November 2026

Thomson Cooper is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SOCIAL ENTERPRISE ACADEMY (SCOTLAND)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Income and endowments from:							
Donations and legacies	**2**	38,386	-	38,386	23,080	-	23,080
Charitable activities	**3**	1,651,133	507,938	2,159,071	2,126,119	189,282	2,315,401
Other trading activities	**4**	11,000	-	11,000	10,250	-	10,250
Investments	**5**	1,333	-	1,333	1,036	-	1,036
Other income	**6**	150,000	-	150,000	-	-	-
Total income		1,851,852	507,938	2,359,790	2,160,485	189,282	2,349,767
Expenditure on:							
Raising funds	**7**	2,814	-	2,814	6,374	-	6,374
Charitable activities	**8**	1,647,207	509,483	2,156,690	2,186,243	187,147	2,373,390
Total expenditure		1,650,021	509,483	2,159,504	2,192,617	187,147	2,379,764
Net gains/(losses) on investments	**13**	400	-	400	-	-	-
Net income/(expenditure) and movement in funds		202,231	(1,545)	200,686	(32,132)	2,135	(29,997)
Reconciliation of funds:							
Fund balances at 1 April 2025		(562,064)	2,135	(559,929)	(529,932)	-	(529,932)
Fund balances at 31 March 2026		(359,833)	590	(359,243)	(562,064)	2,135	(559,929)

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

SOCIAL ENTERPRISE ACADEMY (SCOTLAND)

BALANCE SHEET

AS AT 31 MARCH 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Intangible assets	**15**		15,908		39,860
Tangible assets	**16**		1,490		9,063
Investments	**17**		100		1,100
			17,498		50,023
Current assets					
Debtors	**18**	240,953		100,912	
Cash at bank and in hand		178,105		125,975	
		419,058		226,887	
Creditors: amounts falling due within one year	**20**	(620,189)		(466,194)	
Net current liabilities			(201,131)		(239,307)
Total assets less current liabilities			(183,633)		(189,284)
Creditors: amounts falling due after more than one year	**21**		(175,610)		(370,645)
Net liabilities			(359,243)		(559,929)
The funds of the charity					
Restricted income funds	**24**		590		2,135
Unrestricted funds	**25**		(359,833)		(562,064)
			(359,243)		(559,929)

The financial statements were approved by the directors on 6 November 2026

Mr A Watt
Director

Company registration number SC272855 (Scotland)

SOCIAL ENTERPRISE ACADEMY (SCOTLAND)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Cash flows from operating activities					
Cash generated from operations	**31**		81,783		2,443
Investing activities					
Purchase of intangible assets		(13,860)		-	
Proceeds from disposal of investments		1,400		-	
Investment income received		1,333		1,036	
Net cash (used in)/generated from investing activities			(11,127)		1,036
Financing activities					
Proceeds from borrowings		-		250,000	
Repayment of bank loans		(18,526)		(19,755)	
Net cash (used in)/generated from financing activities			(18,526)		230,245
Net increase in cash and cash equivalents			52,130		233,724
Cash and cash equivalents at beginning of year			125,975		(107,749)
Cash and cash equivalents at end of year			178,105		125,975

1 Accounting policies

Charity information

Social Enterprise Academy (Scotland) is a private company limited by guarantee incorporated in Scotland. The registered office is Social Enterprise Scotland, Thorn House, 5 Rose Street, Edinburgh, EH2 2PR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The charity recorded a surplus of £185,306 (2025: loss £29,997) during the year. At 31 March 2026 the charity had net current liabilities of £216,511 (2025: liabilities £239,307) and a balance sheet deficit of £374,623 (2025: deficit £559,929).

The current and future cash position of the charity has been reviewed by the Board. This included a comprehensive review of the financial projections and cash-flow requirements, covering a period beyond one year from the date of approval of the financial statements. These forecasts were prepared using assumptions which the directors consider appropriate to the financial position of the charity and its future anticipated revenues and costs.

Specific consideration has been given to:

- The improved financial and operational stability of the charity and progress against the five-year plan established in the prior year, with results currently exceeding the recovery plan targets
- The valued support and funding provided from Scottish Government
- Further development of the newly established Dragonfly Trust
- Ongoing income levels and cash flow management as a result of the above points
- The conversion of £150,000 of director and management loans into grant income, removing a significant financial obligation from the charity's balance sheet

The directors also acknowledge that the charity’s liquidity position depends on continued budgetary oversight and cost management. However, they project further strengthening of liquidity over the next 12 months due to improved financial performance and the measures outlined above.

After due consideration of the above, the directors are satisfied that the charity has access to adequate resources to continue in operational existence for period of at least twelve months from the date of approval of the financial statements. The directors therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

1 Accounting policies **(Continued)**

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

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

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

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website	33.33% Straight Line
Branding	10% Straight Line
Learning Management System	20% Straight Line

1 Accounting policies **(Continued)**

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office Equipment	33.3% on a straight line basis
Computer Equipment	33.3% on a straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the charity holds a long-term interest and where the charity has significant influence. The charity considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Other investments are measured at cost less impairment on the basis that they represent a bond holding in an entity that is not publicly traded and the fair value cannot otherwise be measured reliably.

The charity is considered the parent undertaking of its 100% owned subsidiary company Social Enterprise Academy International C.I.C. which is incorporated in Scotland (SC544394). Its registered office address is Thorn House, 5 Rose Street Edinburgh, EH2 2PR.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Cash and cash equivalents

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

1.11 Financial instruments

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

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

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

1 Accounting policies **(Continued)**

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Income from donations and legacies

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Donations and gifts	38,386	23,080

3 Charitable activities

	2026	2025
	£	£
Programme Fee Income	694,682	1,034,383
Grants Receivable	1,464,389	1,281,018
	2,159,071	2,315,401
Analysis by fund		
Unrestricted funds	1,651,133	2,126,119
Restricted funds	507,938	189,282
	2,159,071	2,315,401
Grants Receivable		
Grants	518,284	349,018
Scottish Government	946,105	932,000
	1,464,389	1,281,018

4 Other trading activities

	Total 2026	Total 2025
	£	£
Dragons' Den	11,000	10,250

5 Investments

	Total 2026	Total 2025
	£	£
Interest receivable	1,333	1,036

6 Other income

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Loan waiver converted to income	150,000	-

7 Expenditure on raising funds

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Fundraising and publicity		
Seeking donations, grants and legacies	2,814	6,374

8 Charitable activities

	Education & Training Programmes 2026 £	Education & Training Programmes 2025 £
Staff costs	1,283,675	1,495,071
Staff recruitment	1,546	751
Staff travel, subsistence and other costs	58,011	49,959
Consultancy	35,768	11,922
Marketing and Publicity	18,622	27,410
Programme Delivery	461,636	500,310
	1,859,258	2,085,423
Share of support costs (see note 9)	285,059	260,371
Share of governance costs (see note 9)	12,373	27,596
	2,156,690	2,373,390
Analysis by fund		
Unrestricted funds	1,647,207	2,186,243
Restricted funds	509,483	187,147
	2,156,690	2,373,390

9 Support costs

The charitable group initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs, together with the governance costs are apportioned between its key charitable activities undertaken. Refer to the note below for the basis of the apportionment and the analysis of support and governance costs.

	Support costs	Governance costs	2026	Support costs	Governance costs	2025
	£	£	£	£	£	£
Depreciation	45,385	-	45,385	34,942	-	34,942
Premises Costs	51,203	-	51,203	56,028	-	56,028
Telephone	11,121	-	11,121	9,790	-	9,790
Postage and Stationery	18,963	-	18,963	17,074	-	17,074
Bank charges	437	-	437	1,532	-	1,532
Loan interest	11,503	-	11,503	14,540	-	14,540
IT Equipment and Maintenance	65,946	-	65,946	69,087	-	69,087
Subscriptions	76,311	-	76,311	54,058	-	54,058
Sundry expenses	4,190	-	4,190	3,320	-	3,320
Audit fees	-	10,500	10,500	-	9,975	9,975
Legal and professional	-	1,711	1,711	-	17,533	17,533
Board Travel and Subsistence	-	162	162	-	88	88
	285,059	12,373	297,432	260,371	27,596	287,967

Governance costs includes payments to the auditors of £10,500 (2025- £9,975) for audit fees.

All costs are allocated to activities on a direct basis, with the exception of staff costs which are allocated on the basis of time spent.

10 Net movement in funds

	2026	2025
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	10,500	9,975
Depreciation of owned tangible fixed assets	7,434	11,576
Loss on disposal of tangible fixed assets	139	1,449
Amortisation of intangible assets	37,812	21,917

11 Directors

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

12 Employees

The average monthly number of employees during the year was:

	2026 Number	2025 Number
Core Service	32	39

Employment costs	2026 £	2025 £
Wages and salaries	1,106,210	1,320,696
Social security costs	109,783	94,249
Other pension costs	67,682	80,126
	1,283,675	1,495,071

The total amount of employee benefits received by key management personnel of the charity is £91,310 (2025: £87,525). The charity considers its key management personnel to be the Chief Executive Officer, Neil McLean.

Travel and Accommodation costs amounting to £162 (2025: £88) were paid in respect of all members of the board of directors. No directors received any remuneration during the year.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2026 Number	2025 Number
£80,001 to £90,000	1	1

13 Gains and losses on investments

Gains/(losses) arising on:	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Sale of investments	400	-

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

15 Intangible fixed assets

	Website	Branding	Learning Management System	Total
	£	£	£	£
Cost				
At 1 April 2025	91,688	24,885	9,116	125,689
Additions	-	-	13,860	13,860
At 31 March 2026	91,688	24,885	22,976	139,549
Amortisation and impairment				
At 1 April 2025	77,206	4,977	3,646	85,829
Amortisation charged for the year	12,891	19,908	5,013	37,812
At 31 March 2026	90,097	24,885	8,659	123,641
Carrying amount				
At 31 March 2026	1,591	-	14,317	15,908
At 31 March 2025	14,482	19,908	5,470	39,860

16 Tangible fixed assets

	Office Equipment	Computer Equipment	Total
	£	£	£
Cost			
At 1 April 2025	11,765	85,750	97,515
Disposals	(686)	(26,806)	(27,492)
At 31 March 2026	11,079	58,944	70,023
Depreciation and impairment			
At 1 April 2025	11,235	77,217	88,452
Depreciation charged in the year	448	6,986	7,434
Eliminated in respect of disposals	(604)	(26,749)	(27,353)
At 31 March 2026	11,079	57,454	68,533
Carrying amount			
At 31 March 2026	-	1,490	1,490
At 31 March 2025	530	8,533	9,063

17 Fixed asset investments

	Other investments
Cost or valuation	
At 1 April 2025	1,100
Disposals	(1,000)
At 31 March 2026	100
Carrying amount	
At 31 March 2026	100
At 31 March 2025	1,100

Other investments comprise:	Notes	2026 £	2025 £
Investments in subsidiaries	29	100	100
Other Investments		-	1,000
		100	1,100

18 Debtors

Amounts falling due within one year:	2026 £	2025 £
Trade debtors	72,326	38,165
Prepayments and accrued income	168,627	62,747
	240,953	100,912

19 Loans and overdrafts

	2026 £	2025 £
Bank loans	120,565	139,091
Directors' loans	-	100,000
Other loans	100,000	150,000
	220,565	389,091
Payable within one year	44,955	18,446
Payable after one year	175,610	370,645

19 Loans and overdrafts **(Continued)**

The bank overdraft facility is secured over the assets of the charitable company by way of a floating charge.

Bank loans include a CBILS loan with Triodos Bank. The loan is repayable in instalments, with final repayment due in April 2031.

Included in other loans is a loan from Mr and Mrs James Fairweather's Charitable Trust, provided to support the charity's cashflow requirements. During the year, the repayment terms were renegotiated and the balance is now repayable in four annual instalments of £25,000 commencing in November 2026, with final repayment due in November 2029. Interest is payable at 7% per annum from 1 July 2026.

20 Creditors: amounts falling due within one year

	Notes	2026 £	2025 £
Bank loans	**19**	19,955	18,446
Other borrowings		25,000	-
Other taxation and social security		34,373	69,940
Deferred income	**22**	382,168	233,806
Trade creditors		94,367	93,802
Other creditors		10,076	8,896
Accruals		54,250	41,304
		620,189	466,194

21 Creditors: amounts falling due after more than one year

	Notes	2026 £	2025 £
Bank loans	**19**	100,610	120,645
Other borrowings		75,000	250,000
		175,610	370,645

22 Deferred income

	2026 £	2025 £
Arising from grant income	382,168	233,806

Deferred income is included in the financial statements as follows:

	2026 £	2025 £
Deferred income is included within:		
Current liabilities	382,168	233,806

Movements in the year:

22 Deferred income **(Continued)**

Deferred income at 1 April 2025	233,806	126,475
Released from previous periods	(233,806)	(126,475)
Resources deferred in the year	382,168	233,806
Deferred income at 31 March 2026	382,168	233,806

23 Retirement benefit schemes

Defined contribution schemes	**2026** **£**	**2025** **£**
Charge to profit or loss in respect of defined contribution schemes	67,682	80,126

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

24 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2025 £	Incoming resources £	Resources expended £	At 31 March 2026 £
The Pebble Trust	2,135	-	(1,545)	590
National Lottery Heritage Fund	-	146,052	(146,052)	-
Postcode Innovation Trust - Year 2	-	75,000	(75,000)	-
Pathways Underrepresented Groups Fund	-	55,370	(55,370)	-
World Wide Horizons	-	47,700	(47,700)	-
RANI - Peace+ Consortium Bid	-	31,000	(31,000)	-
Postcode Innovation Trust - Year 3	-	25,000	(25,000)	-
Rank- Project Trust	-	18,000	(18,000)	-
HIE - IT Graduate funding	-	17,967	(17,967)	-
Social Enterprise Schools & SAP UKI	-	14,259	(14,259)	-
UDARAS - Enterprising Leaders Programme	-	10,125	(10,125)	-
Leadership for Pantry Projects	-	9,946	(9,946)	-
SPT People and Place Community Grant Fund	-	9,500	(9,500)	-
Good Vibes Only Youth Project	-	9,300	(9,300)	-
Erasmus - Entrepreneurship Education	-	9,260	(9,260)	-
Bord Na Gaidhlig	-	7,975	(7,975)	-
Social Enterprise Schools Sunderland	-	6,334	(6,334)	-
Scottish Connections Fund	-	5,000	(5,000)	-
Renfrewshire- Skills for Social Entrepreneurs	-	4,650	(4,650)	-
Creative Scotland	-	4,000	(4,000)	-
Wheatley Foundation	-	1,500	(1,500)	-
	2,135	507,938	(509,483)	590

Previous year:	At 1 April 2024 £	Incoming resources £	Resources expended £	At 31 March 2025 £
Postcode Innovation Trust	-	100,000	(100,000)	-
Bord na Gaidhlig	-	16,270	(16,270)	-
The Pebble Trust	-	7,558	(5,423)	2,135
Community Foundation Ireland	-	18,454	(18,454)	-
The Progress Foundation	-	17,000	(17,000)	-
Experian	-	30,000	(30,000)	-
	-	189,282	(187,147)	2,135

24 Restricted funds **(Continued)**

National Lottery Heritage Fund
Sustainability and leadership development programme for organisations within Scotland's heritage sector.

Postcode Innovation Trust (Year 2 & 3)
Development of the social enterprise ecosystem through leadership and enterprise support in North East England.

Pathways Underrepresented Groups Fund
Leadership and entrepreneurship programme for individuals from underrepresented groups.

World Wide Horizons
Community leadership and wellbeing programme for New Scots and underrepresented communities.

RANI - Peace+ Consortium Bid
Rural Innovation and Social Enterprise programme supporting community enterprise development.

Rank- Project Trust
International schools social enterprise and leadership project delivered in partnership with Project Trust.

HIE - IT Graduate funding
Funding towards the employment of a graduate Learning Technology and Innovation Officer.

Social Enterprise Schools & SAP UKI
Social enterprise education programme for schools supported by SAP UKI.

UDARAS - Enterprising Leaders Programme
Leadership and enterprise development programme supporting Gaelic and cultural tourism organisations.

Leadership for Pantry Projects
Leadership development programme for community food pantry organisations.

SPT People and Place Community Grant Fund
Sustainability and organisational development programme for community and active travel organisations.

Good Vibes Only Youth Project
Social entrepreneurship skills programme for young people in Renfrewshire.

Erasmus - Entrepreneurship Education
Impact-driven entrepreneurship education programme for children and young people.

Bord Na Gaidhlig
Leadership development programme supporting Gaelic language and cultural organisations.

Social Enterprise Schools Sunderland
Social enterprise education and entrepreneurship programme for school pupils in Sunderland.

Scottish Connections Fund
International knowledge-sharing programme connecting community leaders in Scotland and Canada.

Renfrewshire- Skills for Social Entrepreneurs
Social entrepreneurship pilot programme for disengaged learners in Renfrewshire schools.

24 Restricted funds **(Continued)**

Creative Scotland
Sustainability and leadership development programme for the Gaelic arts sector.

Wheatley Foundation
Sponsorship of school-based Dragons' Den social enterprise events.

The Pebble Trust
Leadership development programme supporting charitable and community sector leaders.

25 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2025	Incoming resources	Resources expended	Gains and losses	At 31 March 2026
	£	£	£	£	£
General funds	(562,064)	1,851,852	(1,650,021)	400	(359,833)

Previous year:	At 1 April 2024	Incoming resources	Resources expended	Gains and losses	At 31 March 2025
	£	£	£	£	£
General funds	(529,932)	2,160,485	(2,192,617)	-	(562,064)

26 Analysis of net assets between funds

	Unrestricted funds 2026	Restricted funds 2026	Total 2026
	£	£	£
At 31 March 2026:			
Intangible fixed assets	15,908	-	15,908
Tangible assets	1,490	-	1,490
Investments	100	-	100
Current assets/(liabilities)	(201,721)	590	(201,131)
Long term liabilities	(175,610)	-	(175,610)
	(359,833)	590	(359,243)

26 Analysis of net assets between funds **(Continued)**

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:			
Intangible fixed assets	39,860	-	39,860
Tangible assets	9,063	-	9,063
Investments	1,100	-	1,100
Current assets/(liabilities)	(241,442)	2,135	(239,307)
Long term liabilities	(370,645)	-	(370,645)
	(562,064)	2,135	(559,929)

27 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2026 £	2025 £
Within one year	23,965	24,577
Between two and five years	-	23,965
	23,965	48,542

28 Related party transactions

In October 2025, loan agreements with two Directors and the Chief Executive, totalling £150,000, were cancelled and replaced with grant arrangements. Under the terms of these agreements, repayment may become due if specified future financial conditions are met. Further details are provided in Note 30 (Contingent Liability).

DragonFly SCIO (trading as Learning in Communities Trust SCIO), is a separate project launched in the prior year which shares common directors. During the year, Social Enterprise Academy (Scotland) recognised income of £24,852 for set-up costs of the charity. The total amounts owed from the entity at the year-end is £48,844 (2025: £23,993).

During the year, expenses totalling £162 (2025: £58) were reimbursed to trustees for travel and subsistence incurred in attending meetings and carrying out their duties.

29 Subsidiaries

Details of the charity's subsidiaries at 31 March 2026 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
Social Enterprise Academy International C.I.C.	Scotland	Dormant	Ordinary	100.00	

30 Contingent liability

During the year, loans totalling £150,000 due to two Directors and the Chief Executive were formally cancelled and replaced with grant arrangements.

Under the terms of the agreements, repayment of the amounts received will only become due if the charity's free reserves exceed £600,000 and repayment would not adversely affect the charity's liquidity position. If these conditions are met, the full amount of the relevant grant becomes repayable.

The trustees have considered the charity's current financial position, historical performance and future forecasts and consider the likelihood of these conditions being met to be remote. Accordingly, no liability has been recognised in the financial statements at 31 March 2026. The maximum potential exposure under these arrangements is £150,000.

31 Cash generated from operations

	2026	2025
	£	£
Surplus/(deficit) for the year	200,686	(29,997)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,333)	(1,036)
Loss on disposal of tangible fixed assets	139	1,446
Gain on disposal of investments	(400)	-
Amortisation and impairment of intangible assets	37,812	21,917
Depreciation and impairment of tangible fixed assets	7,434	11,576
Movements in working capital:		
(Increase)/decrease in debtors	(140,041)	12,340
(Decrease) in creditors	(170,876)	(121,134)
Increase in deferred income	148,362	107,331
Cash generated from operations	81,783	2,443

32 Analysis of changes in net (debt)/funds

	At 1 April 2025	Cash flows	At 31 March 2026
	£	£	£
Cash at bank and in hand	125,975	52,130	178,105
Loans falling due within one year	(18,446)	(26,509)	(44,955)
Loans falling due after more than one year	(370,645)	195,035	(175,610)
	(263,116)	220,656	(42,460)