

# SCOPE

England & Wales · Charity number 208231

## Details

|                |                                                         |
|----------------|---------------------------------------------------------|
| Other names    | THE SPASTICS SOCIETY                                    |
| Status         | Registered                                              |
| Legal form     | Charitable company                                      |
| Company number | 00520866                                                |
| Registered     | 1962-09-22                                              |
| Register       | <a href="#">View on the Charity Commission register</a> |

## Contact

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| Website | <a href="http://www.scope.org.uk">www.scope.org.uk</a>                        |

## Activities

**Objects:** FOR THE PUBLIC BENEFIT AND FOR GENERAL CHARITABLE PURPOSES ACCORDING TO THE LAWS OF ENGLAND AND WALES AND IN PARTICULAR BUT NOT EXCLUSIVELY FOR THE PROMOTION OF EQUALITY, DIVERSITY, INDEPENDENCE, AND HEALTH OF DISABLED PEOPLE, ESPECIALLY THOSE WITH CEREBRAL PALSY

**Activities:** Scope exists to make this country a place where disabled people have the same opportunities as everyone else. We provide support, information and advice to more than a quarter of a million disabled people and their families every year. We raise awareness of the issues that matter.

## Classification

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- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, Disability, Accommodation/housing, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, Elderly/old People, People With Disabilities

## Geography

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- Scotland
- Throughout England And Wales

## Finances

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| Period end | Income      | Expenditure | Assets      | Employees |
|------------|-------------|-------------|-------------|-----------|
| 2025-03-31 | £44,041,000 | £52,926,000 | £26,361,000 | 817       |
| 2024-03-31 | £47,171,000 | £48,739,000 | £34,450,000 | 842       |
| 2023-03-31 | £44,057,000 | £51,985,000 | £34,707,000 | 832       |
| 2022-03-31 | £44,165,000 | £45,118,000 | £43,611,000 | 825       |
| 2021-03-31 | £34,121,000 | £36,322,000 | £43,511,000 | 723       |

## Trustees

| Name                   | Role  | Appointed  |
|------------------------|-------|------------|
| <b>Robin Millar</b>    | Chair | 2020-06-30 |
| Callum James Jackson   |       | 2025-04-03 |
| Carolyn Bunting        |       | 2026-04-07 |
| Christopher Patnoe     |       | 2024-11-28 |
| Gail Yvonne Arkle      |       | 2025-04-03 |
| Hetal Desai            |       | 2025-08-01 |
| Louise Li              |       | 2026-04-07 |
| Luke Francis           |       | 2025-04-03 |
| Scott Berney           |       | 2025-10-17 |
| Sian Foster            |       | 2024-11-28 |
| Simon Godfrey          |       | 2025-10-17 |
| Stacey Paula Ramm      |       | 2026-04-07 |
| Thomas Boothman Seddon |       | 2025-04-03 |
| Zeinab Chaudhary       |       | 2021-12-02 |

## Linked charities

- SPASTICS SOCIETY COMMON INVESTMENT FUND (208231-1)
- SPASTICS SOCIETY TRUST (208231-2)

**SCOPE**

England & Wales - Charity number 208231

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# Accounts

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# Annual report and consolidated accounts

For the year ended 31 March 2025



**SCOPE**

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## Trustees' report

The Board of Trustees present their report, the strategic report and audited financial statements. This is for the year ended 31 March 2025.

## Chair's report

I became Chair of Scope in 2020, two years after the charity had taken the bold decision to withdraw from residential provision and focus fully on campaigning, community support, and delivering frontline services. That decision created a step-change in Scope's mission: to build an equal future for disabled people and their families.

At that point, the organisation also held reserves at a level that was unsustainable for a modern charity. While those reserves reflected past asset disposals, they meant Scope was ineligible for important sources of grant funding, and—crucially—those funds needed to be deployed for the very purpose for which the charity exists. It is a principle of good governance that reserves, beyond the minimum required for stability, should be used for charitable impact.

In the five years since, we have reduced reserves from £42.7 million to £26.4 million. This has been achieved through a planned and responsible use of funds to deliver our mission while navigating a series of extraordinary external pressures: the Covid pandemic and its impact on our shops and fundraising; global market disruption and inflation; rising salary and energy costs; and significant shifts in retail behaviour, public giving, and the wider cost-of-living environment.

Despite these challenges, Scope has continued to grow its reach and impact. Our information, advice, and services now support more disabled people and families than ever before. We have never paused in our determination to campaign for equality, to work with government and employers, and to demonstrate the tangible value of accessibility and inclusion.

In the last year we have also taken decisive steps to strengthen Scope's financial position for the long term. To achieve this, while continuing to deliver impact in line with our strategy, we have had to incur the substantial exceptional costs reflected in these accounts.

Our mission remains urgent and clear:

To close the disability employment gap.

To end the disability price tag.

To transform public attitudes.

Disabled people are not defined by limitations but by courage, resilience, and resourcefulness. Their inclusion strengthens society and drives innovation. Evidence is clear: inclusive workplaces perform better. Employing disabled people is not just fair—it is profitable, sustainable, and transformative.

This year, thousands of disabled people have benefitted from our free and personalised employment services, supporting them not just into work but to thrive at work. Our acquisition of Purple Space in 2024 has expanded our reach into businesses and workplaces, shifting employer mindsets and building cultures where disabled talent can flourish.

At Scope, we are unflinching in our belief that disability is a social construct, imposed by barriers and attitudes—not by individuals' impairments. And we know that disability touches everyone. As we age, most of us will acquire health conditions or impairments. The work we do now to dismantle barriers is about shaping a society that works for everyone.

This report celebrates the achievements of all who have worked tirelessly this year—colleagues, partners, campaigners, volunteers, and donors. Together, they form part of a wider movement for change. On behalf of the Board, I want to thank them for their commitment, passion, and resolve.

Scope will continue to deliver impact, to speak truth to power, and to challenge inequality wherever it exists. We are proud of what has been achieved this year, but we are even more determined about what lies ahead: an equal future for the UK's 16 million disabled people and their families.



*Robin Millar*

Robin Millar (Oct 17, 2025 16:14:25 GMT+1)

17/10/2025

Sir Robin Millar CBE



## Chief Executive's report

This year we have fully embarked on delivering our new 10-year strategy, An Equal Future. We have laid the foundations for driving long term impact, developed a new brand identity, we are developing new messaging, so that we are more clearly known for what we do, and we are focused on how our colleagues and leaders can confidently deliver in the best way. At the same time, we have been operating in a challenging external environment and have as a result made some essential changes to ensure Scope is set up as strongly as possible for the future.



### Changes to Scope's retail network

Like many charity retailers, Scope has experienced growing financial pressures on the high street, inflation, rising rents and increased staff costs. This was combined with a greater shift to online shopping and the cost of living squeeze on customers. Despite our teams' best efforts our shops were collectively losing money when taking account of all of their costs.

We have therefore had to make some hard choices. We completed a consultation with our Retail teams, to focus on having a long term profitable estate, to support our cause. As a result, we will have closed 77 of our shops over 18 months by 31 March 2026. This will reduce our running costs by £4 million per year from 2025 to 2026 and will give us a retail estate that delivers reliable net income for our mission now and in the future.

As we enter the next financial year, we know that the external environment will continue to be challenging. Pressures on donations and increasing competition for funding, mean it's more challenging than ever to raise money. We have therefore also moved to a new operating model, across the Charity, to deliver Scope's strategy, aimed at making most effective use of our resources, so that we can deliver the strongest impact towards An Equal Future with disabled people.

We know that for our dedicated colleagues and volunteers in retail and across the charity, some who had been with us over many years, Scope is more than just a job. I want to thank them for the part they have played in our work creating An Equal Future with disabled people.

We will continue to ensure Scope is set up for the future. That means making important choices about how we work, embracing digital advances, being present in communities around the country and ensuring we are financially stable for the long term.



## Our vision for an equal future

We want An Equal Future. A future where disabled people have the same rights and opportunities as everyone else. A future where disabled people do not face barriers to succeed, thrive and take part fully in society.

To achieve this, we have set out 3 long term goals:

- closing the disability employment gap
- ending the disability price tag
- and transforming attitudes.



## Delivering impact

We've supported 4.6 million disabled people through our services, our online advice and online community forum. Whether someone needed advice about benefits, work or accessibility, or just a place to connect, we were there. And we supported tens of thousands of disabled people with our energy advice services, helping them stay safe and warm while managing rising energy costs. Thank-you to our partners and those who funded us to help provide this support.

We also helped more than 2,000 disabled people to take steps that move them closer to being in employment, with nearly 400 securing jobs that worked for them. And most (68%) were still in work 6 months later. Our employment services show what's possible when support is personalised, voluntary and accessible. And we're using what we've learned to call on the Government for fairer, more inclusive employment support.

We pushed for change with a new government. We acted fast in the face of the new government's proposals to cut disability benefits. Our Cost of Cuts campaign helped thousands of people respond to the consultation, and our petition amassed over 100,000 signatures. We brought campaigners to Parliament to share their experiences directly with MPs.

These and other achievements were underpinned by strong evidence and insight. Our research has helped shape our services, support our campaigns, and inform our influencing. From modelling the extra cost of disability to highlighting regional inequalities through our Local Disability Data Map.



## Creating change with disabled people

We also increased our activity in communities around the country, continuing to shift attitudes and influence change and we are committed to co-producing our work with disabled people. We continued to grow our membership (to 2,475) with many younger members. Our youth-led community campaigning and Scope Awards celebrated disabled peoples' achievements and challenged negative perceptions. We opened our new Leeds Hub, as a welcoming space for disabled people and families, bringing together people to share experiences, get support, and shape local change.

From local events to national celebrations, our teams have been at the heart of co-producing events across the country. In 2024, Scope and disabled people co-produced events from the Senedd in Cardiff to the Disability Pride Ride, and from street stalls and art displays to youth-led celebrations in Bolton and Leeds.

Over the past year, over 3,000 disabled people and carers took part in our Community Engagement and Youth Community Collective work. Together, they helped shape change in their communities by joining over 170 local get togethers and meetings across the UK.



## Strengthening how we work

This year, we have made important changes to the way we work inside Scope, to help us deliver our strategy.

We have brought teams together across Scope, in goal groups, to drive the greatest focus and impact across the organisation to deliver upon our three strategic goals. We have introduced improved ways of working to ensure the strongest collaboration on our programmes of work across teams.

We have continued to develop digital and technology capability, for example, our customer relationship management system to better support colleagues across fundraising, services, volunteering and campaigning. And increasingly trialling the use of AI tools to support day to day work, to maximise our efficiency.

We have also made significant strides in embedding equality, diversity, and inclusion (EDI) within Scope. We launched our race equity action plan and the Apex programme, offering mentoring for colleagues of colour. We relaunched our reverse mentoring programme and delivered EDI and accessibility training for over 80% of colleagues.



## Working in partnership

This year, we were proud to receive funding from Postcode Care Trust, raised by players of People's Postcode Lottery, which has supported our helpline during a time of rising demand.

We and Evri launched a groundbreaking three-year partnership. We are delighted to be working with Evri to help them realise their ambition to become the UK's most accessible parcel delivery company and become a more accessible and inclusive business for their disabled consumers, couriers and colleagues.

Our enduring partnership with Deloitte has helped us to continue to push forward our work on digital inclusion and accessible services.

To all our partners, our allies, their support helps us reach more people and together drive a movement for change. We are incredibly grateful, and you are making a difference.



## PurpleSpace

We strengthened our work through PurpleSpace following its acquisition in May 2024. PurpleSpace supports more than 4,500 disability network leaders across 163 organisations in over 60 countries. Our acquisition brings together 2 organisations committed to changing attitudes and creating An Equal Future with disabled people. This growing global network is helping to drive real change from the inside out by building the inner confidence of all disabled employees to be able to ask for adjustments and to develop a thriving career, through the power of disability networks and Employee Resource Groups.



## Looking ahead

We are looking forward, with ambition, to drive real change both in terms of our goals and the way we work towards delivering them. We know our work would not be possible without your support and we are profoundly grateful to everyone who has donated time, money or voice to us this year. We remain focused on delivering impact against our goals, supported by diversifying and growing our income, and growing our partnerships. So that we can have the biggest reach and impact for disabled people, now and in the future.

As explained in the Financial Review, in 2024/25, for every £1 we spent, 76% was spent on our charitable activities to help disabled people and their families (compared to 73% in 2023/24) and we're committed to maintaining or increasing this further.

Finally, I want to thank everyone who has supported us in our mission to create An Equal Future with disabled people. Many supporters, campaigners, fundraisers, customers and corporate

partners believe in Scope and make our work possible. Your support has enabled us to meet demand this year and to continue to push for the social change that is so needed.

Creating An Equal Future needs all of us. Together we will be unstoppable.



*Mark Hodgkinson*

17/10/2025

Mark Hodgkinson

## Thank you to...

Evri  
Deloitte  
Hippo Digital Limited  
Bauer Media Outdoor  
M&S Sparks  
Next  
Hands Family Trust  
Chris Keene  
Funds raised by players of People's Postcode Lottery awarded by Postcode Care Trust  
Northern Customer and Community Improvement Fund  
The Zochonis Charitable Trust  
Bolton's Fund  
The TK Maxx and Homesense Foundation  
The Ofenheim Charitable Trust  
Houghton Dunn Charitable Trust  
The Hasluck Charitable Trust  
The Joan Lynette Dalton Charitable Trust  
The Barrow Cadbury Trust  
The Basil Samuel Charitable Trust  
The Edith Murphy Foundation  
British Gas Energy Trust  
Cadent Gas  
Southern Gas Networks  
Scotland Gas Networks  
Wales and West Utilities  
Northern Gas Networks  
Scope Utilities Membership Partners  
**Scope retail partners:**  
Amazon  
ASOS  
Boden  
Boohoo  
DPD  
Dune  
John Lewis  
Marks and Spencer  
N Brown  
Soya Concept  
Transport for London

## Our objects and public benefit

### Objects

Scope is established for the public benefit and for general charitable purposes according to the laws of England and Wales. In particular, but not exclusively, for the promotion of the equality, diversity, independence and health of disabled people, especially those with cerebral palsy.

### Public benefit aims

In exercising relevant powers and duties, the Board of Trustees has considered the Charity Commission's guidance on public benefit and the requirements of the Office of the Scottish Charity Regulator. This report outlines how our performance during the year to 31 March 2025 has benefited the public.

## Strategic report

### Our vision

We are Scope. We won't stop until we achieve a society where all disabled people enjoy equality and fairness.

### Our mission

We are determined to change the future.

Together, we are a collective movement of disabled people, campaigners, donors, volunteers, communities, and businesses. We work every day to challenge attitudes and end disability inequality.

## Our impact

Our strategy for An Equal Future with disabled people is a ten year strategy focussing on three long term goals: ending the disability price tag, closing the disability employment gap and transforming attitudes. Activity in any one year will reflect their relative priority in terms of external time critical events and we will focus our time and resources based on the need. In 2024/25 our biggest focus was on extra costs and the government benefits review. In 2025/26 employment activity will increase further and we are at the planning stage on what we need to do on attitudes, especially for young people.

## Ending the disability price tag

This year, we focused on tackling the extra costs disabled people face. Especially in response to the government's green paper on disability benefits. With living costs rising, it's never been more urgent to act.

Disabled people deserve the same standard of living as everyone else. But right now, life costs more when you're disabled.

We have worked to make the benefits system fairer and to ensure the government understands the need for change. We've pushed for better financial support for energy costs.

## Standing up to benefits cuts

When the government published its disability benefits Green Paper, disabled people told us they feared losing vital support. These colossal cuts to benefits would be catastrophic for disabled people's living standards and independence.

We launched our **Cost of Cuts campaign** to fight back. Scope led a strong response across the sector, making sure disabled people's voices were heard.

- We supported over **4,854** people to respond to the consultation through our online tool.
- Our petition calling to protect Personal Independence Payment (PIP) reached **100,000 signatures**.
- We held a packed event in Parliament attended by **over 100 MPs and peers**. Disabled campaigners shared how the proposed changes would affect their lives.
- We challenged harmful media narratives, shared accessible information, and submitted our own consultation response based on what disabled people told us.



- Our TikTok post about the Green Paper had one of our highest ever engagement rates – showing how strongly this issue resonates with the public.

Thanks to this strong sector response, led by Scope, we've already seen the impact:

- **The Government dropped rumoured plans to freeze or means test Personal Independence Payment (PIP).** This is a major win that protects this essential benefit for millions of disabled people.
- **They scaled back their planned cuts from £11 billion to £6.5 billion.** That's £4.5 billion of potential cuts that disabled people no longer face.
- **They agreed to consult on a new 'Right to Try Work' scheme,** which could give disabled people more choice and control over how they engage with work, without the threat of losing support.

We've also ramped up our work in Parliament and with decision makers:

- **We have briefed every Member of Parliament** to help them understand the impact of the proposals and speak up for change.
- **We coordinated an open letter to the Chancellor,** backed by over 120 organisations from across the disability sector, to show united opposition to the cuts.
- **We held a parliamentary drop-in event, with 95 MPs. We spoke at MP roundtables, and met with Labour backbenchers** – all to make sure disabled people's concerns are heard at every level.

This campaign shows the power of disabled people speaking out – and the difference we can make when we work together.

## Carol's story



**"PIP is one of the big things that keeps me and so many others in work"**

**Carol Vickers**

Carol lives with multiple long-term conditions. Despite the challenges, she works full-time and runs her own business. She relies on Personal Independence Payment (PIP) to help cover extra living costs.



“PIP is one of the big things that keeps me and so many others in work, and they’re threatening to cut that or take it away. It may force some people out of work,” Carol says.

She uses the £400 a month to help with her £900 monthly disability costs including medical treatments, adaptive cutlery, transport to hospital appointments and expenses for her assistance dog, Bella.

“I have to work because nobody else is paying for my needs. And it’s good to work. It’s good for me,” Carol explains.

Carol rejects the idea that disabled people should be forced into work, pointing out that many are already working.

“The rhetoric about getting disabled people into work is infuriating. I’m already working and so are millions of other disabled people, despite the fact that a great deal of employment is inaccessible” she says.

Despite her strong work ethic, Carol fears losing PIP. “If I were to lose my financial support, that could force me out of my jobs,” she shares.

She also manages multiple health conditions, saying, “Managing multiple medical conditions without a care pathway is a full-time job.”

For Carol, PIP is a lifeline, not a handout.

“I think the government should be helping us to be independent rather than persecuting us for trying really hard and overcoming the many barriers we face”. “That’s the whole point of independence payments”, she concludes.

## Exposing the extra cost of disability

We continued to push for long term change on the extra costs disabled people face.

At the Labour Party Conference, we launched our latest **Disability Price Tag 2024 report**. This powerful report shows just how much more life costs when you're disabled.

We worked with disabled people to bring the data to life. Through in depth interviews, disabled people shared how these extra costs affect their everyday lives. From heating and food, to mobility aids and transport. Their stories showed the human impact behind the numbers.

**Our report got the attention of key decision makers.** Debbie Abrahams MP, who chairs the Department for Work and Pensions Select Committee, praised our work and said she plans to use our findings in Parliament. This means our research could directly influence future debates and decisions about support for disabled people.

By combining powerful data with real life experiences, we're showing just how urgent it is to fix the financial inequality disabled people face. And we're making it harder for politicians to ignore.

## Pushing for discounted energy bills

Energy bills are one of the biggest extra costs disabled people face. That's why we're campaigning for a social tariff, which we call 'discounted energy bills' – to ease the pressure and help disabled households stay warm and well.

We welcomed the government's plan to expand the Warm Home Discount in 2025/26. But we know this isn't enough. We're calling for a full review of the scheme's eligibility rules and a long term commitment to include disabled people receiving benefits. We're also pushing for a "help to repay" scheme for energy related debts.

A social tariff could lift 1.4 million disabled households out of fuel poverty. And thanks to our campaigning, the issue is now high on the political agenda.

Here's the difference we've made:

- **MPs raised the need for discounted energy bills in Parliament**, including through a 10 minute rule bill and special debates. These are powerful tools that help build cross party support and push issues up the political agenda.
- **Ed Miliband, the Secretary of State for Energy Security and Net Zero**, raised the issue in a committee meeting, – showing senior ministers are now taking the idea seriously.
- **Energy Minister Miatta Fahnbulleh** publicly said she supports a social tariff and wants to take action. This is a major step forward, showing real political will.
- **Scope's research was cited in Parliament** by the Minister for Energy Consumers. This is clear evidence that our work is directly influencing government thinking.
- **Ofgem has committed to action**, agreeing to introduce a debt relief scheme in 2025/26 and to review how energy companies support customers in debt.
- **We've commissioned new research** into the cost of introducing a social tariff. This work was requested by government officials, was published in August 2025 and will help make the case for change.

We've also made sure decision makers hear directly from disabled people:

- We hosted a **Department for Energy Security and Net Zero visit in Leeds**, where civil servants heard first hand how rising energy costs are affecting disabled households.
- We took part in a **Parliamentary drop in event**, speaking directly with 50 MPs about the urgent need for discounted energy bills.
- We responded to **multiple government consultations** on energy, water and other essential services, making sure disabled people's experiences shape the policies that affect their everyday lives.

## Supporting disabled people with energy costs

Energy is one of the biggest extra costs disabled people face. This year we supported thousands of people to manage their bills and stay safe and warm. We worked with the energy industry to drive systemic change.

### Working with the energy industry

Our **Scope Utilities Membership (SUM)** brings together energy, water and gas networks to improve support for disabled people. SUM Members backed our call for a **social energy tariff** and supported our **Get Ready for Winter** campaign.

### Support in local communities

117,540 people across Manchester, East Anglia, Stoke on Trent, and London have already received support from Scope's Community Disability Energy Advice Service, thanks to a grant from Cadent for £1.8 million over two years.

The service is designed to make sure disabled people who are digitally excluded don't miss out on vital energy advice and support, by reaching them in their local communities.

- 983 individuals receiving personalised energy advice
- 5,388 engaging through energy workshops
- 111,169 people reached through community projects and retail initiatives in our shops

By helping disabled people manage high energy costs, we are ensuring that they stay safe, warm, and in control of their bills.

### Specialist energy advice across the UK

Scope's Disability Energy Support service helps reduce the extra energy costs disabled people face. We expanded our Disability Energy Support service providing free, tailored advice to disabled people and households across England, Scotland, and Wales.

9,650 disabled people have already been supported, thanks to a £3.2 million collaboration with Cadent, SGN, Wales & West Utilities and Northern Gas Networks over two years.

Together, this funding has enabled us to:

- Provide expert advice over phone and email
- Our energy advice service identified estimated savings of over £1 million for disabled people
- Provide electric throws and energy vouchers
- Expand our team, with more advisers and new specialist roles focused on grants and benefits

Without this funding, we could not have supported disabled households through winter 2024 and beyond.

## Hasan's story



**“Should I really be in a situation where I fear using energy?”**

**Hasan**

For Hasan, the cost of energy isn't just a financial worry, it's a health risk. Living with several long term health conditions, he needs warmth to stay well. But rising energy bills force him to make tough choices.



“I have to spend £175 of my PIP just to keep warm. That leaves me with only £370 for everything else. Should I really be afraid to turn on the heating, knowing it affects my health?”

Hasan contacted Scope's Disability Energy Support Service for help. The service gave him a voucher and an electric blanket, which have helped him stay comfortable and manage his energy costs.

“Scope was really helpful. They helped me get a voucher to put credit on my account. They also sent me an electric blanket, which made a real difference.”

But the bigger problem is still there. Disabled people face extra costs that aren't being recognised. This needs to change.

Hasan backs our call for a social energy tariff. A fairer energy rate for disabled people who need to use more energy.

“If there was a social energy tariff, I wouldn't have to worry about the heating. My health wouldn't suffer, and I could focus on living, not just surviving.”

## Closing the Disability Employment Gap

At Scope, we believe every disabled person who wants to work should be able to find, stay in, and progress in a job that's right for them. Our employment services make that possible by providing the support they need every step of the way.

This year, we've made a real impact:

- Over 2,000 disabled people moved closer to work.
- Nearly 400 disabled people secured jobs that matched their skills and goals.
- 85% of people we supported were still in work after 13 weeks.
- 68% stayed in work for 26 weeks or more.
- In Wales, our Working on Wellbeing service supported 148 disabled people. And our partners Legacy in the Community, Whitehead Ross, Resource Wales, and Disability Can Do supported a further 292 with employment support.

## How our services are changing the game

Our services aren't just helping disabled people find jobs. They're proving that tailored, personalised support works. These results are showing government and employers what's possible when support is built around the individual.

One of the ways we're leading change is through our Support to Work model, which has already helped many disabled people stay in work long term. We're calling on the government to expand this model across the country, to help even more disabled people keep their jobs and thrive.

We're also using our impact to influence policy:

- We've shown the government how the Support to Work model can double the number of disabled people who stay in work for 26 weeks or more.

- We gave evidence to the Sick Pay Committee, pushing for a system that works better for disabled people.
- We welcomed the Minister for Social Security and Disability, Sir Stephen Timms, to see our services in action and talk about the barriers disabled people face in the job market.
- We responded to the Get Britain Working white paper, securing media coverage and reinforcing Scope's role as a trusted voice for change.

By making the case for personalised support and scaling up services like Support to Work, we're working towards closing the disability employment gap once and for all.

## Steph's story



**"My adviser gave me the confidence to be open about my ADHD."**

**Steph Hughes**

Steph had been out of work for 6 years due to health challenges. She felt isolated and struggled with chronic pain.



"Before I started with Scope's employment service, I was feeling lost. I had no personal direction," she says. Despite wanting to return to work, her biggest fear was failing. "I knew I was ready to work again, but I didn't want the stress of doing it alone."

When Steph began working with Scope's employment service in October 2024, her adviser helped her rebuild her confidence.

"She just got me," says Steph. "She gave me the confidence to be open about my diagnosis. She helped me make confident decisions about when to disclose my disability."



With support from her adviser, Steph updated her CV and practiced her interview skills. “I’ve been in jobs before where I was overwhelmed because of undiagnosed ADHD. Now I can be open about it.”

Steph's confidence grew, and new opportunities followed. “3 months ago, I wasn’t doing anything. Now, I’m facing a lot of opportunities.”

Steph started a new role in February.

“I absolutely love it. The work is incredibly varied, with each day presenting new challenges, which suits my personality perfectly. The diversity of the role keeps me engaged, motivated, and energised.”

Steph’s experience with Scope’s employment service helped her pursue her goals. It also inspired her to help others. “Without the support, I wouldn’t have had the clarity to say, ‘This is what I need.’”

## **Working in partnership with employers**

Through our partnerships with employers, like Evri, we are working with them to improve the experience of disabled colleagues as well as provide tools and resources to increase the recruitment and retention of disabled people.

## **Campaigning and influencing**

We have campaigned for mandatory disability pay gap reporting and contributed to the government review of Disability Confident. Scope actively participates in the Business Leaders Group of Disability Confident and we have contributed to the Mayfield review introducing some of the disabled people we work with to provide their first hand experiences of seeking to stay in work.

## **PurpleSpace**

In May 2024, Scope acquired PurpleSpace Limited which is the world’s only networking and professional development hub for disabled employees, networks and employee resource groups (ERGs).

PurpleSpace supports more than 4,500 disability network leaders across 163 organisations in over 60 countries. It helps organisations like HSBC and Sanofi to grow inclusive workplace cultures. As a founding partner of its global #PositivelyPurple campaign, Scope has long championed PurpleSpace’s work, helping employers recognise the value of lived experience. This is vital in closing the disability employment gap.



In 2024, PurpleSpace's Global Summit gathered nearly 200 network leaders from businesses around the world across 12 international hubs, with over 250 people attending the main event in London. During this event, the community identified 3 global priorities for employers to promote inclusion:

- listening to disabled employees and customers
- improving workplace adjustments
- and sharing real stories from disabled people at work.

## Transforming attitudes

We want to see a more inclusive society where attitudes towards disability, disabled people, and disabled families are improved. We are currently in a research phase for this goal and identified from our research that changing attitudes in the media, workplaces and with young people is likely to have the most impact. Steps taken so far include creating a new brand identity that amplifies the truths and lives of disabled people, challenging negative stereotypes of disabled people in the media and sharing the stories of disabled people.

We launched our refreshed brand in September 2024 with our new strapline **“Creating equal futures with disabled people”**. It reflects a vibrant, inclusive identity shaped by over 1,000 disabled people, carers and parents through surveys, focus groups and lived experience panels. We introduced over 100 accessibility improvements to our new look, including testing 3,000 colour combinations and adopting the Labil Grotesk font for readability. Our refreshed brand is enticing and engaging. It will support us to reach more people and make new connections, essential in building a movement for social change. We want all disabled people to know that they can reach out to us for support. And we want to encourage more people to get involved by speaking out, campaigning and volunteering.

At the heart of our launch campaign was *Don't Hold Back*, a 60-second spirit film set to The Chemical Brothers' song *Galvanize*. The film is a rallying cry for equality, powered by authentic voices and lived experience. It features disabled actors and influencers like Fats Timbo and Tylan Grant and portrays everyday barriers such as broken lifts and judgmental stares, and calls viewers to join a movement for change. The film launched across social media and digital screens in 43 shopping centres, reaching wide audiences. Website traffic rose by almost 18 per cent post-launch, and over 700 campaigner actions occurred after the brand went live.

## Scope Awards

The Scope Awards celebrate the people and organisations who are working to end disability inequality. The Awards amplify disabled voices and share powerful stories of inclusion. By

celebrating these successes, they help to challenge attitudes, showing what's possible when disabled people are valued and included.

Launched in 2022, the Awards are now a key part of Scope's work to transform attitudes. They bring together disabled people, allies, campaigners and businesses to recognise progress and inspire action.

In 2025, we received over 600 nominations. This is double the number from the year before. We also secured our first headline sponsor, Evri. And Metro came on board as our media partner. This helped us reach new audiences and grow support.

Winners are chosen by an independent panel of judges, including disabled campaigners, business leaders, journalists and TV personalities.

The Scope Awards are more than just a celebration. They're a powerful way to shift perceptions and move us closer to a society where disabled people have the same opportunities as everyone else.

## Jay's story



**“Representation of disabled people, especially from diverse communities, is key to changing attitudes.”**

**Jay Joshi**

Jay joined Scope's online community during the pandemic. He quickly found it to be a “lifeline”. Through virtual events, speaker sessions and social meetups, he found support, made connections and felt inspired.



“It opened doors I didn't know were possible,” Jay says.

Through his involvement in the community, Jay made meaningful friendships. He started sharing his experiences through poems. His words resonated with others. “People tell me, ‘You've uplifted me,’” he shares.

As a British-Indian man, Jay has noticed the lack of visible representation of disabled people, especially those from diverse backgrounds. He believes more representation is essential to challenge stereotypes and shift attitudes.

“I’ve only seen Shani Dhanda. Change needs to happen,” he says.

Now an active member of the Scope Assembly, Jay uses his voice to advocate for other disabled people. He ensures their stories are heard and valued.

“It’s about making sure our voices are heard,” he says.

For Jay, Scope’s online community has been more than just a space for support. It has empowered him to share his story, connect with others, and help change attitudes towards disability.

## Information and advice

This year, we supported **4.6 million** disabled people through our services, online advice, and community.

Our helpline provided expert information and advice to **31,500 disabled people**, helping them navigate crucial challenges.

Our website played a central role in connecting people to support, with nearly 4 million users accessing the help they needed:

- 1.8 million people visited our online advice and support pages.
- 2 million people engaged with our online community forum, finding a space to connect and share experiences.

## Cerebral Palsy (CP) support

We also expanded our direct cerebral palsy support across our communities, supporting 455 individuals through specialist case work and a further 322 individuals through our online community. We delivered training and awareness sessions attended by 698 people, strengthening understanding and visibility of Cerebral Palsy.

These services make a real difference in disabled people's lives, offering guidance, reducing uncertainty, and helping disabled people access the support they deserve.

## Looking ahead

2025 to 2026 will be another year of change at Scope. We know that if we don't change, we will not create an equal future with the 1 in 4 of us who are disabled. To make a real impact, we need to approach our work in new and different ways. We will be more agile, flexible and responsive to a changing world. We will focus on doing fewer, bigger things better. And we will be laser focused on our goals.

### Ending the disability price tag

We will work towards ending the disability price tag by continuing to challenge government's proposed cuts to benefits and by continuing to play an active role in government reviews, working with disabled people to share our positive vision for PIP.

We will continue our campaigning for a social energy tariff and work to secure support for emergency energy services.

### Closing the disability employment gap

Our employment services seek to transform the experience of disabled job seekers and will provide evidence of best practice so that we can influence government. We want to make sure that government plans for employment support make a real difference to reduce the disability employment gap. We will continue to work with our partners and through PurpleSpace to influence employers to improve the workplace for disabled people.

### Transforming attitudes

Last year we focussed on research to ensure that our work would be impact driven and based on evidence. This year we are planning a pilot programme for launch next year which will influence young people's attitudes to disability. We will then roll-out further based on success.

### Income generation

We cannot do any of this if we do not grow our income. We need to reach new supporters through engaging fundraising campaigns. And continue to develop and deepen our relationships with organisations committed to supporting disability equality. We are confident that the changes we have made in retail will see us drive more income on the high street and expand online. In fundraising we continue to work with our corporate partners, develop our digital channels and we plan to build our activity in community and events and appeal to our campaigners.

# Financial review

## Overview

2024/25 was a year of significant change in response to a number of challenges. In 2024 our retail estate faced economic and commercial factors in common with many high street traders and charity retailers in particular. Increasing costs of employment were combined with changing customer behaviour and the impact of online sales platforms on donations of preloved items. The outcome was that our retail operations in total recorded losses in 2024/25 which we could not allow to continue. This has utilised a significant amount from our reserves while we have taken significant action to address the situation by reducing the size of our estate by approximately half and returning the retail operation to profitability while growing our e-commerce operations. Since the year end, we have also moved to a new operating model across the Charity to deliver Scope's strategy effectively using our resources to make the most impact for An Equal Future with disabled people.

During this period, we attracted significant grant funding for our Disability Energy Support service but our income from donations and legacies decreased from a high point in the previous year when we received a particularly large legacy pledge. We decided not to reduce our charitable activities, but our funds raised decreased in total. When combined with the losses suffered in our retail activities, this meant that we spent more money on running our operations than we made in revenue and reported an operating loss (before the exceptional costs of implementing retail and operating model change programmes, strategic investment costs, pension scheme adjustments and investment gains and losses) of £5 million compared to £0.6 million the year before. This is part of our net movement in funds analysed below.

The changes we have made will enable Scope to generate income that will cover our operating costs going forwards. We have utilised some of our accumulated reserves in 2024/25 to fund the operating losses experienced and the costs of implementing change. This enabled us to make this transition, without reducing our charitable activities.

## Income

Over the last financial year, we raised a total of £44 million (£47.2 million in 2023/24). This represents a 7% decrease in income.

Total income includes:

- £12.9 million from donated income including legacies (£15.4 million in 2023/24)
- £8.4 million from grants, fees and other income (£6.8 million in 2023/24)
- £21.9 million from trading activities, including our shops and online sales (£24 million in 2023/24)

➔ £0.8 million from our portfolio of investments (£1 million in 2023/24)

## Expenditure

During the year, we spent £18 million on charitable activities which support our mission. This included our helpline, online communities, employment and other programmes, research, influencing and campaigning work and the cost of strategic initiatives. In 2023/24, this figure was £17.5 million.

Excluding our non-retail strategic spend of £0.8 million (£0.6 million in 2023/24) this represents a 1.5% increase from 2023/24. The rest of our expenditure goes towards running our organisation, operating our shops and generating funds and, in 2024/25, the strategic costs of implementing the changes to our retail operations.

Every pound we raise is extremely important to us. We carefully plan our use of resources to get the most impact. In 2024/25, for every £1 we spent, 76% was spent on our charitable activities to help disabled people and their families. This compares to 73% in 2023/24. This increase came from continuing to invest in our services, community projects, research, influencing and campaigning. Excluding non-retail strategic spend the ratio was 75% in 2024/25 compared to 72% in 2023/24. This percentage is likely to fluctuate over time, but we're committed to increasing it.

Like many other similar charities, we do not include our trading activities in the calculation of the charitable spend percentage or the costs in 2024/25 of implementing the changes in retail. This is because our shops operate like other retail businesses, raising net funds through selling merchandise.

We invested £5.6 million to recruit and retain donors and other supporters. This investment will generate future income and continue to fund our impact. This figure was £0.9 million less than we spent in 2023/24.

We spent £26.9 million on maintaining and operating our shops. This includes the impact of inflation on salaries and other costs and allocated support costs. In 2023/24, this figure was £24.7 million.

Our support costs, including our annual salary review, decreased by £0.6 million on the year before. This reflects an 8% decrease. We managed our costs closely, including what we have committed to spending in the future. We continue to prioritise investment in Equality, Diversity and Inclusion (EDI), accessibility and retention. And improving our technology and the efficiency of our processes. Following the reduction in size of our retail estate we have reduced the size of the support functions needed to run the activity accordingly.

## Net movement in funds

Our net decrease in funds for the year was £8.1 million (decrease of £0.3 million in 2023/24). There are several reasons for this.

- Managing our operations in another year of high economic uncertainty, challenging trading conditions and rising costs. This generated a total operating loss of £5 million mainly in retail (£0.6 million loss in 2023/24). Action has been taken to return the estate to profitability.
- We invested £0.8 million in planned strategic projects to improve how we interact with our supporters, test more diverse fundraising channels and other projects (This figure was £0.6 million in 2023/24).
- We recorded costs of £2.4 million following the decision to close approximately half of our shops (nil in 2024/25). Some of these costs may be recouped in 2025/26.
- There were unrealised gains on investments of £0.1 million (£1.5 million in 2023/24).
- Amortisation of goodwill acquired with PurpleSpace of £0.1m (nil in 2023/24)
- Running costs of the pension scheme of £0.6m offset by actuarial gains of £0.7m (2023/24 running costs of £0.4 million and actuarial losses of £0.2m) – see note 28

## Fundraising and partnerships

### Fundraising and partnerships

#### Income

Our fundraising and partnerships income helps Scope support more disabled people and work towards an equal future. This includes donations from individuals, gifts in wills, corporate partners, philanthropists, events, and grants.

In 2024/25, we raised £14.3 million through public fundraising (£17 million in 2023/24). This includes:

- £4.1 million through gifts in wills (£6 million in 2023/24)
- £0.6 million raised by supporters taking part in challenge events and community fundraising (£0.4 million in 2023/24)
- £9.6 million through individual donations, including lottery, regular gifts, payroll giving and one off donations (£10.6 million in 2023/24)

### Individual giving and legacies

Individual giving remains our biggest income stream. However, we saw more people cancelling their regular gifts reflecting sector trends and the ongoing financial pressures of the cost of living crisis.



This year, we tested new ways to connect with supporters. We ran digital lead generation activity to reach people who might be interested in Scope's work. We then took them on an engagement journey, sharing more about what we do and how they could help. This approach attracted nearly 40,000 new contacts. From this group, 407 people chose to support Scope with a one off or regular donation, exceeding our targets.

We paused our face to face fundraising activity due to high cancellation rates. During this time, we reviewed our supporter journeys, fundraising messages and compliance processes. We resumed this activity in September and successfully recruited 5,500 new lottery players by the end of the financial year.

### **Challenge events and community fundraising**

Our supporters raised £0.6 million by taking part in events and activities in their communities.

One standout moment was the 2025 London Marathon. Our team raised almost £400,00. This is our highest ever total for this event. We improved our support for participants and introduced new fundraising milestones, which helped drive this record breaking result.

### **Gifts in wills**

Gifts in wills remain a vital source of income, raising £4.1 million this year. These donations help secure our long term future and ensure we can continue delivering support for generations to come.

### **Corporate partnerships, philanthropy and grants**

Corporate partners, philanthropic organisations and grants contributed £5.2 million to our funding in 2024/25 including in-kind donations (compared to £3.3 million in 2023/24).

Our corporate partners make a huge difference to our work. This year, we:

- expanded our partnership with the Gas Distribution Networks and Cadent, helping more people through our energy services
- launched a new 3 year partnership with Evri to drive change in the logistics sector
- continued working with Deloitte on digital inclusion and accessible services

Funding from philanthropy and grants is helping us answer more Helpline calls, support people into work, and deliver our strategy.

We launched the Equal Futures Collective, our first ever giving circle, and welcomed supporters back to our Carol Concert for the first time since the pandemic. We also received a grant from the People's Postcode Lottery which has helped to support our Helpline.



## **Thank you**

Thank you to everyone who supports Scope. Your generosity powers our work and brings us closer to a society where disabled people experience equality and fairness.

## **Retail**

We have faced increasing external cost pressures within the charity retail sector. So, this year we took proactive steps to ensure the long term sustainability of our retail operations. We reviewed the profitability of our retail sites and made a difficult decision to reduce the size of our shop estate and management and support structure. This transition programme was carried out with a values led approach, supporting affected colleagues and volunteers through clear communication and collaboration with charity partners.

In addition to the 17 shops that we closed earlier in 2024/25, we closed 31 shops at the end of March 2025 and we have or will have closed a further 46 shops during 2025 to 2026 as part of this transition programme.

In 2024 to 2025, we also opened 3 new shops in Leeds, Fulham, and Surbiton. And completed 2 relocations in Brighton and Andover, ensuring a continued high street presence in key locations.

We continued to be supported by our amazing partners. This included Amazon, ASOS, Boden, Boohoo, DPD, Dune, John Lewis, Marks and Spencer, N Brown, Soya Concept and Transport for London.

We have focused on safeguarding and strengthening the long term sustainability of our retail model by streamlining our management and support structure and fully resourcing our Ecommerce operations.

Key achievements include launching a new large shop format, opening 3 stores dedicated to selling corporate partner donations, and establishing new processes for selling donated stock via eBay. A full rollout of the eBay selling model in shops is planned for 2025/26, helping to expand online income.

### **Operational activity and resilience**

We are committed to diversifying income and improving operational efficiency through rationalising our shop estate and focusing on high performing shops and Ecommerce growth.

Retail remains an important and resilient contributor to funding our work with disabled people. We are now better positioned for future growth in our focussed and profitable estate and particularly in Ecommerce.

## Reserves policy

We want to make sure we have financial stability. We take a risk based approach to decide the minimum level of unrestricted reserves needed for ongoing sustainability.

Scope holds 3 categories of reserves:

- Restricted fund reserves (£0.7 million). These can only be spent on activity specified by the funder. This is often a service or a project.
- Unrestricted funds:
  - Designated reserves. These are funds the Trustees have agreed to set aside for specific activity or to cover our legal obligations. We hold three designated reserves. The first is for planned strategic investment (£0.3 million). The second is a pension reserve as part of an ongoing employer covenant for the defined benefit pension scheme (£4 million). The third is a reserve set aside for the costs of completing our retail transition programme (£1.1 million)
  - Undesignated reserves. This is the balance of reserves after excluding the above. There are 3 subsections:
    - Fixed asset reserve (£4 million). To cover the net book value of tangible and intangible assets.
    - Minimum retained free reserves (£13 million). This is the amount needed to cover our operational costs, should income fall and/or costs go up unexpectedly. This aims to safeguard the financial stability of the Charity. This is estimated as 3-4 months of total expenses and a further 8-9 months of fixed costs.
  - Available free reserves (£3.3 million). This is the amount over and above the minimum free reserves to spend or invest. Our Trustees plan to invest this in line with our strategy for An Equal Future with disabled people and their families.

We review the appropriate level of our reserves annually. We adjust this for changes in investment strategy, performance and external risk factors.

## Going concern

The Trustees have considered the financial position of the Charity. They have looked at various factors including cash, reserves and investment values. They also looked at the impact of future trading forecasts on the activities and financial results of the Charity.

After reviewing this information and considering the risks and uncertainties, they concluded that the Charity can meet its liabilities as they fall due, for at least 12 months from the date of this report. It remains appropriate to prepare the financial statements on a going concern basis.

## Investment policy and performance

The Finance Committee reviewed the investment policy in 2024 and also carried out a review and tender process of our investment managers. This resulted in a change in investment manager which has been implemented after the end of the year.

For the financial year covered by this annual report (2024/25), our investment objectives were to:

- cover short term financial risks, ensuring security and liquidity of funds held
- preserve the value of the remaining funds held in real terms, to cover longer term financial risks and funding for future development opportunities
- ensure low volatility in investment asset values
- provide certainty for our short to medium term planning
- achieve a total return on investments greater than the UK Retail Price Index (measured over a rolling 3 year period)
- During the financial year we've applied an ethical approach to our investments policy:
- investments exclude companies with significant trading interests in armaments, tobacco, pornography, alcohol, gambling and animal testing (excluding medical research for the benefit of humans)
- we only invest in companies that Experts in Responsible Investment Solutions consider able to mitigate their environmental impact and exposure to regions that could represent a 'human rights risk'
- the fund manager makes sure companies within our portfolio have appropriate policies regarding discrimination on the grounds of disability, age, religion, race, gender and sexual orientation

Our financial investments were worth £19.6 million at 31 March 2025. This figure was £26 million at 31 March 2024. This change represents the use of funds for operational activities and planned strategic investments net of unrealised valuation gains of £0.1 million.

The asset allocation at 31 March 2025 was 41% bonds, 52% equities and 7% cash and cash equivalents.

The portfolio includes a sub-fund created to provide security to the Scope Pension Scheme. The balance on this fund at 31 March 2025 was £4 million, all of which is secured for the Pension Scheme.

## Pensions

We operate the following pension schemes:

- The Scope Pension Scheme closed to further contributions on 30 June 2013. This is a single employer defined benefit pension scheme.
- Because the Scope Pension Scheme closed to new members, in 1 October 2003 we opened a new scheme. This is a defined contribution stakeholder pension plan.

The year end valuation of the Scope Pension Scheme shows a surplus of £0.9 million, based on FRS 102 assumptions. This figure is compared to a deficit of £0.6 million at 31 March 2024.

The deficit was eliminated and a surplus caused by:

- a significant increase in the discount rate during the year
- updated demographic assumptions to reflect the updated analysis carried out as part of the 31 December 2023 funding valuation
- a reduction in the commutation factors in the scheme
- a contribution paid into the scheme by Scope of £500,000 at the start of 2025

partially offset by:

- actual inflation being higher than previously assumed
- reduction in the market value of assets, reflecting the impact of falling gilt prices

A pension scheme asset is not included in the balance sheet. You can find out more in note 28 to the financial statements. The Scope Pension Scheme is now closed to new members and to future accrual.

## Review of Scope subsidiaries

In May 2024 Scope acquired PurpleSpace Limited, the international professional development hub for disability network leaders for £1.1 million. The company works with disability confident employees, networks, allies and champions driving business change on disability from the inside out. The subsidiary is contributing to Scope's goals of changing attitudes, particularly in the workplace and its post acquisition financial results are included in these accounts.

During this financial year, we had two active subsidiaries:

- Scope Central Trading Limited
- PurpleSpace Limited (acquired 1 May 2024)

The activities of these subsidiaries, and their assets and liabilities, are included in these financial statements on a line by line basis. Transactions between entities are eliminated when consolidating the Group accounts. Details of all our subsidiaries, including those which no longer trade, are given in notes 8 and 15.

Scope Central Trading Limited's main activities are buying and selling general merchandise, greeting cards, clothing and giftware in our retail and online shops. Turnover for the year was £1.7 million. This figure was £1.4 million in 2023/24. Net operating profit before a Gift Aid payment to Scope was £0.7 million. This figure was £0.6 million in 2023/24.

PurpleSpace Limited is the world's only networking and professional development hub for disabled employees, networks and resource groups. It has a network of over 4,000 leaders across 56 countries. Net operating profit before a Gift Aid payment to Scope was £0.3 million.

## Promoting success

The Trustees, as company Directors of Scope, must act in accordance with a clearly defined set of duties in section 172 of the Companies Act 2006: "the directors of a company must act in a way they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole, and in doing so, the directors must have regard, amongst other matters, to the:

- likely consequences of any decision in the long term
- interests of the company's employees
- need to foster the company's business relationships with suppliers, customers and others
- impact of the company's operations on the community and the environment
- desirability of the company maintaining a reputation for high standards of business conduct
- need to act fairly between members of the company"

As part of their induction, Directors are briefed on these duties and they can access professional advice on these as needed, either from the Company Secretary or independently. Our Directors fulfil their duties partly through a clearly defined governance framework, delegating day to day operations to the Executive Leadership Team and committees of the Board in line with the terms of reference. You can read more about this in the section on our structure, governance and management.

The following sections in this report further describe how Scope's Directors exercise their duties.

## Our colleagues

At Scope, our colleagues are at the heart of everything we do. We're a community of colleagues and volunteers, all working towards a future where disabled people have equality. This year, we've supported more than 500 colleagues across retail and corporate roles, helping them grow and develop their skills. Around 10% of our colleagues are on

apprenticeships, with half of those focusing on Data apprenticeships to deepen our understanding of how our work impacts disabled people's lives.

We've continued to invest in leadership development. The Scope to Lead programme has helped colleagues progress, especially within our retail team.

Our volunteers are a huge part of what makes Scope special. Of our 4,000 volunteers, 30% identify as disabled. We've worked closely with them to develop a new volunteering strategy, making sure their feedback shapes how we improve the volunteer experience. This year, we celebrated some amazing milestones, including Kathleen Lambert's incredible 42 years volunteering with Scope. We also co produced the Volunteer Awards 2024 with disabled volunteers, where we recognised over 150 nominees and celebrated 13 winners.

## Equality, diversity and inclusion (EDI)

EDI is central to our vision of an equal future. Our 3 year EDI strategy was launched in 2023, and we continue to make sure that inclusion is integral to everything we do. We've made strong progress, but we know there's more to do.

This year, we've taken important steps to support our disabled colleagues and those with other marginalised identities.

- We launched a race equity action plan and the Apex programme, giving colleagues of colour access to mentoring and development.
- We ran anti racism training for senior leaders and started to roll it out across the organisation.
- We relaunched our reverse mentoring programme with 23 pairs of colleagues.

We also made progress on accessibility and inclusive communications.

- We published our accessibility principles and guidelines.
- We delivered accessible writing sessions, with up to 230 colleagues attending each one.
- We held regular sessions on disability equality and workplace adjustments.

Our colleague networks continue to grow. We relaunched them with new committees and a training plan. We now have 7 active networks. We also set up an EDI steering group to challenge and guide our work.

We reached hundreds of colleagues through events on topics such as disability history, menstrual health, and faith and belief. We launched our menopause policy and saw over 80% of colleagues complete EDI and accessibility training.

Our commitment to intersectionality runs through our external work too.

- We spotlighted disabled creators from multiply marginalised backgrounds, including Shelby Lynch and Jameisha Prescod.
- We prioritised diversity and accessibility in our brand relaunch, including our new brand film.
- Our membership events focused on intersectional experiences, such as Islam and disability.

We also saw positive change in key areas and our gender pay gap continued to decrease.

We're proud of the progress made so far, but we know inclusion is an ongoing journey. We're committed to listening, learning and taking action together.

We have implemented significant change programmes in our retail activities and across the charity during the year and since the year end. We undertook an equality impact assessment to identify any potential negative impact of the consultations on colleagues in terms of their protected characteristics. We took active steps to mitigate any disproportionate impact and give colleagues as much support as possible through the consultations.

## Our people data



### Disability

As of March 2025, 23.75% of our colleagues at Scope identify as having a disability, impairment, or health condition. This includes 36% in Corporate Services and 14.17% in Retail.

Our colleague survey data shows an overall figure of 30%.



### Ethnicity

As of March 2025, 17.73% of our colleagues at Scope identify as Black, Asian, or from a minority ethnic background. This includes 21.98% in Corporate Services and 14.73% in Retail.

Our colleague survey data showed that the percentage of colleagues identifying as White has fallen to 83%.



### Sexual orientation and gender identity

As of March 2025, 13.22% of our colleagues at Scope identify as LGBTQ+ (18.43% in Corporate Services and 9.38% in Retail).

Our colleague survey data showed that the percentage of colleagues identifying as LGBTQ+ was 16%.

## Gender pay gap and disability pay gap

As of the last formal reporting period in April 2024, our mean gender pay gap was 9.88%, and our median was 7.39%.

At the same time, our mean disability pay gap was -4.03% (favourable towards disabled colleagues), and our median was -22.85%.

## Ethnicity pay gap

As of April 2024, our mean ethnicity pay gap was -1.19%, and our median was -12.82%.

## How senior pay is set

We set the pay and reward for senior colleagues by:

- evaluating the role against others in Scope from different job families, to make our pay structure consistent
- using market data from sector pay surveys and reports

Our overall policy on pay and reward for 2024/25 was agreed by the Equality, Diversity, Inclusion and People (EDIP) Committee and approved by the Board of Trustees. This includes recommendations from the Chief Executive on the Executive Leadership Team's pay and from The Committee on the Chief Executive's pay. Since the year end, this responsibility has moved to a new Governance, Nominations and Remuneration Committee.

These are the salaries that were paid to our Executive Leadership Team:

| Role                                                     | Gross salary for the year ended 31 March 2025 | Employer pension contributions in 2024/25 | Total financial reward |
|----------------------------------------------------------|-----------------------------------------------|-------------------------------------------|------------------------|
| Chief Executive                                          | £152,000                                      | £5,872                                    | £157,872               |
| Executive Director of People                             | £107,140                                      | £6,380                                    | £113,520               |
| Executive Director of Strategy, Impact and Social Change | £108,912                                      | £6,535                                    | £115,447               |
| Executive Director of Retail and Communities             | £145,500                                      | £0                                        | £145,500               |
| Chief Financial Officer                                  | £124,485                                      | £5,398                                    | £129,883               |
| Executive Director of Services                           | £114,841                                      | £6,633                                    | £121,474               |
| Executive Director of Fundraising                        | £104,498                                      | £1,321                                    | £105,819               |
| Executive Director of Digital and Marketing              | £107,380                                      | £0                                        | £107,380               |



## Our values

### Pioneering

We are ambitious and determined to drive change. We focus on how we can make the most impact. We innovate and strive for better, pushing ourselves and our boundaries.

### Courageous

We are single minded in our desire to achieve equality. We are bold, challenging the status quo, ourselves, and each other. We are not afraid to fail fast and learn quickly.

### Connected

We connect and collaborate internally and externally, to create a fairer society. We listen and share, tapping into the expertise of others.

### Open

We are transparent about what we do and how we do things. Creating supportive, accessible environments, building trust with each other and our customers to achieve more.

### Fair

We make sure everyone has a fair chance. We value and respect each other's expertise and diversity. We take responsibility for what we do and support each other to succeed.

## Environmental impact

We continue to consider and minimise the impact that we have on our environment. As part of this work, we're sharing the measurements of our carbon footprint.

We consider this across 3 main areas:

- direct emissions from activities that we own or control which release emissions into the atmosphere. Emissions are generated from natural gas and relate to vehicles that we own or lease
- indirect emissions released into the atmosphere, which are associated with our consumption of purchased electricity
- other indirect emissions from our actions. This includes emissions from business travel

### Quantification and reporting methodology

HM Government Environmental Reporting Guidelines: including streamlined energy and carbon reporting guidance (March 2019) has been used for the collation of data sources and reporting of emissions. UK Government GHG Conversion Factors for Company Reporting (2024) has been used for the reporting of emissions.

In 2023/24, our total carbon dioxide (CO<sub>2</sub>) emissions were 874 tonnes. In 2024/25, we reduced this to 827 tonnes. This comes from:

- The use of purchased electricity: 63% or 522 tonnes. These figures were 66% or 576 tonnes in 2023/24.
- Company vehicles: 28% or 235 tonnes. These figures were 26% or 226 tonnes in 2023/24.
- Private vehicles: 2% or 17 tonnes. These figures were 2% or 16 tonnes in 2023/24.
- Natural gas: 1% or 6 tonnes. These figures were 1% or 7 tonnes in 2023/24.
- Other indirect emissions: 6% or 46 tonnes. These figures were 5% or 50 tonnes in 2023/24.

We offset 30% (66% in 2023/24) of these emissions through a green energy contract.

In 2019/20, we set a target (base target) to reduce our emissions of CO<sub>2</sub>e by 2% for each square metre of floor area, each year. The intensity ratio of total emissions for each square metre of retail floor area for 2024/25 was 0.0377 (0.034 in 2023/24). This is an 11% increase compared to the previous year and a 20% decrease compared to the 2019/20 base target. The reason for the increase is a greater use of vehicles than the previous year. The reasons for the decrease against the base target are the closure of some of our retail

shops, and lower electricity use due to upgrading our lighting systems to LEDs. We have also noticed a reduction in company and private transportation use.

We want to reduce emissions by a further 2% in 2025/26.

## Principal risks and uncertainties

### Overview

During the past year, we continued to use our risk management framework and statement of risk appetite. The risk management framework sets out the roles and responsibilities for risk management at Scope across all departments. It also sets out the approach to identify, manage, monitor and review risk, as well as how we communicate and learn from risk management activities.

The overall responsibility for the management and control of risk rests with the Board of Trustees. We also delegate some elements of the risk management process to our Audit and Risk Committee, Executive Leadership Team, the leadership team and other colleagues.

The Audit and Risk Committee oversees the level and methods of corporate assurance for the Charity, the external audit and the annual programme of internal audit. The Committee takes the lead role on risk management oversight, regularly reviewing our corporate risk register and making sure the risk management framework works, as well as feeding back recommendations to the Board. The Board reviews the corporate risk register annually and in 2024 held a risk strategy workshop specifically to review the risks monitored under the current strategy and external environment.

Certain external environmental factors are outside our control, for example:

- Government policy and other changes that may affect the lives and experiences of disabled people
- changes in market conditions that can affect our net income, general economic conditions and inflationary pressure on operating costs
- the value of investments we hold that can go up or down, in line with general market trends

The impact of these environmental factors is monitored quarterly at a minimum (and more actively, in times of significant impact). This will allow us to respond quickly, mitigating impact and ensuring continuity.

We use a set of control systems within our overall corporate assurance processes so that everyone can feel confident we're running our organisation and services effectively. Our internal auditors also systematically review our key activities and systems, prioritising areas

of strategic risks, as well as following up on areas for improvement identified in previous years.

## Our corporate risks

Our principal corporate risks are outlined below, with management actions to mitigate either the likelihood of the risk occurring or its possible impact.

### Strategic and environmental risks

1. Failure to focus on our goals in the new strategy for An Equal Future and deliver successfully on them under our operating model.

Mitigation:

- Detailed current year plan and outline 3 year plan are based on 3 strategic goals and 9 outcomes detailed in the strategy. Monthly reviews of outcomes across our services and campaigns using consistent measures and indicators and reporting on these regularly to the Board of Trustees
- Transition and change resources in place to ensure focus remains on our strategy
- Phased approach to operating model and strategy implementation over 10 years. Flexible resource allocation based on priorities.

2. Failure to stay at the front of disability issues, championing disabled voices across our 3 goals and managing our reputation.

Mitigation:

- Continually assessing new and existing activity against our impact framework. Routine analysis of insight from disabled people in research and evidence teams. Using our co-production model to embed the experiences and voices of disabled people in all our work
- An insight driven approach to our communications, campaigning and interactions with our supporters and customers.
- Due diligence on new partners and Impact project proposal assessments before starting any new activity.

3. Failure to realise the potential of digital technologies and channels to connect with our audiences. This in turn reduces our impact and outcomes for disabled people, reduces engagement with all audiences and limits income generation.

Mitigation

- A specialist digital team in place to support colleagues, with expertise in emerging technologies including AI, product management, user experience, front-end development and accessibility.
- External agency support giving access to a wider range of platform and development expertise

- We trial new digital opportunities and ways of working through standalone digital initiatives, including the emergence of artificial intelligence (AI) and how it may impact the organisation.
  - 'Moirra', Scope's accessible AI assistant, has become central to our digital development. Built with Deloitte on the 4o model, it supports all colleagues, protects data, and improves confidence in AI use. Rolled out to all staff, Moirra now automates tasks, meets the WCAG 2.1 AA standard and speeds up analysis. Its ethical design makes it a leading example of responsible AI in the charity sector.
4. Scope may not be able to generate sufficient net income to meet its resource and financial obligations, and continue to deliver public benefit efficiently and effectively in the short, medium or long term.

#### Mitigation

- We have a detailed business plan and budget, including reserves set aside for the costs of implementing the changes to our retail estate in order to return to profitability, moving to the next stage of our strategic operating model and diversifying our income streams.
- We use our daily, weekly and monthly reports to monitor income, costs and leading indicators in detail, enabling us to take corrective action where needed.
- A retail performance plan is in place with a focus on profitability of new shops and Ecommerce.

## Operational risks

1. Safeguarding arrangements fail to promote wellbeing and protect staff, volunteers or beneficiaries from adverse incidents. Ineffective handling and responses to allegations could result in reputational damage.

#### Mitigation

- We prioritise the safeguarding of all people who interact with Scope in everything we do. Our safeguarding policy is clearly embedded in operational processes and led by a team of specialists connected with trained designated safeguarding leads across the Charity and a retail case management group. Safeguarding training on policies and procedures is provided for all employees and volunteers.
- The Board of Trustees has responsibility for oversight of safeguarding activity and is committed to promoting the welfare and wellbeing of children and adults at risk. It also ensures the right level of protection and safeguarding response is in place and that incidents and allegations are handled with speed, efficiency and rigour. An Independent Committee Member with specialist safeguarding expertise and experience attends the Audit and Risk Committee and provides expert advice to the Board. The Chief Executive has management responsibility for safeguarding and chairs the Steering Group. All leaders are responsible for setting the standard and behaving in a way that reflects our values, complies with our safeguarding policy and

procedures, and protects customers, colleagues and members of the public.

- We have a cross organisation Safeguarding Steering Group and an external expert that meets 4 times each year. The group supports and reviews the progress and implementation of Scope's safeguarding plan. It also provides oversight of safeguarding reporting, policies, procedures and resourcing, as well as reporting to the Board. Scope's Raising and Escalating Concerns (Whistleblowing) Policy and processes provide safe routes for colleagues to voice concerns.

2. Misaligned governance and oversight structures or inadequate management information lead to ineffective oversight of delivery and strategy.

#### Mitigation

- We self monitor against the Charity Governance Code and last year we commissioned an independent review of Board and committee performance. The review gave a positive report with areas of continuous improvement which are in use
- Trustees serve a maximum of two 3 year terms. The induction process includes our code of conduct, social media policy and specific training and development as needed. Ongoing training and development for Trustees and Independent Members is planned by the Nominations and Governance Committee. We conduct regular skills audits and performance reviews and carry out continuous succession planning, using specialist agencies and a strong interview process as well as internal recruitment campaigns to help improve our reach and diversity. Independent Committee Members fill specific skills gaps.
- We have robust financial and internal audit processes, including reporting against agreed KPIs and a corporate risk register. The Board holds regular strategy sessions as well as Board meetings. Information is provided in advance of meetings and external experts attend where appropriate.

3. Scope fails to attract and retain skilled and experienced colleagues to deliver its objectives and retain key corporate knowledge.

#### Mitigation

- Our attraction strategy is closely linked with our EDI principles. We work with specialist recruitment agencies and social media campaigns and review applicant data to continuously improve. We use effective candidate source analysis, anonymised applications and shared interview questions. This year we launched a new volunteer strategy with opportunities to appeal to a larger and more diverse cohort of volunteers.
- Our development and training programmes for colleagues are constantly reviewed to enable career progression including an emphasis on development objectives and a 'reverse mentoring' scheme. We conduct periodic reward reviews including pay progression. Our operating model is based on cross functional working which enables colleagues to collaborate effectively and learn from others.
- Our adjustment processes positively support all colleagues to do their best work. We

use colleague inclusivity networks and regular engagement surveys, to help us identify areas for improvement. Our Apex Programme supports colleagues of colour to reach their potential.

4. Cyber incidents negatively impact the confidentiality, integrity, and availability of our information systems and/or data.

#### Mitigation

- We have an information and data security management framework to cover our security culture, security processes and IT security tools. Our technology is constantly reassessed, reflecting the ever-changing environment. All colleagues receive information security and General Data Protection Regulation (GDPR) training.
- Other controls include strong password policies, firewall and secure back up infrastructure, restricted privileged and administrative access rights, multifactor authentication, mobile device controls and patch and change management policies. We run separate managed cloud environments, secure back up and regular penetration testing as well as procurement contract monitoring and due diligence.
- Our Business Continuity Plan has been tested, refreshed and aligned and we have a cyber insurance policy.

### Legal and regulatory risks

1. Non compliance with disability legislation or other regulations (Charity Commission, fundraising and gambling regulations, His Majesty's Revenue and Customs (HMRC), employment law, health and safety, GDPR).

#### Mitigation

- Our approach to safeguarding and data security is noted in detail above. We have clear guidance in place on our online community to make sure action can be taken to improve or remove inappropriate behaviours. We have specialist disability legislation, safeguarding, data, and health and safety leads in place. We conduct regular horizon scanning against new legislation and seek independent advice where needed
- All new space is acquired with accessibility as a priority. Adjustments are made to accommodate the needs of disabled people in our spaces. We monitor feedback and complaints information to ensure these adjustments are effective. All services have access to resources to adjust services to the need of those attending e.g. Interpreters, close captions accessible venues. We work with colleague networks, provide support such as disability leave and measure and report our disability pay gap. Clear guidance and codes of conducts are in place for all to follow.
- Departmental risk registers are reviewed regularly and significant incidents escalated, discussed, actioned and reported where appropriate.



## Financial risk management

During our day to day operations, we need to manage a variety of financial factors, such as credit and liquidity risks. We also need to manage the risk of the financial impact of any shortfall in net income compared to budget (see strategic risk 4). We use different control mechanisms to manage these.

## Safeguarding of assets

Credit risk relates to the risk that another party fails to honour its financial obligations to us and, consequently, we suffer a monetary loss.

The value of our investment assets is exposed to the risk from volatility in global markets. Our financial investments in 2024/25 were managed by RLAM, an A-credit-rated organisation. RLAM's investment performance and credit rating are overseen by our Finance Committee. Our main cash balances are held in accounts with the NatWest Group. The credit rating of any bank is considered when reviewing credit risk. We do not engage in any transactions involving derivatives or working capital.

Liquidity risk is the risk of being unable to raise enough cash to meet our obligations when they fall due. We manage our liquidity risk by making sure we manage our cash flow effectively, tracking working capital and net current assets.

Fraud is an inherent risk to all organisations and the risk of cyber fraud in the environment is increasing. We have controls in place to prevent and detect internal and external fraud as far as possible.

## Our structure, governance and leadership

### How we are managed

The Charity is governed in accordance with its Memorandum and Articles of Association. This year we extended our registration to allow us to operate as a Charity in Scotland and Northern Ireland. We're a registered charity in England and Wales (208231) and Scotland (SC053490) and we operate in Northern Ireland. Scope is a company limited by guarantee, incorporated on 20 June 1953, registered in England and Wales with company number 00520866.

Scope and its subsidiaries are registered at: Scope, 2nd Floor, Here East Press Centre, 14 East Bay Lane, London, E15 2GW.

Scope is governed by our Board of Trustees. The Board consists of 9 to 14 Trustees and is responsible for approving Scope's vision, organisational strategy, annual plans and budgets, as well as key policies. It holds the Executive Leadership Team accountable for



delivering against these strategies and plans and has a duty to ensure that Scope complies with all legal requirements.

The Board delegates the day to day management of Scope to the Chief Executive, who in turn delegates responsibilities to the Executive Leadership Team which leads on each of Scope's directorates: Strategy Impact and Social Change, Services, Fundraising, Digital and Marketing, People and Operational Performance (including Retail and Finance). Delivery of the charitable objectives takes place through cross team working in goal groups and mission based teams.

The Chair of Trustees leads the Board, with support from the Deputy Chair and Honorary Treasurer. The Board meets formally four times a year. In addition to these main meetings, Trustees are also expected to attend quarterly strategy sessions, Committee meetings and training sessions as well as any ad hoc meetings or working groups that may arise throughout the year.

## Trustee Recruitment and appointment

The Board's Nominations and Governance Committee oversaw Trustee succession planning in 2024/25 and made recommendations to the Board on Trustee recruitment and reappointments. Since the year end this has been replaced by the Governance, Nominations and Remuneration Committee. Recruitment proposals consider the skills of the Trustees, while seeking to address any gaps in existing skills, experience and diversity. The Board actively seeks to recruit Trustees with lived experience of disability.

We recognise the value of a diverse Board with a relevant blend of skills, experience and characteristics. To achieve this, where appropriate, we engage the services of specialist recruitment consultants. We also use targeted advertising platforms and harness the power of our networks. By using wider and more inclusive methods of searching for new Trustees and Independent Committee Members, we access a wider pool of applicants from a broad range of different social, economic and ethnic backgrounds. This leads to a greater diversity of perspectives.

Trustees, including the Chair, are appointed by the Board and formally elected by Members at the next Annual General Meeting (AGM). Trustees serve an initial term of three years which, subject to review, can be renewed for a further three years. In exceptional circumstances, Trustees may be reappointed for additional one year terms, up to a maximum of three additional years, bringing the total possible service to nine years.

Appointments are made subject to receipt of satisfactory references. Trustees are asked to sign an automatic disqualification declaration. Trustees and Independent Committee

Members must also complete declarations of interest forms each year and undergo enhanced Disclosure and Barring Service (DBS) checks.

Our Trustees volunteer their time and do not receive any rewards or benefits. Any expenses reclaimed by Trustees are disclosed in our financial statements.

## How we make decisions

Our Memorandum and Articles of Association state that the Board “may make rules with respect to the carrying into effect of all or any of the purposes of the Company or all or any of the provisions of these Articles”.

The Board uses different governing documents to help it make the rules, including:

- The Standing Orders of the Board of Scope set out the regulations for the Board of Trustees, its committees and people working for and with us. It shows how the Board can delegate authority to individuals, the Executive Leadership Team, committees and working groups.
- The Scheme of Delegated Authority sets out which powers are delegated to colleagues through the Chief Executive, and which stay with the Board. This is a tool to help colleagues so that the right person or group make decisions. This helps the Charity operate most efficiently and effectively.

## Induction and support of Trustees

We seek to provide all Trustees with a full induction which includes a detailed briefing on the legal roles of Trustees and Directors, our history, structure, mission and purpose. We support our Trustees to make them feel welcome and help them to fulfil their roles and deliver impact. As part of the role, Trustees have an opportunity to visit our shops and services. They get time to meet colleagues and volunteers, gaining first hand experience of what we do and how we do it.

## Independent Committee Members

As with Trustees, Independent Committee Members also serve an initial term of three years which, subject to review, can be renewed for a further three years.

Independent Committee Members play an important governance role at Scope. They supplement the skills mix of our Trustees by bringing additional expertise and experience to the Board’s committees. Their contribution helps ensure that the advice and assurance provided through the committee structure is well informed and robust.

To support them in their role, Independent Committee Members take part in the same comprehensive induction as our Trustees and receive the same level of support to help them feel welcomed and equipped. Where possible, they are also invited to join Trustees to attend strategic Board days and relevant training.

This role also offers Independent Committee Members the opportunity to develop their leadership skills. In the future, and depending on the skills required by the Board, they may be considered for a Trustee position.

## Board committees

The purpose of Board committees is to scrutinise and discuss matters within their terms of reference in more detail on behalf of the Board. Matters can then be recommended for approval to the Board having been reviewed and endorsed by the designated committee prior to being presented to the Board for its decision. Some matters are delegated to specific committees for approval, for example, the approval of certain policies.

Committees play an important advisory role, providing the Board with support, insight, and guidance in their areas of expertise. This helps ensure the Board is well equipped with the knowledge, experience, and assurance needed to make informed decisions

Each committee is chaired by a Trustee, who reports to the full Board at every meeting. The Committee Chair shares key updates on the Committee's activities, including significant discussions and decisions made.

In 2024/25 there were 5 committees all of which met quarterly except for the Nominations and Governance Committee, which met twice a year. Each committee was made up of a mix of Trustees and Independent Committee Members.

The committee structure was as follows:

- The External Audiences Committee oversaw how well we engage with and meet the needs of our external audiences through our services, community activities campaigning, influencing, fundraising, partnerships and retail
- The Audit and Risk Committee, oversaw corporate assurance, internal and external auditing and risk management
- The Finance Committee monitored our financial results, financial position, planning, budgets and forecasts and the appropriate use of our financial resources and assets
- The Equality, Diversity, Inclusion and People (EDIP) Committee oversaw, reviewed and connected all policy and strategic matters about EDIP matters across the organisation
- The Nominations and Governance Committee made sure the Board and committees had the right skills to govern Scope and was responsible for the diversity of our Board. This Committee assisted the Board in overseeing the quality of our governance and supports the Board with legal and regulatory requirements including charity law and guidance from the Charity Commission.

In 2024 the Nominations and Governance Committee engaged the consultancy firm Bvalco to conduct an external review of the Board's effectiveness. The Board undertakes an internal review annually and commissions an external evaluation every 3 years. The

purpose of the external review is to assess how the Board operates both collectively and individually with particular attention to cohesion and identifying any areas for improvement. Following the review, the Board noted that the overall conclusions were positive and approved an action plan to implement the recommendations for continuous improvements.

Since the year end, the Board reviewed its Committee structures to make sure they best support the Board in ensuring delivery of Scope's strategy and driving sustainable income streams to support its work. Following this review, we now have 4 Committees:

- The **Impact Committee** will oversee strategy implementation and delivery of social change for 16 million disabled people and their families
- The **Fundraising Committee** will offer leadership and assurance on income generating activity to support the mission and financial sustainability of Scope
- The **Audit, Risk and Finance Committee** will combine financial oversight with organisation wide risk management and audit responsibilities. It will monitor financial performance, financial position and forecasts, the proper use of charity funds and effective risk management
- The **Governance, Nominations and Remuneration Committee**. The existing Nominations and Governance Committee was extended to include succession planning and remuneration, to ensure Scope's policies support the recruitment of colleagues while remaining consistent with the organisation's values and commitment to fairness and inclusion.

## Scope Assemblies

Scope has 2 Assemblies:

- Scope Assembly, which is open to members of all ages
- Young Members Assembly, for members who are 18 to 25 years old

The Assemblies give members the opportunity to hear news and updates, and give feedback on decisions and initiatives. These Assemblies are elected by the membership to take members' views to Trustees and the Executive Leadership Team.

As of 31 March 2025, there are 27 elected Assembly representatives. 19 of these are in the Scope Assembly and 8 in the Young Members Assembly.

On 31 March 2025, we had 2,475 members (increased from 2,238 at 31 March 2024). 315 of these members are aged 18 to 25 years old, which now represents 12.7% of our membership.

## Fundraising and compliance

We fundraise to create An Equal Future with disabled people.

Our supporters help us in many ways. They volunteer, donate, fundraise, take part in our events, campaign, raise awareness and offer their expertise and skills.

Support from individual donors, corporate partnerships, charitable trusts and high net worth individuals funds our innovative and evidence based services. Financial investment and pro-bono support mean that we can increase our reach, amplify our voice and make even more of an impact on the lives of disabled people.

We have the highest standards of professional fundraising. We encourage our colleagues to join the Chartered Institute of Fundraising's training courses and special interest groups. We are registered with the Fundraising Regulator to make sure we're respectful, open, honest and accountable in line with our organisational values. We're open about how we raise and use public donations, and we're transparent about the impact of these donations on the lives of disabled people and their families.

We take great care in choosing fundraising third party suppliers. We make sure our contracts specify they follow fundraising best practice and closely monitor how they fundraise on our behalf. We 'mystery shop' and shadow our agencies very regularly, so we're confident they're displaying the standards we expect of them.

We work hard to give our supporters the best possible experience of Scope. But we understand things can go wrong and we take all concerns and complaints seriously. We provide a complaints procedure through our website.

The number of complaints received about fundraising activities in 2024/25 was 15 (195 in 2023/24). Complaints were resolved satisfactorily through our internal processes and no complaints were escalated to the Fundraising Regulator. We saw a decrease in complaints this year, compared to last year due to the work of our fundraising acquisition, supporter care and compliance teams as well as the agencies that we work with and the way that we manage and respond to complaints.

Our fundraising compliance and procedures are a priority and are continuously under review using the guidance from the Charity Commission which is called CC20. Scope has a full complement of fundraising policies and procedures and a suite of fundraising compliance e-learning courses for colleagues.

## Directors' and Trustees' indemnity

During the year, we had an indemnity insurance policy in place. This is in favour of our Directors and Trustees against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. This indemnity insurance policy is still in place at the date of approving the Trustees' report.

## Our Trustees and Independent Committee Members

During the year and at the time of signing the financial statements, unless noted otherwise, our Trustees and Independent Committee Members were:

| Name               | Role                                     | Date of initial appointment/resignation |
|--------------------|------------------------------------------|-----------------------------------------|
| Sir Robin Millar   | Chair of the Board of Trustees           | 30 June 2020                            |
| Mark Johnstone     | Deputy Chair and Treasurer               | 2 January 2020                          |
| Matthew Johnston   | Trustee                                  | 29 November 2019                        |
| Zeinab Chaudhary   | Trustee                                  | 8 October 2021                          |
| Simon Godfrey      | Trustee                                  | Resigned 23 July 2025                   |
| Mina Jesa          | Trustee                                  | Resigned 11 August 2025                 |
| Katie Stevens      | Trustee                                  | Resigned 28 September 2025              |
| Reece Jackson      | Trustee                                  | Resigned 13 September 2025              |
| Tariq Khan         | Trustee                                  | Resigned 30 April 2024                  |
| Joanne Hall        | Trustee                                  | Resigned 15 November 2024               |
| Sian Foster        | Trustee                                  | 28 November 2024                        |
| Christopher Patnoe | Trustee                                  | 28 November 2024                        |
| Gail Arkle         | Trustee*                                 | 3 April 2025                            |
| Luke Francis       | Trustee*                                 | 3 April 2025                            |
| Callum Jackson     | Trustee*                                 | 3 April 2025                            |
| Thomas Seddon      | Trustee*                                 | 3 April 2025                            |
| Hetal Desai        | Trustee*                                 | 1 August 2025                           |
| Lauren Beel        | Independent Member                       | Term expired 26 July 2025               |
| Lynda Greenshields | Independent Member                       | Resigned 22 April 2025                  |
| Sian Foster        | Independent Member                       | Resigned 28 November 2024               |
| Scott Berney       | Independent Member and Safeguarding Lead | 6 June 2023                             |
| Rosie Sparrowhawk  | Independent Member                       | 19 July 2023                            |
| David Cryer        | Independent Member                       | 15 November 2024                        |
| Helen Clifford     | Independent Member                       | 3 April 2025                            |
| Justin Fanstone    | Independent Member                       | 3 April 2025                            |
| Arun Veerappan     | Independent Member                       | 3 April 2025                            |
| Simon Godfrey      | Independent Member                       | 23 July 2025                            |
| Reece Jackson      | Independent Member                       | 13 September 2025                       |

\*Pending formal election at the next AGM in December 2025

## Chief Executive

Mark Hodgkinson

## **Legal and administrative details**

### **Independent auditors**

Moore Kingston Smith LLP, 9 Appold Street, London, EC2A 2AP

### **Solicitors**

Anthony Collins Solicitors, 76 King Street, Manchester, M2 4NH

### **Bankers**

National Westminster Bank plc, City of London Office, Corporate Business Centre, PO Box 12263, 1 Princes Street, London, EC2R 8PH

### **Investment advisers**

Cazenove Capital, 1 London Wall Place, London, EC2Y 5AU

### **Company Secretary**

Angela Archbold

### **Registered office**

Scope and all subsidiaries are registered at Here East Press Centre, 14 East Bay Lane, London, E15 2GW.

# Statement of Trustees' responsibilities

The Trustees (who are also Directors of Scope for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Board of Trustees to prepare financial statements for each financial year. Under that same Law, the Board of Trustees has prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable Law (United Kingdom Generally Accepted Accounting Practice).

Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the Charitable Company and the Group, and the incoming resources and application of resources, including the income and expenditure, of the Charitable Group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the 'Accounting and Reporting by Charities: Statement of Recommended Practice 2019' ('Charities SORP').
- Make judgements and estimates that are reasonable and prudent.
- State whether FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' has been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Board of Trustees is responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions, disclose with reasonable accuracy at any time the financial position of the Charitable Company and the Group, and enable them to make sure that the financial statements comply with the Companies Act 2006.

They're also responsible for safeguarding the assets of the Charitable Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Board of Trustees is aware:

- There's no relevant audit information of which the Company's auditors are unaware.
- They've taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and establish the Company's auditors are aware of that information.



The Board of Trustees is responsible for the maintenance and integrity of the Charitable Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may be different from legislation in other jurisdictions.

The Trustees' report and Strategic report were signed on behalf of the Trustees by:

*Robin Millar*

Robin Millar (Oct 17, 2025 16:14:25 GMT+1)

17/10/2025

Sir Robin Millar CBE

Trustee

Date: 17 October 2025

*M. Johnstone*

Mark Johnstone (Oct 17, 2025 14:32:43 GMT+1)

17/10/2025

Mark Johnstone

Trustee

# Independent Auditor's report to the Members of Scope

## Opinion

We have audited the financial statements of Scope (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement 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 group's and the parent charitable company's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended) and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

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

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

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on pages 52-53, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## Auditor's responsibilities for the audit of the financial statements

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

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non compliance or suspected non compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditor's report addressed to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

*Moore Kingston Smith LLP*

Andrew Stickland (Senior Statutory Auditor)  
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor  
9 Appold Street  
London, EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006

Date: 22 October 2025

# Group statement of financial activities

(Incorporating an income and expenditure account)

For the year ended 31 March 2025

|                                                          |          | Unrestricted<br>funds 2025 | Restricted<br>funds 2025 | Total funds<br>2025 | Unrestricted<br>funds 2024 | Restricted<br>funds 2024 | Total funds<br>2024 |
|----------------------------------------------------------|----------|----------------------------|--------------------------|---------------------|----------------------------|--------------------------|---------------------|
|                                                          | Note     | £000                       | £000                     | £000                | £000                       | £000                     | £000                |
| <b>Income and endowments</b>                             |          |                            |                          |                     |                            |                          |                     |
| Donations and legacies                                   | 3        | 12,782                     | 151                      | 12,933              | 15,157                     | 216                      | 15,373              |
| Other trading activities                                 | 4        | 21,936                     | –                        | 21,936              | 24,024                     | –                        | 24,024              |
| Investments                                              | 5        | 781                        | –                        | 781                 | 995                        | –                        | 995                 |
| Charitable activities:                                   |          |                            |                          |                     |                            |                          |                     |
| Fees                                                     |          | 654                        | –                        | 654                 | 928                        | 393                      | 1,321               |
| Grants                                                   | 6        | 319                        | 3,244                    | 3,563               | 308                        | 1,380                    | 1,688               |
| Other income                                             | 7        | 4,174                      | –                        | 4,174               | 3,770                      | –                        | 3,770               |
| <b>Total income and endowments</b>                       |          | <b>40,646</b>              | <b>3,395</b>             | <b>44,041</b>       | <b>45,182</b>              | <b>1,989</b>             | <b>47,171</b>       |
| <b>Expenditure</b>                                       |          |                            |                          |                     |                            |                          |                     |
| <b>Costs of raising funds:</b>                           |          |                            |                          |                     |                            |                          |                     |
| Raising funds                                            | 9        | 32,496                     | –                        | 32,496              | 31,217                     | –                        | 31,217              |
| Strategic spend (trading activities)                     | 9        | 2,435                      | –                        | 2,435               | –                          | –                        | –                   |
| <b>Charitable activities:</b>                            |          |                            |                          |                     |                            |                          |                     |
| Community engagement                                     | 9        | 1,275                      | –                        | 1,275               | 1,429                      | –                        | 1,429               |
| Employment services                                      | 9        | 1,673                      | 847                      | 2,520               | 1,674                      | 840                      | 2,514               |
| Family services                                          | 9        | 1,037                      | –                        | 1,037               | 1,622                      | 237                      | 1,859               |
| Information and advice                                   | 9        | 3,882                      | 2,531                    | 6,413               | 4,157                      | 1,078                    | 5,235               |
| Influencing and campaigning                              | 9        | 5,808                      | –                        | 5,808               | 5,775                      | –                        | 5,775               |
| Strategic spend                                          | 9        | 790                        | –                        | 790                 | 565                        | –                        | 565                 |
| Governance                                               | 9        | 152                        | –                        | 152                 | 145                        | –                        | 145                 |
| <b>Total expenditure</b>                                 | <b>9</b> | <b>49,548</b>              | <b>3,378</b>             | <b>52,926</b>       | <b>46,584</b>              | <b>2,155</b>             | <b>48,739</b>       |
| Net gains/(losses) on investments                        | 14       | 125                        | –                        | 125                 | 1,483                      | –                        | 1,483               |
| <b>Net income/(expenditure)</b>                          |          | <b>(8,777)</b>             | <b>17</b>                | <b>(8,760)</b>      | <b>81</b>                  | <b>(166)</b>             | <b>(85)</b>         |
| Transfers between funds                                  | 20       | 257                        | (257)                    | –                   | 297                        | (297)                    | –                   |
| Actuarial (loss)/gain on defined benefit pension schemes | 28       | 671                        | –                        | 671                 | (172)                      | –                        | (172)               |
| <b>Net movement in funds</b>                             |          | <b>(7,849)</b>             | <b>(240)</b>             | <b>(8,089)</b>      | <b>206</b>                 | <b>(463)</b>             | <b>(257)</b>        |
| <b>Fund balances brought forward at 1 April</b>          |          | <b>33,508</b>              | <b>942</b>               | <b>34,450</b>       | <b>33,302</b>              | <b>1,405</b>             | <b>34,707</b>       |
| <b>Fund balances carried forward at 31 March</b>         |          | <b>25,659</b>              | <b>702</b>               | <b>26,361</b>       | <b>33,508</b>              | <b>942</b>               | <b>34,450</b>       |

There were no gains or losses during the year, except those included above as part of the statement of financial activities.



## Group and Parent Charitable Company balance sheets

As at 31 March 2025

|                                                |      | Group         | Group         | Charity       | Charity       |
|------------------------------------------------|------|---------------|---------------|---------------|---------------|
|                                                |      | 2025          | 2024          | 2025          | 2024          |
|                                                | Note | £000          | £000          | £000          | £000          |
| <b>Fixed assets</b>                            |      |               |               |               |               |
| Intangible assets                              | 12   | 942           | 562           | 329           | 562           |
| Tangible assets                                | 13   | 3,028         | 3,783         | 3,028         | 3,783         |
| Investments                                    | 14   | 19,859        | 26,136        | 20,937        | 26,136        |
| <b>Total fixed assets</b>                      |      | <b>23,829</b> | <b>30,481</b> | <b>24,294</b> | <b>30,481</b> |
| <b>Current assets</b>                          |      |               |               |               |               |
| Stocks                                         |      | 478           | 453           | –             | –             |
| Debtors                                        | 16   | 8,511         | 9,294         | 8,438         | 9,273         |
| Cash at bank and in hand                       |      | 1,754         | 1,026         | 833           | 1,026         |
| <b>Total current assets</b>                    |      | <b>10,743</b> | <b>10,773</b> | <b>9,271</b>  | <b>10,299</b> |
| Creditors: amounts falling due within one year | 17   | (3,948)       | (3,439)       | (3,785)       | (3,599)       |
| <b>Net current assets</b>                      |      | <b>6,795</b>  | <b>7,334</b>  | <b>5,486</b>  | <b>6,700</b>  |
| <b>Total assets less current liabilities</b>   |      | <b>30,624</b> | <b>37,815</b> | <b>29,780</b> | <b>37,181</b> |
| Provision for liabilities and charges          | 19   | (4,263)       | (2,789)       | (4,263)       | (2,789)       |
| FRS 102 Pension liability                      | 28   | –             | (576)         | –             | (576)         |
| <b>Net assets</b>                              |      | <b>26,361</b> | <b>34,450</b> | <b>25,517</b> | <b>33,816</b> |
| <b>Funds</b>                                   |      |               |               |               |               |
| Restricted funds                               | 20   | 702           | 942           | 702           | 942           |
| Unrestricted funds                             | 20   | 20,290        | 24,508        | 19,446        | 23,874        |
| Designated funds, strategic investment         | 20   | 298           | 2,500         | 298           | 2,500         |
| Designated funds, pension                      | 20   | 4,000         | 6,500         | 4,000         | 6,500         |
| Designated funds, retail                       | 20   | 1,071         | –             | 1,071         | –             |
| <b>Total funds</b>                             |      | <b>26,361</b> | <b>34,450</b> | <b>25,517</b> | <b>33,816</b> |

As permitted by section 408 of the Companies Act 2006, and FRS 102, no separate statement of financial activities is presented for the Parent Charity.

The notes on pages 63 to 87 form part of these financial statements. The financial statements on pages 60 to 87 were approved by the Board of Trustees on 17 October 2025 and signed on its behalf by:

*Robin Millar*

Robin Millar (Oct 17, 2025 16:14:25 GMT+1)

*Mark Johnstone*

Mark Johnstone (Oct 17, 2025 14:32:43 GMT+1)

17/10/2025  
Sir Robin Millar CBE  
Trustee

17/10/2025  
Mark Johnstone  
Trustee

Company number: 520866

# Group Cash Flow Statement

For the year ended 31 March 2025

|                                                  | Group<br>2025<br>£000 | Group<br>2024<br>£000 |
|--------------------------------------------------|-----------------------|-----------------------|
| <b>Cash flows from operating activities:</b>     |                       |                       |
| Net cash used in operating activities            | (5,558)               | (4,089)               |
| <b>Cash flows from investing activities:</b>     |                       |                       |
| Investment income received                       | 781                   | 995                   |
| Purchase of tangible and intangible fixed assets | (578)                 | (2,087)               |
| Acquisition of subsidiary                        | (319)                 | –                     |
| Purchase of fixed asset investments              | (1,463)               | (183)                 |
| Sale of fixed asset investments                  | 7,865                 | 6,100                 |
| Net cash from investing activities               | 6,286                 | 4,825                 |
| <b>Change in cash and cash equivalents</b>       | <b>728</b>            | <b>736</b>            |
| Cash brought forward at 1 April                  | 1,026                 | 290                   |
| <b>Cash carried forward at 31 March</b>          | <b>1,754</b>          | <b>1,026</b>          |

## Note to Group cash flow statement

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

|                                                               | Group<br>2025<br>£000 | Group<br>2024<br>£000 |
|---------------------------------------------------------------|-----------------------|-----------------------|
| Net movement in funds for the reporting period                | (8,089)               | (257)                 |
| <b>Adjustments for:</b>                                       |                       |                       |
| Net (gains) or losses on investments                          | (125)                 | (1,483)               |
| Investment income received                                    | (781)                 | (995)                 |
| Depreciation and amortisation charges                         | 1,282                 | 879                   |
| Loss on sale and impairment of tangible fixed assets          | 9                     | 9                     |
| Loss on sale of tangible fixed assets – strategic spend       | 297                   | –                     |
| (Increase) in stock                                           | (25)                  | (72)                  |
| Decrease/(increase) in debtors                                | 1,020                 | (2,480)               |
| Decrease in creditors                                         | (44)                  | (149)                 |
| Increase/(decrease) in provisions for liabilities and charges | 1,474                 | (117)                 |
| (Decrease)/increase in FRS 102 pension liability              | (576)                 | 576                   |
| <b>Net cash used in operating activities</b>                  | <b>(5,558)</b>        | <b>(4,089)</b>        |

# Notes to the financial statements

## 1. Accounting policies

### Basis of preparation

The financial statements are prepared in line with:

- Charities Act 2011 and Charities and Trustee Investment (Scotland) Act 2005
- Accounting and reporting by charities: Statement of Recommended Practice 2019 (Charities SORP) and Charities Accounts (Scotland) Regulations 2006
- applicable accounting and reporting standards in the United Kingdom, including the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102)
- Companies Act 2006

We apply the Group accounting policies adopted by the Board of Trustees consistently year on year. They are described below.

The financial statements are prepared on a going concern basis. The historical cost convention is used, except for the revaluation of investments.

The Charity has applied the exemption from preparing a cash flow statement under FRS 102. The Charity cash flows are consolidated in the Group financial statements. The Charity is a public benefit entity.

### Going concern

The Trustees have considered the financial position of the Charity. This includes cash, reserves, investment levels and future trading forecasts. Having considered the risks and uncertainties, they have concluded that the Charity is able to meet its liabilities as they fall due for at least 12 months from the date of this report and that it remains appropriate to prepare the financial statements on the going concern basis.

### Basis of consolidation

The consolidated Group financial statements include the financial statements of Scope and its subsidiary undertakings on a line by line basis. The Charity's total incoming resources were £41.4 million (£45.8 million in 2023/24). The Charity's total expenditure was £50.5 million (compared to £47.6 million in 2023/24).

The Charity's net movement in funds also include:

- pension scheme FRS 102 net credit of £0.1 million (compared to a charge of £0.6 million in 2023/24)

- investment gains of £0.1 million (compared to £1.5 million in 2023/24)
- income from subsidiaries of £0.6 million (compared to £0.5 million in 2023/24)

There were no other recognised gains or losses attributable to the Charity.

As allowed by section 408 of the Companies Act 2006 and FRS 102, no statement of financial activities is presented for the Parent Charity.

## **Business combinations**

In the Charity financial statements, the cost of a business combination is the fair value at the acquisition date of the assets paid and liabilities assumed plus costs directly attributable to the business combination. In the Group financial statements, the excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

## **Incoming resources**

We recognise all income in the statement of financial activities when:

- the conditions for receipt have been met. That is, there is entitlement to the funds
- it's at least probable that the funds will be received
- the funds can be reliably measured

The following accounting policies are applied to income:

## **Donations including events and individual giving**

As a public benefit entity, we receive various donations as non-exchange transactions.

We include general donations and donations from fundraising events in income on receipt. The Gift Aid we're entitled to but had not received at the end of the financial year is included in incoming resources and shown as a debtor in the balance sheet.

We recognise income from fundraising events on delivery of the event.

## **Individual giving**

We recognise regular donations from individuals on receipt. Income is recognised gross. We record any fees charged for fundraising, including by a third party, as a fundraising expense.

## **Legacies**

We recognise legacy income when we can reliably measure the amount receivable and when it's probable we'll receive it.

Receipt is typically probable when:

- there has been grant of probate
- the executors have established that there are sufficient assets in the estate to pay the legacy, after settling any liabilities
- any conditions attached to the legacy are either within our control or have been met

When the legacy amount due to Scope is uncertain, we disclose the legacy as a contingent asset. For example, if the interest of the Charity in a pecuniary or residuary legacy cannot be measured reliably.

## **Restricted donations including corporate donations**

Donations are restricted when donors apply specific conditions on how we can use the funds. We recognise restricted donations when the conditions for entitlement are within our control or have been met.

## **Donations in kind**

Donations in kind (including work undertaken without charge) are recognised at their value to Scope when received. We include an equal amount in the appropriate category of expenditure.

The financial statements do not include volunteer time as this cannot be reliably estimated.

## **Retail income**

We recognise retail income, including sales of donated goods in our shops, when the sale takes place. We accrue estimated associated Gift Aid at the point of sale. Once we have consent, we recognise the income claimed from HMRC and reverse the accrual. We recognise bought-in goods income at the point of sale.

## **Investment income**

We recognise investment income when receivable.

## **Fees for services**

We recognise fees once we've provided the services. We defer income received in advance until we provide the service.

## **Grants receivable including Government grants**

We recognise grants when the conditions for entitlement are met. Evidence of entitlement typically exists when we receive the formal offer of funding. Where terms or conditions must be met before we have entitlement to the resources, the income is deferred. It is also included in creditors until any terms and conditions, outside of our control, have been met.

Grant funding agreements may contain performance conditions. For example, payments are linked to the achievement of a particular level of service or the units of output delivered. In

these circumstances, we recognise income when the performance related conditions have been met.

Conditions may specify the period over which the expenditure of resources can take place. This may limit our ability to spend the grant until we perform the activity related to the specified period. In these circumstances, we recognise income over the period specified.

### **Other income from charitable activities**

Other income includes income for rent receivable, sponsorship, membership and other fees, lottery and other incoming resources from charitable activities. We recognise income when the related activity happens. We recognise rent receivable over the rental period.

### **Resources expended**

All resources expended have been accounted for on an accruals basis. Irrecoverable Value Added Tax (VAT) is included with the expense item to which it relates.

### **Charitable expenditure**

This includes all expenditure related to the delivery of our mission.

### **Support costs**

Our support costs include the costs of colleagues, rent and other operational costs. All costs are allocated between the costs of raising income and activities in furtherance of the Charity's objects. Most costs we incur are directly attributable to individual activities. Where costs are not directly attributable to activities, they are apportioned on an appropriate basis (see note 9).

### **Grants payable**

Grants payable are recognised in the statement of financial activities when the conditions within Scope's control for disbursement have been met. Grants paid before the conditions have been met are deferred and included in debtors at the end of the financial year.

### **Intangible fixed assets**

Intangible assets are stated in the balance sheet at cost less accumulated amortisation. Amortisation is charged evenly over the estimated useful lives of the assets at the following rates:

- software development, 25% or 33.3%
- goodwill, 20%

## Tangible fixed assets

Freehold properties and other tangible assets are stated in the balance sheet at cost, or the fair value at the date of receipt (if donated) less accumulated depreciation.

Depreciation is charged evenly over the estimated useful lives of the assets at the following rates:

- freehold land, no depreciation
- freehold property, 2%
- leasehold property and improvements to leasehold property, 2% or over the term of the lease if less than 50 years
- improvements to property, 6.66%
- motor vehicles, 20%
- fixtures and equipment, 20%
- computer equipment and software, 25% or 33.33%

Gains or losses from the disposal of tangible fixed assets are recognised in other income or in strategic costs when applicable.

## Asset impairment

At each reporting date, fixed assets are reviewed to assess whether they have suffered impairment. The recoverable amount of any affected asset is estimated and compared with its net book value.

If the estimated recoverable amount is lower, the net book value is reduced to its estimated recoverable amount and an impairment loss is recognised immediately in the statement of financial activities.

## Funds

### Restricted funds

Restricted funds are the unspent balances on grants, donations and legacies received from donors who stated that they must be used for specific purposes.

### Unrestricted funds

Funds that can be spent at the discretion of the Board of Trustees to help fulfil our objectives. These funds may be held to finance working capital and strategic investment.

### Designated funds

Funds that have been set aside at the discretion of the Board of Trustees for specific purposes. They would otherwise form part of the general unrestricted funds.

## Financial assets and liabilities

Financial investments are stated at fair value. Net gains and losses that have resulted from both changes in holdings and in their fair value are shown in the appropriate section of the statement of financial activities. Unlisted investments are stated at cost.

Debtors and creditors treated as financial assets and liabilities (notes 16 to 19) are measured at transaction price, less any impairment. Cash balances are stated at present value.

## Leases

Operating lease costs are charged directly to expenditure in the period to which they relate.

## Stocks

Stocks are stated at the lower of cost and net realisable value. They are valued using the weighted average method. Stock is reviewed regularly throughout the year with a provision made for stock that is unlikely to be sold. Stocks of unsold donated goods are not valued for balance sheet purposes because their cost is nil, and their value is uncertain until sold.

## Pension costs

The statement of financial activities includes:

- the cost of benefits accruing during the year in respect of current and past service (charged against net outgoing resources)
- the expected return on the pension scheme's assets and the increase in the present value of the scheme's liabilities, shown as pensions finance charge
- actuarial gain recognised in the pension scheme (shown within net movement of funds)
- in accordance with FRS 102, the scheme value is calculated taking assets at their year end fair values, and liabilities at their actuarially calculated values discounted at year end AA-rated corporate bond interest rates. You can read more about all pension schemes in note 28.

We participate in a defined contribution scheme. Contributions to the scheme are recognised in the period they become payable.

Pension costs, other than finance charges and actuarial gains or losses (note 28), are allocated to expenditure by charitable activity in line with other salary costs.

## Irrecoverable VAT

Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.



## 2. Critical accounting judgements and estimation

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including reasonable expectations of future events.

Provision is made for retirement obligations, stock obsolescence, dilapidations on leased properties and the cost of onerous leases. These provisions need management's best estimate of the costs that will be incurred, based on legislative and contractual requirements.

Management considers whether fixed assets are impaired. Where an indication of impairment is identified, the recoverable value of those assets requires the estimation of the future cash contribution that can be realised from those assets.

### Contingent assets

Legacy income, where confirmation of the amount has not been received at the balance sheet date, has not been included in incoming resources. The value of these legacies is estimated as £1,980,000 (£1,480,000 at 31 March 2024).

## 3. Donations and legacies

|                                               | 2025<br>£000  | 2024<br>£000  |
|-----------------------------------------------|---------------|---------------|
| Individual giving                             | 6,616         | 7,397         |
| Events fundraising                            | 602           | 387           |
| Philanthropy and corporate partnerships       | 386           | 349           |
| Trusts                                        | 69            | 94            |
| Donations in kind*                            | 1,147         | 1,175         |
| <b>Donations and gifts excluding legacies</b> | <b>8,820</b>  | <b>9,402</b>  |
| Legacies                                      | 4,113         | 5,971         |
| <b>Total donations and gifts</b>              | <b>12,933</b> | <b>15,373</b> |

\*Donations in kind refers to professional services, media assets and technology support and equipment received by Scope, supporting charitable and strategic activities.

## 4. Other trading activities

|                                       | Group<br>2025<br>£000 | Group<br>2024<br>£000 |
|---------------------------------------|-----------------------|-----------------------|
| Gift Aid                              | 1,064                 | 1,253                 |
| Sale of donated and bought-in goods   | 20,506                | 22,326                |
| Donations in shops                    | 335                   | 293                   |
| Raffles in shops                      | –                     | 110                   |
| Other income                          | 31                    | 42                    |
| <b>Total other trading activities</b> | <b>21,936</b>         | <b>24,024</b>         |

## 5. Income from investments

|                                | Group<br>2025<br>£000 | Group<br>2024<br>£000 |
|--------------------------------|-----------------------|-----------------------|
| Income from listed investments | 781                   | 995                   |

## 6. Grants receivable

|                                          | Unrestricted<br>funds<br>£000 | Restricted<br>funds<br>£000 | 2025<br>total<br>£000 | 2024<br>total<br>£000 |
|------------------------------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| Working on Wellbeing                     | –                             | 674                         | 674                   | 706                   |
| <b>Total Government grants</b>           | <b>–</b>                      | <b>674</b>                  | <b>674</b>            | <b>706</b>            |
| Energy Saving Trust                      | –                             | 239                         | 239                   | 267                   |
| British Gas Energy Trust                 | –                             | 158                         | 158                   | 149                   |
| People's Postcode Lottery                | 300                           | –                           | 300                   | 300                   |
| National Lottery – Cost of Living Crisis | –                             | –                           | –                     | 75                    |
| Community Disability Energy Advice       | –                             | 845                         | 845                   | –                     |
| Disability Energy Support                | –                             | 1,216                       | 1,216                 | –                     |
| Other grants < £50,000                   | 19                            | 112                         | 131                   | 191                   |
| <b>Total other grants</b>                | <b>319</b>                    | <b>2,570</b>                | <b>2,889</b>          | <b>982</b>            |
|                                          |                               |                             |                       |                       |
| <b>Total grants receivable</b>           | <b>319</b>                    | <b>3,244</b>                | <b>3,563</b>          | <b>1,688</b>          |

At the balance sheet date, there were no unfulfilled conditions for any of the Government grants above.

## 7. Other income

|                                       | Group<br>2025<br>£000 | Group<br>2024<br>£000 |
|---------------------------------------|-----------------------|-----------------------|
| Lottery                               | 3,016                 | 3,215                 |
| Other income                          | 228                   | 564                   |
| Membership and other fees             | 939                   | –                     |
| Loss on sale of tangible fixed assets | (9)                   | (9)                   |
| <b>Total other income</b>             | <b>4,174</b>          | <b>3,770</b>          |

## 8. Subsidiaries' income and costs

|                                | Scope<br>Central<br>Trading<br>Limited<br>£000 | PurpleSpace<br>Limited<br>£000 | 2025<br>total<br>£000 | 2024<br>total<br>£000 |
|--------------------------------|------------------------------------------------|--------------------------------|-----------------------|-----------------------|
| Turnover                       | 1,741                                          | 939                            | 2,680                 | 1,399                 |
| Cost of sales                  | (1,028)                                        | (2)                            | (1,030)               | (764)                 |
| <b>Gross profit</b>            | <b>713</b>                                     | <b>937</b>                     | <b>1,650</b>          | <b>635</b>            |
| Administration and other costs | (1)                                            | (668)                          | (669)                 | –                     |
| Other operating income         | 1                                              | –                              | 1                     | –                     |
| <b>Operating profit</b>        | <b>713</b>                                     | <b>269</b>                     | <b>982</b>            | <b>635</b>            |
| Taxation                       | –                                              | –                              | –                     | –                     |
| <b>Net income</b>              | <b>713</b>                                     | <b>269</b>                     | <b>982</b>            | <b>635</b>            |

Income and expenditure reported by the subsidiaries has been included in the appropriate sections in the statement of financial activities, under the relevant department. Income and costs for PurpleSpace Limited have been consolidated for the 11 months since acquisition on 1 May 2024 to 31 March 2025.

At 31 March 2025, Scope Central Trading Limited had net assets of £713,418. At 31 March 2024, this figure was £634,406. This year's figure includes assets of £776,530 (compared to £648,970 for 2024) and liabilities of £63,112 (compared to £14,564 for 2024).

At 31 March 2025, PurpleSpace Limited had net assets of £596,897. This figure includes assets of £1,079,984 and liabilities of £483,087.

Scope holds 100% of the share capital of Scope Central Trading Limited and PurpleSpace Limited. You can read more about this in note 15.

### Acquisition of PurpleSpace Limited

Scope acquired 100% of the share capital of PurpleSpace Limited on 1 May 2024 for £1,077,931, of which £877,931 was paid on acquisition and £200,000 one year later. Total net assets acquired were £327,931 made up of debtors of £237,057, cash of £558,732 and creditors of £467,858. Goodwill arising on consolidation of £750,000 is recorded as an intangible asset in the Group accounts and is amortised over a period of 5 years representing the estimate useful life of the asset based on the average length of membership.

## 9. Analysis of total expenditure and support costs

| The Group                                  | Direct activities<br>£000 | Support costs<br>£000 | 2025 total<br>£000 | 2024 total<br>£000 |
|--------------------------------------------|---------------------------|-----------------------|--------------------|--------------------|
| <b>Cost of raising funds:</b>              |                           |                       |                    |                    |
| Cost of raising donations and legacies     | 4,370                     | 1,183                 | 5,553              | 6,476              |
| Cost of trading activities                 | 23,383                    | 3,560                 | 26,943             | 24,741             |
| Strategic spend (trading activities)       | 2,329                     | 106                   | 2,435              | -                  |
| <b>Total cost of raising funds</b>         | <b>30,082</b>             | <b>4,849</b>          | <b>34,931</b>      | <b>31,217</b>      |
| <b>Charitable activities</b>               |                           |                       |                    |                    |
| Community engagement                       | 830                       | 445                   | 1,275              | 1,429              |
| Employment services                        | 2,048                     | 472                   | 2,520              | 2,514              |
| Family services                            | 592                       | 445                   | 1,037              | 1,859              |
| Information and advice                     | 5,988                     | 425                   | 6,413              | 5,235              |
| Influencing and campaigning                | 5,177                     | 631                   | 5,808              | 5,775              |
| Strategic spend                            | 755                       | 35                    | 790                | 565                |
| Governance                                 | 152                       | -                     | 152                | 145                |
| <b>Total cost of charitable activities</b> | <b>15,542</b>             | <b>2,453</b>          | <b>17,995</b>      | <b>17,522</b>      |
| <b>Total expenditure</b>                   | <b>45,624</b>             | <b>7,302</b>          | <b>52,926</b>      | <b>48,739</b>      |

|                                                               |               |               |
|---------------------------------------------------------------|---------------|---------------|
| <b>Total expenditure excluding cost of trading activities</b> | <b>23,548</b> | <b>23,998</b> |
|---------------------------------------------------------------|---------------|---------------|

| Support costs                                     | Management, communications and HR<br>£000 | Finance and purchasing<br>£000 | Tech services<br>£000 | Property and facilities<br>£000 | 2025 total<br>£000 | 2024 total<br>£000 |
|---------------------------------------------------|-------------------------------------------|--------------------------------|-----------------------|---------------------------------|--------------------|--------------------|
| <b>Cost of raising funds</b>                      |                                           |                                |                       |                                 |                    |                    |
| Cost of raising donations and legacies            | 406                                       | 297                            | 222                   | 258                             | 1,183              | 1,692              |
| Cost of trading activities                        | 1,220                                     | 895                            | 669                   | 776                             | 3,560              | 3,579              |
| Strategic spend (trading activities)              | 36                                        | 27                             | 20                    | 23                              | 106                | -                  |
|                                                   | <b>1,662</b>                              | <b>1,219</b>                   | <b>911</b>            | <b>1,057</b>                    | <b>4,849</b>       | <b>5,271</b>       |
| <b>Charitable activities</b>                      |                                           |                                |                       |                                 |                    |                    |
| Community engagement                              | 152                                       | 112                            | 84                    | 97                              | 445                | 201                |
| Employment services                               | 161                                       | 119                            | 89                    | 103                             | 472                | 519                |
| Family services                                   | 152                                       | 112                            | 84                    | 97                              | 445                | 672                |
| Information and advice                            | 145                                       | 107                            | 80                    | 93                              | 425                | 541                |
| Influencing and campaigning                       | 215                                       | 159                            | 119                   | 138                             | 631                | 683                |
| Strategic spend                                   | 12                                        | 9                              | 6                     | 8                               | 35                 | 33                 |
| <b>Total support costs, charitable activities</b> | <b>837</b>                                | <b>618</b>                     | <b>462</b>            | <b>536</b>                      | <b>2,453</b>       | <b>2,649</b>       |
| <b>Total support costs for 2025</b>               | <b>2,499</b>                              | <b>1,837</b>                   | <b>1,373</b>          | <b>1,593</b>                    | <b>7,302</b>       | <b>7,920</b>       |
| <b>Total support costs for 2024</b>               | <b>2,383</b>                              | <b>1,833</b>                   | <b>2,135</b>          | <b>1,569</b>                    |                    |                    |

Every year, we review the basis of support cost allocation to make sure it's reasonable and fairly reflects the nature of the costs as well as how they're incurred. The allocation basis is:

- according to usage or transactional data where this is relevant and available
- departmental headcount where the cost is related to the number of colleagues
- in proportion to the size of the cost base where the size of the departmental activity is more relevant
- evenly allocated across departments where this is considered a more appropriate indicator for corporate costs

## 10. Net income/expenditure

Net income/expenditure for the year is stated after charging:

|                                                                      | Group<br>2025<br>£000 | Group<br>2024<br>£000 |
|----------------------------------------------------------------------|-----------------------|-----------------------|
| <b>Auditors' remuneration:</b>                                       |                       |                       |
| Audit of these financial statements                                  | 55                    | 58                    |
| Audit of the Charity's subsidiaries                                  | 22                    | 5                     |
| Non-audit fees*                                                      | 13                    | 3                     |
| <b>Loss on sale of tangible assets:</b>                              |                       |                       |
| Loss on the sale of and impairment of fixed assets                   | 9                     | 9                     |
| Loss on the sale of and impairment of fixed assets (strategic costs) | 297                   | –                     |
| <b>Depreciation of intangible and tangible fixed assets:</b>         |                       |                       |
| Owned assets                                                         | 1,282                 | 879                   |
| <b>Operating lease rentals:</b>                                      |                       |                       |
| Equipment                                                            | 251                   | 194                   |
| Property                                                             | 4,828                 | 4,233                 |
| Motor vehicles                                                       | 199                   | 277                   |

\*Non-audit fees refer to tax advice and lottery audits.

## 11. Information regarding employees and Trustees

|                                                                       | Group<br>2025<br>£000 | Group<br>2024<br>£000 |
|-----------------------------------------------------------------------|-----------------------|-----------------------|
| Wages and salaries                                                    | 24,161                | 22,470                |
| Social security costs                                                 | 2,100                 | 1,930                 |
| Other pension costs                                                   | 620                   | 564                   |
| <b>Payroll and staff related costs excluding third parties</b>        | <b>26,881</b>         | <b>24,964</b>         |
| Payments made to independent third parties for the provision of staff | 361                   | 339                   |
| <b>Total payroll and staff related costs</b>                          | <b>27,242</b>         | <b>25,303</b>         |

In addition to the payroll and staff costs set out in the table, there were redundancy payments of £428,636 (compared to £23,636 in 2023/24) and ex-gratia (goodwill) payments of £40,599 (compared to £43,037 in 2023/24). Ex-gratia payments were made as part of settlement agreements with ex-employees at the time of leaving and were fully paid in the year or since the end of the year. These payments are managed through the People team in line with approved policy and procedure and authorised in accordance with the Scheme of Delegation based on the size of payment.

Payments made to independent third parties for the provision of staff are costs to cover vacancies pending recruitment, short term sickness cover and certain projects.

| <b>Average number of employees during the year:</b> | <b>2025</b> | <b>2024</b> |
|-----------------------------------------------------|-------------|-------------|
| Cost of raising donations and legacies              | 43          | 38          |
| Cost of trading activities                          | 476         | 505         |
| Community engagement                                | 54          | 25          |
| Employment services                                 | 43          | 45          |
| Family services                                     | 26          | 37          |
| Information and advice                              | 53          | 67          |
| Influencing and campaigning                         | 55          | 58          |
| Strategic spend                                     | 5           | 1           |
| Support costs                                       | 61          | 63          |
| Governance                                          | 1           | 3           |
|                                                     | <b>817</b>  | <b>842</b>  |

The average full time equivalent headcount for the year was 701 (compared to 713 in 2023/24). The full time equivalent excludes hourly paid casual workers due to the variable nature of the hours worked.

The number of senior colleagues whose salary for the year (including taxable benefits in kind and redundancy payments, but not employer pension costs) exceeded £60,000 was:

|                     | <b>2025<br/>Number</b> | <b>2024<br/>Number</b> |
|---------------------|------------------------|------------------------|
| £60,000 – £70,000   | 20                     | 17                     |
| £70,001 – £80,000   | 9                      | 8                      |
| £80,001 – £90,000   | 1                      | 1                      |
| £90,001 – £100,000  | 1                      | 2                      |
| £100,001 – £110,000 | 4                      | 2                      |
| £110,001 – £120,000 | 1                      | 1                      |
| £120,001 – £130,000 | 1                      | 1                      |
| £130,001 – £140,000 | –                      | –                      |
| £140,001 – £150,000 | 1                      | 1                      |
| £150,001 – £160,000 | 1                      | 1                      |
|                     | <b>39</b>              | <b>34</b>              |

We operate an auto enrolment defined contribution scheme as our main pension plan.

35 senior colleagues are accruing retirement benefits from the defined contribution scheme (compared to 29 in 2023/24). Contributions paid for the year, including salary sacrifice amounts, in respect of senior colleagues included in the table above for all schemes amounted to £283,585 (compared to £218,552 in 2023/24).

The Executive Leadership Team who have authority and responsibility for planning, directing and controlling the activities of the Group are considered to be key management personnel.

In 2024/25 their total remuneration was £1,112,572. This includes £964,756 for salaries, £115,677 for employer's national insurance contributions and £32,139 for employer's pension contributions.

In 2023/24 their total remuneration was £1,094,846. This includes £952,483 for salaries, £116,788 for employer's national insurance contributions and £25,575 for employer's pension contributions.

In 2024/25, we have not given any Trustees or any person closely related or connected to them any remuneration or other benefit. Other than as a beneficiary on non-preferential terms (same as 2023/24). During the year, we reimbursed £585 for travel, subsistence and accommodation expenses to 3 Trustees (£670 to 4 Trustees in 2023/24).

## 12. Intangible fixed assets for use by the Group and Charity

|                                 | Software development<br>£000 | Charity<br>£000 | Goodwill<br>£000 | Group<br>Total<br>£000 |
|---------------------------------|------------------------------|-----------------|------------------|------------------------|
| <b>Cost</b>                     |                              |                 |                  |                        |
| At 1 April 2024                 | 927                          | –               | –                | 927                    |
| Additions                       | –                            | 750             | –                | 750                    |
| <b>At 31 March 2025</b>         | <b>927</b>                   | <b>750</b>      | <b>–</b>         | <b>1,677</b>           |
| <b>Accumulated amortisation</b> |                              |                 |                  |                        |
| At 1 April 2024                 | 365                          | –               | –                | 365                    |
| Charge for the year             | 233                          | 137             | –                | 370                    |
| <b>At 31 March 2025</b>         | <b>598</b>                   | <b>137</b>      | <b>–</b>         | <b>735</b>             |
| <b>Net book value</b>           |                              |                 |                  |                        |
| At 1 April 2024                 | 562                          | –               | –                | 562                    |
| <b>At 31 March 2025</b>         | <b>329</b>                   | <b>613</b>      | <b>–</b>         | <b>942</b>             |

## 13. Tangible fixed assets for use by the Group and Charity

|                                 | Freehold and<br>leasehold<br>property<br>£000 | Fixtures,<br>equipment and<br>computers<br>£000 | Total<br>£000 |
|---------------------------------|-----------------------------------------------|-------------------------------------------------|---------------|
| <b>Group and Charity</b>        |                                               |                                                 |               |
| <b>Cost</b>                     |                                               |                                                 |               |
| At 1 April 2024                 | 5,844                                         | 8,865                                           | 14,709        |
| Additions                       | 578                                           | —                                               | 578           |
| Disposals                       | (1,307)                                       | (1,874)                                         | (3,181)       |
| <b>At 31 March 2025</b>         | <b>5,115</b>                                  | <b>6,991</b>                                    | <b>12,106</b> |
| <b>Accumulated depreciation</b> |                                               |                                                 |               |
| At 1 April 2024                 | 4,047                                         | 6,879                                           | 10,926        |
| Charge for the year             | 419                                           | 493                                             | 912           |
| Disposals                       | (1,304)                                       | (1,456)                                         | (2,760)       |
| <b>At 31 March 2025</b>         | <b>3,162</b>                                  | <b>5,916</b>                                    | <b>9,078</b>  |
| <b>Net book value</b>           |                                               |                                                 |               |
| At 1 April 2024                 | 1,797                                         | 1,986                                           | 3,783         |
| <b>At 31 March 2025</b>         | <b>1,953</b>                                  | <b>1,075</b>                                    | <b>3,028</b>  |

We have not adopted a policy of revaluing our properties. The carrying amount of our tangible fixed assets is held at depreciated cost.

## 14. Investments

|                           | Group<br>2025<br>£000 | Group<br>2024<br>£000 | Charity<br>2025<br>£000 | Charity<br>2024<br>£000 |
|---------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| <b>Total investments:</b> |                       |                       |                         |                         |
| Financial investments     | 19,613                | 25,953                | 19,613                  | 25,953                  |
| Investment in subsidiary  | —                     | —                     | 1,078                   | —                       |
| Growth investment fund    | 246                   | 183                   | 246                     | 183                     |
|                           | <b>19,859</b>         | <b>26,136</b>         | <b>20,937</b>           | <b>26,136</b>           |

|                                     | Group and<br>Charity<br>2025<br>£000 | Group and<br>Charity<br>2024<br>£000 |
|-------------------------------------|--------------------------------------|--------------------------------------|
| <b>Total financial investments:</b> |                                      |                                      |
| Market value at 1 April             | 25,953                               | 30,570                               |
| Additions at cost                   | 1,400                                | —                                    |
| Sale of fixed asset investments     | (7,865)                              | (6,100)                              |
| Net investment unrealised gains     | 125                                  | 1,483                                |
| <b>Market value at 31 March</b>     | <b>19,613</b>                        | <b>25,953</b>                        |



|                                                    |               |               |
|----------------------------------------------------|---------------|---------------|
| <b>Investments comprise the following:</b>         |               |               |
| <b>Investments listed on a UK stock exchange</b>   |               |               |
| Fixed interest                                     | 7,934         | 7,950         |
| Equities                                           | 10,278        | 10,066        |
| Cash deposits held as part of investment portfolio | 1,401         | 7,937         |
| <b>Market value at 31 March</b>                    | <b>19,613</b> | <b>25,953</b> |
| <b>Being at market value:</b>                      |               |               |
| <b>Investment assets in the United Kingdom</b>     | <b>19,613</b> | <b>25,953</b> |

Financial investments are measured at fair value through income and expenditure.

The equity holdings are held as a proportion of a fund, rather than direct share holdings. No single equity investment exceeds 5%. The Trustees consider the value of the investments to be supported by their underlying assets.

There is no difference between fair value and market value as the investments are either fixed interest, equities or cash deposits. Market valuation shows the fair value for these assets.

## 15. Subsidiaries

Results for the subsidiaries listed below are included in the Group balances of these accounts for the period since acquisition:

| <b>Subsidiary undertaking</b>                                                          | <b>Country of registration and/or operation</b> | <b>Principal activities</b>                                                                                  | <b>Authorised and issued share capital</b> |
|----------------------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| Scope Central Trading Limited<br>100% direct holding<br>(Company no. 1108300)          | England and Wales                               | Purchase of general merchandise, the distribution and sale of clothing and gifts and sales of greeting cards | £100                                       |
| Scope Pension Scheme Trustee Limited*<br>100% direct holding<br>(Company no. 01814430) | England and Wales                               | Dormant                                                                                                      | £100. £2 issued and fully paid             |
| PurpleSpace Limited<br>100% direct holding<br>(Company no. 09764245)                   | England and Wales                               | Membership and consulting                                                                                    | £100                                       |

\*Entitled to audit exemption by virtue of section 480 of the Companies Act 2006, as a dormant company.

## 16. Debtors

|                       | Group<br>2025<br>£000 | Group<br>2024<br>£000 | Charity<br>2025<br>£000 | Charity<br>2024<br>£000 |
|-----------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Trade debtors*        | 502                   | 152                   | 499                     | 149                     |
| Gift Aid recoverable* | 317                   | 600                   | 317                     | 600                     |
| Staff loans*          | 12                    | 6                     | 12                      | 6                       |
| Other debtors*        | 1,240                 | 1,139                 | 1,173                   | 1,121                   |
| Accrued income        | 4,913                 | 5,835                 | 4,913                   | 5,835                   |
| Prepayments           | 1,527                 | 1,562                 | 1,524                   | 1,562                   |
|                       | <b>8,511</b>          | <b>9,294</b>          | <b>8,438</b>            | <b>9,273</b>            |

\*Financial assets measured at amortised cost.

Trade debtors are shown net of a £3,200 provision (compared to nil at 2023/24).

Staff loans of £12,372 (2023/24 £5,562) are to be repaid on leaving Scope or when the individual's employment changes.

## 17. Creditors: amounts falling due within one year

|                                     | Group<br>2025<br>£000 | Group<br>2024<br>£000 | Charity<br>2025<br>£000 | Charity<br>2024<br>£000 |
|-------------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Trade creditors*                    | 497                   | 675                   | 497                     | 673                     |
| Taxation and social security*       | 522                   | 444                   | 515                     | 444                     |
| Amounts owed to Group undertakings* | –                     | –                     | 291                     | 166                     |
| Other creditors*                    | 196                   | 181                   | 196                     | 181                     |
| Accruals                            | 1,396                 | 2,139                 | 1,357                   | 2,135                   |
| Deferred income (note 18)           | 1,337                 | –                     | 929                     | –                       |
|                                     | <b>3,948</b>          | <b>3,439</b>          | <b>3,785</b>            | <b>3,599</b>            |

\*Financial liabilities measured at amortised cost.

Amounts owing in respect of pension schemes at 31 March 2025 included above are £128,931 (compared to £114,331 at 31 March 2024).

## 18. Deferred income

|                                       | Balance 31<br>March<br>2024<br>£000 | Release to<br>income<br>£000 | Deferred in<br>current year<br>£000 | Balance 31<br>March<br>2025<br>£000 |
|---------------------------------------|-------------------------------------|------------------------------|-------------------------------------|-------------------------------------|
| <b>Group:</b>                         |                                     |                              |                                     |                                     |
| Income in advance of service delivery | –                                   | –                            | 1,337                               | 1,337                               |
| <b>Charity:</b>                       |                                     |                              |                                     |                                     |
| Income in advance of service delivery | –                                   | –                            | 929                                 | 929                                 |

## 19. Provisions for liabilities and charges

|                                   | Balance 31<br>March<br>2024<br>£000 | Charged to<br>income and<br>expenditure<br>£000 | Utilised<br>£000 | Balance 31<br>March<br>2025<br>£000 |
|-----------------------------------|-------------------------------------|-------------------------------------------------|------------------|-------------------------------------|
| <b>Group and Charity:</b>         |                                     |                                                 |                  |                                     |
| Provisions for dilapidations      | 1,909                               | 190                                             | –                | 2,099                               |
| Provision for onerous leases      | –                                   | 838                                             | –                | 838                                 |
| Provision for redundancy costs    | –                                   | 179                                             | –                | 179                                 |
| Provision for contract exit costs | –                                   | 280                                             | –                | 280                                 |
| Provision for rent free periods   | 880                                 | 301                                             | (314)            | 867                                 |
|                                   | <b>2,789</b>                        | <b>1,788</b>                                    | <b>(314)</b>     | <b>4,263</b>                        |

Provisions have been recorded at 31 March 2025 for the costs involved in reducing the size of Scope's retail estate. These include the cost of onerous leases where shops are closed before the end of the lease, redundancy costs and the cost of exiting other relevant contracts.

We are obliged to return buildings to their original condition, removing any alterations, on certain leased properties. This includes repairing wear and tear. The cost is charged to the statement of financial activities as they arise. The provision is expected to be used as the leases terminate

## 20. Funds

|                                          | Balance 31<br>March<br>2024<br>£000 | Incoming<br>resources<br>£000 | Expenditure,<br>gains and<br>losses<br>£000 | Transfers<br>£000 | Balance 31<br>March<br>2025<br>£000 |
|------------------------------------------|-------------------------------------|-------------------------------|---------------------------------------------|-------------------|-------------------------------------|
| <b>Group:</b>                            |                                     |                               |                                             |                   |                                     |
| <b>Unrestricted funds:</b>               |                                     |                               |                                             |                   |                                     |
| Unrestricted funds, general              | 24,508                              | 40,646                        | (45,527)                                    | 663               | 20,290                              |
| Designated funds, strategic investment** | 2,500                               | –                             | (790)                                       | (1,412)           | 298                                 |
| Designated funds, pension                | 6,500                               | –                             | –                                           | (2,500)           | 4,000                               |
| Designated funds, retail                 | –                                   | –                             | (2,435)                                     | 3,506             | 1,071                               |
| <b>Restricted funds:</b>                 |                                     |                               |                                             |                   |                                     |
| Restricted funds*                        | 932                                 | 3,395                         | (3,378)                                     | (257)             | 692                                 |
| Permanent endowment                      | 10                                  | –                             | –                                           | –                 | 10                                  |
| <b>Total funds</b>                       | <b>34,450</b>                       | <b>44,041</b>                 | <b>(52,130)</b>                             | <b>–</b>          | <b>26,361</b>                       |

|                                          | Balance 31<br>March<br>2024<br>£000 | Incoming<br>resources<br>£000 | Expenditure,<br>gains and<br>losses<br>£000 | Transfers<br>£000 | Balance 31<br>March<br>2025<br>£000 |
|------------------------------------------|-------------------------------------|-------------------------------|---------------------------------------------|-------------------|-------------------------------------|
| <b>Charity:</b>                          |                                     |                               |                                             |                   |                                     |
| <b>Unrestricted funds</b>                |                                     |                               |                                             |                   |                                     |
| Unrestricted funds, general              | 23,874                              | 37,966                        | (43,057)                                    | 663               | 19,446                              |
| Designated funds, strategic investment** | 2,500                               | –                             | (790)                                       | (1,412)           | 298                                 |
| Designated funds, pension                | 6,500                               | –                             | –                                           | (2,500)           | 4,000                               |
| Designated funds, retail                 | –                                   | –                             | (2,435)                                     | 3,506             | 1,071                               |
| <b>Restricted funds:</b>                 |                                     |                               |                                             |                   |                                     |
| Restricted funds*                        | 932                                 | 3,395                         | (3,378)                                     | (257)             | 692                                 |
| Permanent endowment                      | 10                                  | –                             | –                                           | –                 | 10                                  |
| <b>Total funds</b>                       | <b>33,816</b>                       | <b>41,361</b>                 | <b>(49,660)</b>                             | <b>–</b>          | <b>25,517</b>                       |

\*Transfer reflects restricted funds spent in the previous year and allocated to the fund in this year.

\*\*Designated funds for strategic investment and retail transformation are planned to be spent in the next year.

A designated fund of £0.3 million (£2.5 million in 2023/24) is held for planned strategic investment in the next year. Funds in excess of this amount have been transferred to unrestricted funds due to cost savings on investment projects. We'll designate further funds as we develop and authorise detailed investment business cases to deliver our strategy.

A designated fund of £4 million (£6.5 million in 2023/24) is in place as security for the Scope Pension Scheme.

A designated fund was established during the year for the future costs of implementing changes in Scope's retail activity. The balance of £1,071,000 represents anticipated costs which had not been incurred or provided at 31 March 2025.

Restricted funds are mostly restricted grants (see note 6) and restricted donations (see note 3). These are all accounted for in line with the limitations placed on each fund.

## 21. Analysis of assets and liabilities between funds

|                                        | Restricted funds<br>£000 | Designated strategic<br>£000 | Designated pension<br>£000 | Designated retail<br>£000 | Unrestricted funds<br>£000 | Total 2025<br>£000 |
|----------------------------------------|--------------------------|------------------------------|----------------------------|---------------------------|----------------------------|--------------------|
| <b>Group:</b>                          |                          |                              |                            |                           |                            |                    |
| <b>Fixed assets</b>                    | –                        | 298                          | 4,000                      | 1,071                     | 18,460                     | 23,829             |
| Current assets                         | 702                      | –                            | –                          | –                         | 10,041                     | 10,743             |
| Current liabilities                    | –                        | –                            | –                          | –                         | (3,948)                    | (3,948)            |
| <b>Net current assets</b>              | <b>702</b>               | <b>–</b>                     | <b>–</b>                   | <b>–</b>                  | <b>6,093</b>               | <b>6,795</b>       |
| Provisions for liabilities and charges | –                        | –                            | –                          | –                         | (4,263)                    | (4,263)            |
| <b>Net assets</b>                      | <b>702</b>               | <b>298</b>                   | <b>4,000</b>               | <b>1,071</b>              | <b>20,290</b>              | <b>26,361</b>      |

|                                        | Restricted funds<br>£000 | Designated strategic<br>£000 | Designated pension<br>£000 | Designated retail<br>£000 | Unrestricted funds<br>£000 | Total 2025<br>£000 |
|----------------------------------------|--------------------------|------------------------------|----------------------------|---------------------------|----------------------------|--------------------|
| <b>Charity:</b>                        |                          |                              |                            |                           |                            |                    |
| <b>Fixed assets</b>                    | –                        | 298                          | 4,000                      | 1,071                     | 18,925                     | 24,294             |
| Current assets                         | 702                      | –                            | –                          | –                         | 8,569                      | 9,271              |
| Current liabilities                    | –                        | –                            | –                          | –                         | (3,785)                    | (3,785)            |
| <b>Net current assets</b>              | <b>702</b>               | <b>–</b>                     | <b>–</b>                   | <b>–</b>                  | <b>4,784</b>               | <b>5,486</b>       |
| Provisions for liabilities and charges | –                        | –                            | –                          | –                         | (4,263)                    | (4,263)            |
| <b>Net assets</b>                      | <b>702</b>               | <b>298</b>                   | <b>4,000</b>               | <b>1,071</b>              | <b>19,446</b>              | <b>25,517</b>      |

## 22. Free reserves

|                                                            | Group<br>2025<br>£000 | Group<br>2024<br>£000 |
|------------------------------------------------------------|-----------------------|-----------------------|
| <b>Net assets</b>                                          | 26,361                | 34,450                |
| <b>Less:</b>                                               |                       |                       |
| Restricted funds                                           | (702)                 | (942)                 |
| Designated strategic funds                                 | (298)                 | (2,500)               |
| Investments held for defined benefit pension               | (4,000)               | (6,500)               |
| Retail reserve                                             | (1,071)               | –                     |
| Amount represented by tangible and intangible fixed assets | (3,970)               | (4,345)               |
| <b>Free reserves of Group</b>                              | <b>16,320</b>         | <b>20,163</b>         |
| Free reserves of Charity                                   | 16,089                | 19,529                |

Free reserves include minimum retained free reserves of £13 million (£18 million in 2024) and available free reserves of £3.3 million (£2.2 million in 2024) in line with our reserves policy (page 30).

## 23. Operating lease commitments

|                             | Land and<br>buildings | Land and<br>buildings | Vehicles<br>and<br>equipment | Vehicles<br>and<br>equipment |
|-----------------------------|-----------------------|-----------------------|------------------------------|------------------------------|
| Group                       | 2025<br>£000          | 2024<br>£000          | 2025<br>£000                 | 2024<br>£000                 |
| <b>Leases which expire:</b> |                       |                       |                              |                              |
| Within one year             | 3,430                 | 3,333                 | 1,022                        | 1,054                        |
| Within two to five years    | 9,445                 | 8,860                 | 1,800                        | 2,596                        |
| After five years            | 3,837                 | 4,520                 | —                            | —                            |
|                             | <b>16,712</b>         | <b>16,713</b>         | <b>2,822</b>                 | <b>3,650</b>                 |

## 24. Taxation

As a registered charity, Scope is exempt from taxation under Part 11, Chapter 3 of the Corporation Tax Act 2010. Any taxation liabilities of the Group are managed through the policy of the trading subsidiary companies to gift all taxable profits to Scope. During the year ended 31 March 2025 no charge to tax has been incurred.

## 25. Members

The Charity is incorporated as a company limited by guarantee having no share capital. In accordance with the Memorandum of Association, each one of the 2,475 Members, (compared to 2,240 in 2023/24), is liable to contribute £5 if the Company is wound up.

## 26. Related party disclosures

During the year ended 31 March 2025, the Group recorded the following related party transactions.

We're contracted with BT plc as a strategic technology partner to provide Internet connectivity, telephony, and WiFi access. Simon Godfrey, Scope Trustee until July 2025 and now Scope Independent Member, is a BT Board member. During the year we recognised costs of £375,985 for services received.

We paid £249,621 to Google during the year for online advertising. Christopher Patnoe, Scope Trustee, is Head of Accessibility and Disability Inclusion, EMEA at Google.

During the year ended 31 March 2025, the following transactions occurred between the companies within the Group:

- Gift Aid is to be paid to Scope from Scope Central Trading Limited and PurpleSpace Limited (see note 8 subsidiaries' income and costs).

## 27. Ultimate parent undertaking and controlling party

There is no immediate or ultimate parent undertaking or controlling party.

Scope is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements. The consolidated financial statements of Scope are available from Here East Press Centre, 14 East Bay Lane, London, E15 2GW.

## 28. Pension scheme

Scope operates the following pension schemes.

- A single employer defined benefit pension scheme. The Scope Pension Scheme was closed to new members and new accruals in 2007. Current membership of the Scheme is 975 pensioners and 580 deferred members (compared to 950 pensioners and 627 deferred members in 2023/24). The Scheme is managed separately to Scope's finances by Scope Pension Scheme Trustee Limited, which delegates services to a variety of bodies. Contributions to cover expenses and to recover any deficit in the Scheme are paid from time to time to the Scheme. This is in accordance with the Schedule of Contributions agreed between the Trustees and Scope.
- The Defined Contribution Stakeholder Pension Scheme was opened on 1 October 2003, when the existing Scope Pension Scheme was closed to new members. The stakeholder scheme was closed to further contributions on 30 June 2013. On 1 July 2013, and to comply with Government legislation on auto enrolment, a defined contribution Group Personal Pension Plan was opened to replace the stakeholder pension scheme. Employees were able to join when it began, or after a deferred period of three months. There are currently 639 active members compared to 742 in 2023/24.

Additional details are provided for the primary schemes as follows:

## A. Scope Pension Scheme

We operate a defined benefit pension scheme, the Scope Pension Scheme. The scheme funds are administered by Trustees and are independent of Scope's finances.

Contributions are paid to the scheme in line with the schedule of contributions agreed between the Trustees and Scope.

The results of the actuarial valuation at 31 December 2023 were updated to the Scheme's accounting date by an independent qualified actuary. The value of the defined benefit liabilities has been measured using the projected unit method.

Under FRS 102, the pension asset that can be recognised on the balance sheet is limited to nil as Scope does not have an unconditional right to a refund as per the Trust Deed and consultation with our actuaries. The impact of this limit on the balance sheet and the actuarial gains and losses entry is shown in the figures below.

| Assumptions                                                           | 31 March<br>2025 | 31 March<br>2024 | 31 March<br>2023 | 31 March<br>2022 | 31 March<br>2021 |
|-----------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|
| RPI inflation (per annum)                                             | 3.3%             | 3.4%             | 3.5%             | 3.9%             | 3.4%             |
| CPI inflation (per annum)                                             | 2.4%             | 2.5%             | 2.5%             | 2.9%             | 2.4%             |
| Discount rate (per annum)                                             | 5.7%             | 4.8%             | 4.8%             | 2.8%             | 2.0%             |
| Pension increases (RPI 3% per annum minimum,<br>5% per annum maximum) | 3.7%             | 3.7%             | 3.8%             | 3.9%             | 3.7%             |

Based on the assumptions used for life expectancy, a male pensioner currently aged 65 would be expected to live for a further 20.7 years (21.3 years 2023/24) and a female pensioner aged 65 would be expected to live a further 23.7 years (23.9 years 2023/24). Allowance is made for future improvements in life expectancy.



## Asset distribution and expected return:

|                              | 31 March<br>2025<br>Current<br>allocation | 31 March<br>2025<br>Fair value<br>£000 | 31 March<br>2024<br>Current<br>allocation | 31 March<br>2024<br>Fair value<br>£000 |
|------------------------------|-------------------------------------------|----------------------------------------|-------------------------------------------|----------------------------------------|
| Liability driven investments | 20%                                       | 12,080                                 | 24%                                       | 16,443                                 |
| Diversified growth funds     | 13%                                       | 8,102                                  | 13%                                       | 8,788                                  |
| Corporate bonds              | 19%                                       | 11,963                                 | 18%                                       | 12,701                                 |
| Multi-asset credit           | 5%                                        | 3,161                                  | 4%                                        | 3,029                                  |
| Cash                         | 7%                                        | 4,494                                  | 5%                                        | 3,622                                  |
| Insured pensions             | 36%                                       | 22,415                                 | 36%                                       | 25,240                                 |
| <b>Total</b>                 | <b>100%</b>                               | <b>62,215</b>                          | <b>100%</b>                               | <b>69,823</b>                          |

|                                     | 31 March<br>2025<br>£000 | 31 March<br>2024<br>£000 |
|-------------------------------------|--------------------------|--------------------------|
| <b>Balance sheet</b>                |                          |                          |
| Present value of Scheme liabilities | 61,269                   | 70,399                   |
| Total fair value of Scheme assets   | (62,215)                 | (69,823)                 |
| (Surplus)/deficit                   | (946)                    | 576                      |
| Adjustment to reflect asset limit   | 946                      | –                        |
| <b>Pension liability</b>            | <b>–</b>                 | <b>576</b>               |

Under FRS 102, the Scheme is represented on the balance sheet at 31 March 2025 as a £nil asset (£576,000 liability in 2023/24) as Scope does not have an unconditional right to a refund as per the Trust Deed and consultation with our actuaries.

The following amounts have been included as ‘Resources expended’ under FRS 102.

|                                               | 31 March<br>2025<br>£000 | 31 March<br>2024<br>£000 |
|-----------------------------------------------|--------------------------|--------------------------|
| Running costs                                 | 579                      | 404                      |
| Interest expense / (income)                   | 16                       | –                        |
| <b>Net return to charge to finance income</b> | <b>595</b>               | <b>404</b>               |

The following amounts have been recorded under the ‘actuarial gains and losses on pension scheme assets and liabilities’ heading within the statement of financial activities.

|                                            | At 31 March<br>2025<br>£000 | At 31 March<br>2024<br>£000 |
|--------------------------------------------|-----------------------------|-----------------------------|
| Remeasurements                             | (1,617)                     | 2,935                       |
| Change in asset limit other than interest  | 946                         | (2,763)                     |
| <b>Actuarial (gains)/losses recognised</b> | <b>(671)</b>                | <b>172</b>                  |

### Changes in the present value of the Scheme liabilities:

|                                                    | 31 March<br>2025<br>£000 | 31 March<br>2024<br>£000 |
|----------------------------------------------------|--------------------------|--------------------------|
| Opening present value of Scheme liabilities        | 70,399                   | 71,914                   |
| Interest on Scheme liabilities                     | 3,279                    | 3,357                    |
| Past service cost                                  | –                        | –                        |
| Actuarial gain                                     | (8,163)                  | (854)                    |
| Benefits paid                                      | (4,246)                  | (4,018)                  |
| <b>Closing present value of Scheme liabilities</b> | <b>61,269</b>            | <b>70,399</b>            |

### Changes in the fair value of the Scheme assets:

|                                                               | At 31 March<br>2025<br>£000 | At 31 March<br>2024<br>£000 |
|---------------------------------------------------------------|-----------------------------|-----------------------------|
| Opening fair value of the Scheme assets                       | 69,825                      | 74,550                      |
| Interest on Scheme assets                                     | 3,261                       | 3,483                       |
| Actual return on Scheme assets less interest on Scheme assets | (6,546)                     | (3,786)                     |
| Contributions by the employer                                 | 500                         | –                           |
| Running costs                                                 | (579)                       | (404)                       |
| Benefits paid                                                 | (4,246)                     | (4,018)                     |
| <b>Closing fair value of the Scheme assets</b>                | <b>62,215</b>               | <b>69,825</b>               |

### Changes in the net balance sheet position:

|                                    | 31 March<br>2025<br>£000 | 31 March<br>2024<br>£000 |
|------------------------------------|--------------------------|--------------------------|
| Opening net liability              | 576                      | –                        |
| Return to charge to finance income | 595                      | 404                      |
| Actuarial gains/losses recognised  | (671)                    | 172                      |
| Employer contributions             | (500)                    | –                        |
| <b>Closing net liability</b>       | <b>–</b>                 | <b>576</b>               |

Changes in the impact of the asset ceiling:

|                                                  | 31 March<br>2025<br>£000 | 31 March<br>2024<br>£000 |
|--------------------------------------------------|--------------------------|--------------------------|
| Effect of asset ceiling at the start of the year | –                        | 2,636                    |
| Interest on asset limit                          | –                        | 127                      |
| Change in asset limit other than interest        | 946                      | (2,763)                  |
| <b>Pension asset</b>                             | <b>946</b>               | <b>–</b>                 |

## B. Group Personal Pension Plan

Members may contribute as much as they want to the Group Personal Pension Plan subject to Her Majesty's Revenue and Customs (HMRC) rules.

We provide employers' contributions to the Group Personal Pension Plan, in line with legislation and based on contributions matched by the employee. The following table illustrates the contribution rates payable. Employees can receive enhanced contributions based on their length of service.

| Membership eligibility         | Scope contribution %      | Employee contribution %                         |
|--------------------------------|---------------------------|-------------------------------------------------|
| Basic                          | 3% of qualifying earnings | 5% of qualifying earnings                       |
| Upgrade after 2 years' service | 4% of total earnings      | Employee must match the employer % contribution |
| Upgrade after 4 years' service | 6% of total earnings      | Employee must match the employer % contribution |

We deduct employee contributions on a salary exchange basis approved by HMRC. Details of the pension plan are provided to employees under the rules of auto enrolment, or on request.

Scope made payments to the Group Personal Pension Plan including salary sacrifice which amounted to £1,549,064. In 2023/24, this figure was £1,424,656.

**SCOPE**

England & Wales - Charity number 208231

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# Accounts

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# Annual report and consolidated accounts

For the year ended 31 March 2024

**SCOPE**



Equality for  
disabled people

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# Our values

## Pioneering

We are ambitious and determined to drive change. We focus on how we can make the most impact. We innovate and strive for better, pushing ourselves and our boundaries.

## Courageous

We are single minded in our desire to achieve equality. We are bold, challenging the status quo, ourselves, and each other. We are not afraid to fail fast and learn quickly.

## Connected

We connect and collaborate internally and externally, to create a fairer society. We listen and share, tapping into the expertise of others.

## Open

We are transparent about what we do and how we do things. Creating supportive, accessible environments, building trust with each other and our customers to achieve more.

## Fair

We make sure everyone has a fair chance. We value and respect each other's expertise and diversity. We take responsibility for what we do and support each other to succeed.

## Trustees' report

The Board of Trustees present their report, the strategic report and audited financial statements. This is for the year ended 31 March 2024.

## Chair's report

Once again, as Chair of Scope, it's time for me to remind our fellow citizens that there are 16 million disabled people across the United Kingdom (UK) who must be heard.

We are huge in number. And if you include a brother, a sister, a spouse and a parent, you soon realise that everyone in this country is connected to disability in some way. It is part of life.

We are a large, powerful movement of people and there is now an imperative to see change.

This year, I was proud to launch [Scope's new strategy, An Equal Future](#). It sets out how we will make this change happen. It's a positive vision for disability in the UK, one that offers more opportunities and intends to finally put an end to disability inequality.

This version of the future is both desirable and possible. I am motivated by the support that Scope is afforded every day by the growing number of people and organisations who believe in this and who believe in us. Last year, thousands of people have supported Scope in our mission. They have run marathons, volunteered in shops, they have signed petitions or shared their own stories. This is a movement determined to bring about change and we are a force to be reckoned with.

Scope knows firsthand what's possible when disabled peoples' talents and potential are recognised. Our brilliant employment services have supported thousands of disabled people to get into work or develop their skills.

There are impressive, forward-looking businesses who are already reaping the benefits of being inclusive. But there are still too many employers lagging behind and falling behind. Attitudes are often cited as the reasons behind this. In fact, I believe it's at least as much about not understanding the real benefits of inclusion to everyone. Negative attitudes definitely persist in all areas of life: on our high streets, in our schools and in our businesses and communities. Scope is at the forefront of tackling this and transforming attitudes in society will be a key bedrock to the success of our new strategy. Empowering disabled people is not just about social justice, it's about creating a more prosperous and productive nation.



Life has continued to be challenging for disabled people this year. The heavy extra costs of disability have been exacerbated by the cost of living crisis. Scope's latest Disability Price Tag research found that, on average, disabled households need an additional £975 a month to have the same standard of living as non-disabled households. Allowing this inequality of sustainable living to persist is quite a scandal in a wealth-creating nation in 2024. We need more action from Government and more action from business. It's by mobilising all parts of society that we will make an equal future possible.

I want to express my gratitude to those already on that journey. To my Scope colleagues and volunteers who work tirelessly towards our mission. To my fellow trustees who share their time, expertise and dedication, to help the charity go from strength to strength. And finally, to our partners and everyone who has supported Scope this year, you are what will make change possible.

*Robin millar*

[Robin millar \(Jul 24, 2024 15:20 GMT+1\)](#)

Sir Robin Millar CBE

## Chief Executive's report

2023/24 was an important milestone in our mission to end disability inequality. We launched our ambitious new strategy, An Equal Future. It sets out how we will aim to transform society in the next decade.

I am so pleased that we developed An Equal Future directly with over 450 disabled people, colleagues and customers. We also connected with 4 million disabled people overall, giving us a very broad understanding of the things that matter to disabled people and where Scope needs to focus its efforts.

There is still a long way to go to achieve equality for the UK's 16 million disabled people. They face challenges which are unfair and disproportionate. They also offer great opportunity which is not being recognised. This must change.

This year, the cost of living crisis continued to bring this into sharp focus. Rising energy bills are hitting disabled people and their families the hardest. There is no escape from high energy bills when you use essential medical equipment, or you live with a condition significantly affected by cold temperatures.

We've made sure that disabled peoples' voices during this crisis have not gone unnoticed. We've brought their stories to the attention of the media and policymakers. We've campaigned for the introduction of discounted energy bills and will continue until this is secured.

We also partnered with broadcast network ITV on our Cost of Breathing Crisis television (TV) advert. An incredible 2 million people saw this advert. Featuring 6 disabled actors, the advert was inspired by the real stories that our helpline colleagues hear from disabled people and their families. We raised awareness of the challenges disabled people face and showed how we're here to help.

Our helpline and specialist Disability Energy Service have been busier than ever this year. We've supported disabled people who have gone days without eating, cut back on prescriptions and used candles because they can't afford to switch the lights on.

Disabled people experience inequality from a young age. Our Let's Play Fair campaign, co-produced with parents of disabled children, highlighted the inaccessibility of our nation's playgrounds. We launched our Play Investigation and members of the public assessed over 1,000 local playgrounds. Thanks to our campaigning, the Government committed to producing resources to support local authorities to create more accessible playgrounds.

By bringing together a movement of disabled people, allies, organisations and business, we believe we can make real change happen. We will deliver our An Equal Future strategy with disabled people and in partnership with others.

We are at the start of an exciting journey and are approaching it with renewed determination.

We are focused on our 3 new goals:

- ending the disability price tag
- closing the disability employment gap
- transforming attitudes

Underpinning our new strategy is our commitment to put equality, diversity and inclusion (EDI) at the heart of everything we do. We know we cannot achieve equality for all disabled people without including everyone. We need to do far more to include and reflect the diversity of the entire disabled community. A year into delivering our EDI plan, we have made some important progress. This includes making our recruitment process more inclusive and putting our new EDI training programme into place for all colleagues.

We are committed to co-producing our activities with disabled people. This means we'll continue to work in partnership with them. Our community engagement projects and Youth Community Collectives (YCC) are great examples of this. Over 5,000 disabled people have taken part across the UK and worked to create change in their communities.

Over the year ahead, we will be doing even more to strengthen our focus on community. Our new Leeds hub will open, offering a dynamic centre for community connection. Here, we will campaign and try new things together to deliver change.

We are looking forward with optimism together with determination for change. We know our work would not be possible without donations and we are profoundly grateful to everyone who has supported us this year. We remain focused on diversifying our income and generating funds so that we can have the biggest reach and impact for disabled people, now and in the future.

In 2023/24, for every £1 we spent, 73% was spent on our charitable activities to help disabled people and their families (compared to 69% in 2022/23) and we're committed to increasing this further.

Since the end of the financial year, Scope acquired PurpleSpace Limited which supports disability employee networks and resource groups to make it easier for employees to navigate the experience of ill health, disability accident or injury, at the same time as flourishing at work. I am delighted to welcome all the PurpleSpace team and members as we look forward to working together.

Finally, I want to thank everyone who has supported us in our mission to create an equal future with disabled people. Many supporters, campaigners, fundraisers, customers and corporate partners believe in Scope and make our work possible. Your support has enabled us to meet demand this year and to continue to push for the social change that is so needed.

Thanks must go to our colleagues, volunteers, trustees, independent committee members and ambassadors whose commitment, energy and dedication are unwavering.

Creating an equal future needs all of us. Together we will be unstoppable.

A handwritten signature in black ink, appearing to read 'M. Hodgkinson', followed by two dots.

Mark Hodgkinson

# **Our objects and public benefit**

## **Objects**

Scope is established for the public benefit and for general charitable purposes according to the laws of England and Wales. In particular, but not exclusively, for the promotion of the equality, diversity, independence and health of disabled people, especially those with cerebral palsy.

## **Public benefit aims**

In exercising relevant powers and duties, the Board of Trustees has considered the Charity Commission's guidance on public benefit. This report outlines how our performance during the year to 31 March 2024 has benefited the public.

# Strategic report

## Our vision

We are Scope. We won't stop until we achieve a society where all disabled people enjoy equality and fairness.

## Our mission

We are determined to change the future.

Together, we are a collective movement of disabled people, campaigners, donors, volunteers, communities, and businesses. We work every day to challenge attitudes and end disability inequality.

## Our impact

Last year, we helped over 4 million people through our helpline, website information and advice, and online community. We provided disabled people with some of the essential support they needed to make informed decisions, live more independent lives, and to help them cope with the ongoing cost of living crisis.

We also continued our campaigning on the disproportionate impact of the cost of living on disabled people. We now have over 70,000 people campaigning with us.

## Putting disabled people at the heart of what we do

Disabled people and their families' experiences are key to everything we do and we are committed to prioritising co-production in our work.

Our community engagement projects across the UK empower local people to take action and create change in their communities. Together, we design bespoke activities and campaigns that address local challenges. 3,159 disabled people and 191 professionals participated in 69 community engagement projects over the last year. For example, one of our projects with South Wales Police highlighted what disability hate crime is and encouraged people to report it.

Our YCC brought young people together to improve their local community for disabled people. YCC involved 2,281 disabled people and carers, 339 professionals and 125 organisations. YCC members organised activities. Their panel event in London highlighted the barriers disabled people face when travelling every day. They also organised a disability pride event in Leeds.

We continued to foster strong relationships with 140 storytellers who trusted our stories team with their lived experience. In 2023/24 50 storytellers shared their experiences across 103 projects and activities. This included 43 media moments that involved talking to journalists, appearing on TV, radio, in print and online.

We've grown our research panel to include over 3,000 disabled people. The panel helps us gather insights and develop new products and services, making sure they meet disabled people's needs.

## Influencing and campaigning

This year we campaigned to:

- tackle the Disability Price Tag
- to improve the accessibility of playgrounds
- to improve workplaces for disabled people
- to transform attitudes

### Tackle the Disability Price Tag

We published new research about the extra costs faced by disabled households. Our updated Disability Price Tag report shows that, on average, disabled households need an additional £975 a month to have the same standard of living as non-disabled households. This figure continues to be regularly mentioned both in parliament and in the media.

Our Cost of Breathing Crisis TV advert raised awareness of the impact these extra costs have on disabled people. We wanted more disabled people to know about Scope and the support our helpline can offer. We also successfully increased public knowledge that life costs more if you're disabled. The advert, which was made in partnership with ITV, was seen by over 2 million people.

### Improve the accessibility of playgrounds

Our Let's Play Fair campaign continued last year. This campaign calls on local authorities to work with families to create inclusive playgrounds, so that every disabled child can play. Members of the public assessed over 1,000 local playgrounds to see how accessible and inclusive the playground was for disabled children. We used the results to create a [Playground Accessibility Map](#), so you can find out how inclusive playgrounds are near you.

### Improve workplaces for disabled people

We published research about disabled employee retention, which found that disabled people are nearly twice as likely to leave their jobs as non-disabled people. This can be due to negative attitudes and discrimination, challenges getting reasonable adjustments, inflexible working patterns, sick pay and issues with the return to work process. We've made important recommendations to both Government and businesses about how they can tackle this. Politicians talked about this research during a parliamentary debate. 90 employers, policymakers and Members of Parliament (MPs) also joined us at an event to discuss the findings.

## Transform attitudes

We released pioneering new research, exploring the ways media campaigns can help to reframe public attitudes about disabled people. We worked closely with Paralympics Great Britain to share our findings with disability campaigners and the creative industry.

## Information and advice

Our information and advice services have been a vital source of support for disabled people and their families.

Last year, we provided over 4 million people with much of the essential support they needed to make informed decisions and meet the challenges they face. We did this through our services, online information and advice, and our online community.

The current cost of living crisis has led to disabled household energy bills increasing massively. For example, we know many disabled households use more energy because they may have to power lifesaving equipment. This year, our priority has been empowering disabled people who face rising bills to access support and receive the benefits they have a right to.

- Our Disability Energy Support and helpline services supported 40,883 customers and 7,264 Scope supporters.
- Our Disability Energy Support with Water service provided information and advice that helped the disabled community to save an estimated £3.4 million. This is £1.5 million more than 2022/23.
- We provided disabled people with £185,000 of emergency help during the cost of living crisis. This figure was £74,000 in fuel vouchers and £111,000 in food vouchers.

## Our family services

We provide advice and support to parents and carers of disabled children, and campaigned for them too. Last year, our services helped 1,556 families.

## Employment services

Scope's employment support programmes provide voluntary, tailored advice and guidance to disabled people who want to find work or develop their skills.

We continue to deliver our services in the way that works for people accessing our support, which is both online and in-person.

Our fully digital national employment service, Support to Work, helped 703 disabled people.

Last year, we replaced our Starting Line and Kickstart services with Support to Work Extra. This new, customer-led service supported 756 disabled people, with the provision of individualised support into work, volunteering, and education.



## Cerebral palsy (CP)

We continued to provide specialist information and support for people with CP. Last year, we supported 441 individuals with specialist casework and 240 people received advice through our online community. We also continued our monthly meet-up for people with an interest in CP and our work. We also partnered with Scope membership on an event for Cerebral Palsy Awareness Month 2024.

Our lead on CP supported the University of Nottingham with their research exploring the effects of growing older with CP. And we continued to influence policymakers about specific issues related to CP. For example, we spoke at the House of Lords about the challenges facing the CP community and created the CP Manifesto in collaboration with other CP organisations.

We also started delivering training as part of our wider influencing and engagement work. Our lead is now the resident trainer for Dundee University, Anglia Ruskin University and University College London. In total, we've engaged 1,041 professionals.

## Working in partnership

Last year, we expanded Disability Energy Support. This service provides free energy and water advice to disabled people, helping them to manage their energy and water needs. We know disabled people are being disproportionately affected by rising prices and the cost of living crisis.

We achieved this thanks to the incredible support of British Gas Energy Trust, Energy Savings Trust, Sainsbury's, The Post Office, ITV, Clear Channel, SGN, Wales and West Utilities, Cadent, Northern Gas Networks, UK Power Networks, Anglian Water, Wessex Water, Bristol Water and Outfox the Market.

Last year over 40,000 disabled people used our helplines, which is nearly 3,000 more than the year before. Our helplines also identified savings of £3.4 million for disabled people, which is £1.5 million more than during the year before.

We continue to work with utilities companies to as part of our Scope Utilities Membership (SUM). Through the SUM, we help to reduce costs and improve utility services for disabled people and tackle the everyday issues they face paying for bills.

We continued our partnership with Deloitte, helping 5 million people to get to where they want to be through access to education and employment. Deloitte's employees provided vital support through fundraising and volunteering. This included working directly with young disabled people during their transition from education to employment.

## Looking ahead

As you will have read already, we have now launched our new strategy, An Equal Future. Our 3 goals are based on things that disabled people tell us matters most to them:

- transforming attitudes
- ending the disability price tag
- closing the disability employment gap

Everything we do in the coming year will help us to achieve these ambitious goals. We will continue to make sure that all our work is created with disabled people, for disabled people.

We know we can't achieve societal change alone. We are part of a diverse movement of disabled campaigners, allies and organisations demanding change.

This year we are aiming to improve attitudes to disability in the workplace and to close the disability employment gap for good. We will be working with PurpleSpace to do this. .

This year, we have established our new Leeds Community Hub. It will bring together local disabled people and their families, community organisations and businesses. We hope the Hub will also set a benchmark for what inclusive spaces can achieve.

# Financial review

## Overview

It is a very challenging environment for all charities due to the cost of living crisis, and other economic factors. At Scope, we made significant progress towards breaking even. We grew all our income streams, except for grants. However, grants included a large one-off item in 2022/23.

In 2022/23, we spent more money on running our operations than we made in revenue. This meant that we had an operating loss (before strategic investment costs, pension adjustments and investment gains and losses) of £3.4 million. Despite high inflation, we reduced this number to £0.6 million in 2023/24. This is part of our net movement in funds analysed below.

We will continue to work towards the goal of our income covering our operating costs each year. In the meantime, we are using reserves to fund the operating loss. This enables us to make this transition, without reducing our charitable activities.

2022/23 was a significant year of investment for Scope. This year, we have continued with our planned projects. These are designed to increase our impact, increase our ability to grow our income in the future and improve our efficiency.

Our largest investments included:

- £1.5 million on refurbishing and opening new shops, including upgrading the wireless network (Wi-Fi) connectivity in all shops. These shops will give customers a more accessible experience and help to maximise sales
- £0.3 million on creating our new Leeds Community Hub. This will support disabled people and their families in Leeds
- £0.4 million to improve how we talk to everyone who engages with us. We have done this through developing our brand. Our brand is vital to our work. It helps people to understand who we are and what we do. We want more people to know about our ambitious plans to create an equal future and for more people to benefit from our services and information. We must reach out to new audiences to share our mission and to truly represent pan disability and intersectionality. We need our brand to resonate with everyone

We have a further £0.5 million held in a designated reserve for strategic investment projects in the coming year.

## Income

Over the last financial year, we raised a total of £47.2 million (£44.1 million in 2022/23). This represents a 7% increase in income.

Total income includes:

- £15.4 million from donated income including legacies (£12.6 million in 2022/23)
- £6.8 million from grants, fees and other income (£7.1 million in 2022/23)
- £24 million from trading activities, including our shops and online sales (£23.6 million in 2022/23)
- £1 million from our portfolio of investments (£0.8 million in 2022/23)

## Expenditure

During the year, we spent £17.5 million on charitable activities which support our mission. This included our helpline, online communities, employment and other programmes, research, influencing and campaigning work. In 2022/23, this figure was £19.5 million.

This represents a 7% decrease from 2022/23, excluding our strategic spend on charitable activities of **£0.6 million** (£1.2 million in 2022/23). Last year this included £1.5 million in community grants. Excluding these one-off grants, we've increased spend on charitable activities by 1%. The rest of our income goes towards running our organisation, operating our shops and generating funds.

Every pound we raise is extremely important to us. We carefully plan our use of resources to get the most impact. In 2023/24, for every £1 we spent, 73% was spent on our charitable activities to help disabled people and their families. This compares to 69% in 2022/23. This increase came from continuing to invest in our services, community projects, research, influencing and campaigning, as well as our colleagues. This percentage is likely to fluctuate over time, but we're committed to increasing it.

Like many other similar charities, we do not include our trading activities in the calculation of the charitable spend percentage. This is because our shops operate like other retail businesses, raising net funds through selling merchandise.

We invested £6.5 million to recruit and retain donors and other supporters. This investment will generate future income and continue to fund our impact. This figure was £2.3 million less than we spent in 2022/23.

We spent £24.7 million on maintaining and operating our shops. This includes the impact of inflation on salaries and other costs and allocated support costs. In 2022/23, this figure was £23.7 million.

Our support costs, including our annual salary review, decreased by **£0.2 million** on the year before. This reflects a 2% decrease. We managed our costs closely, including what we have committed to spending in the future. This meant we could continue to prioritise investment in Equality, Diversity and Inclusion (EDI), accessibility, reward and retention. We were also able to focus on improving our technology and the efficiency of our processes.

## Net movement in funds

Our net decrease in funds for the year was £0.3 million (decrease of £8.9 million in 2022/23). There are several reasons for this.

- We managed our operations in another year of high economic uncertainty. This generated an operating loss of £0.6 million (£3.4 million loss in 2022/23).
- We returned to our previous level of face-to-face fundraising. In 2022/23 we had invested an additional £2.7 million to increase our income for the future.
- We invested £0.6 million in planned strategic projects to improve how we interact with our supporters and the people who use our services. We also expanded our online retail capability. This total figure was £1.2 million in 2022/23.
- There were unrealised gains on investments of £1.5 million (compared to a loss of £1.6 million in 2022/23).
- There was a cost of £0.6 million to recognise the liability for the Scope defined benefit pension scheme, which closed to new members in 2013. You can read more about this in note 28.

## Fundraising and partnerships

### Income

Income for our fundraising and partnerships activities comes from lots of places. These are legacies, donations from individuals, grants, fees, corporate partners and philanthropists, as well as community and events.

There was a 13% increase in total fundraising and partnerships income, compared to last year.

Individual giving remains our biggest income stream. This generated £7.4 million income this financial year, compared to £7.7 million the year before.

This figure decreased due to a review of our cash and raffle programme. We also reduced our activities which created little, or no, financial return.

We continued to work to attract new regular giving supporters, including through our lottery. However, we did this at a reduced level to the previous year which had been unusually high, so we returned to a more normal level of investment. Our income from lottery and raffles was £3.2 million both this financial year and last financial year.

This year, we saw more supporters cancelling their regular giving. This is a trend seen across the charity sector. The fundraising landscape for individual supporters continues to be competitive. The cost of living crisis has also impacted this.

Legacy income significantly increased this year. We saw this raise just under £6 million, compared to £3.7 million in the previous year.

This year, the highlights of our corporate partnership, philanthropy and grant income include:

- our continued work with Deloitte across several financial, pro bono and volunteering activities
- Clear Channel donated advertising space across the UK for Scope's and ITVs Cost of Breathing campaign. This increased the number of people the campaign was seen by
- Sainsbury's food vouchers helped us to support over 600 households to buy groceries
- we provided disability awareness training to HSBC, to help them to become a more inclusive employer
- we hosted our gala dinner at the Natural History Museum. This raised funds for Scope, created awareness of our work and built relationships with partners who attended
- our Disability Energy Support service and Disability Utility Support service continued. We did this through with funding contributions from British Gas and the Energy Savings Trust. Several private utility companies also helped, including through a collaboration of Gas Distribution Networks (GDN)
- we launched our first ever integrated income generating campaign, called the Cost of Christmas. This campaign took place across fundraising and in our shops. Many in-store customers referenced the Cost of Christmas TV advert. We included testing alternative financial supporter recruitment methods with positive results.

As always, we're truly grateful to every single one of our supporters for their ongoing generosity. Your support enables us to work towards a society where all disabled people experience equality and fairness.

## Retail

2023/24 was a challenging year for the charity retail sector. There was significant cost inflation, including a large increase in the national living wage.

We know our shops are often the first place we introduce the public to our brand. They are the face of Scope across hundreds of local communities. Our shops are vital to helping connect customers and supporters to our cause.

We continued to invest in refurbishing and opening new shops. We upgraded the Wi-Fi connection in all shops. We also closed 22 of the shops that were making us less money.

We opened 2 new, more modern format shops in Clapham and Brighton. These shops include better layouts and branding. This will help to create an accessible experience and generate more sales. It was challenging to find the right spaces, but we're really proud of our new shops. We plan to open a total of 8 more shops. 2 have already opened in 2024/25.

We also continued to grow our e-commerce operations in 2023/24. We focused on improving how we received, priced and promoted our stock, and where we sold it. Our sales increased by 75%. This figure is £1.2 million higher than in 2022/23. E-commerce was 12% of our retail income, compared to 7% during the previous financial year.

During the year, we continued to be supported with corporate donations from our amazing partners. This included Amazon, ASOS, Boden, Boohoo, DPD, Dune, Marks and Spencer, N Brown, Soya Concept and Transport for London.

Our core activity of selling pre-loved items also makes a huge contribution to sustainability. Last year, the public donated 1.3 million bags of goods. We also phased out the use of single use carrier bags in our shops.

We are working to make sure our shops are where communities need us most. We are also putting measures in place to ensure they contribute net income for our charity. During this period of transition, our net income before support costs has fallen but should increase in the next few years.

## Reserves policy

We want to make sure we have financial stability. We take a risk-based approach to determine the appropriate minimum level of unrestricted reserves for ongoing sustainability.

Scope holds 3 categories of reserves:

- Restricted fund reserves (£1 million). These can only be spent on activity specified by the funder. This is often a service or a project.
- Unrestricted funds:
  - Designated reserves. These are funds the Trustees have agreed to set aside for specific activity or to cover our legal obligations. We hold two designated reserves. The first is for planned strategic investment (£2.5 million). The second is a pension reserve as part of an ongoing employer covenant for the defined benefit pension scheme (£6.5 million).
  - Undesignated reserves. This is the balance of reserves after excluding the above. There are 3 sub-sections:
    - Fixed asset reserve (£4.3 million). To cover the net book value of tangible and intangible assets.
    - Minimum retained free reserves (£18 million). This is the amount needed to cover our operational costs, should income fall and/or costs go up unexpectedly. This aims to safeguard the financial stability of the charity. This is estimated as 3-4 months of total expenses and a further 8-9 months of fixed costs.
- Available free reserves (£2.2 million). This is the amount over and above the minimum free reserves to spend or invest. Our Trustees plan to invest this in line

with our strategy for An Equal Future. This will benefit disabled people and their families.

We review the appropriate level of our reserves annually. We adjust this for changes in investment strategy, performance and external risk factors.

## Going concern

The trustees have considered the financial position of the charity. They have looked at various factors including cash, reserves and investment values. They also looked at the impact of future trading forecasts on the activities and financial results of the charity.

After reviewing this information and considering the risks and uncertainties, they concluded the charity can meet its liabilities as they fall due, for at least 12 months from the date of this report. It remains appropriate to prepare the financial statements on a going concern basis.

## Investment policy and performance

Over the last financial year, our investment objectives were to:

- cover short-term financial risks, ensuring security and liquidity of funds held
- preserve the value of the funds held in real terms, to cover longer-term financial risks and funding for future development opportunities
- ensure low volatility in investment asset values
- provide certainty for our short to medium-term planning
- achieve a total return on investments greater than the UK Retail Price Index (measured over a rolling three year period)

The Finance Committee is reviewing the investment policy this year. They will also carry out a review of our investment managers.

During the financial year we've applied an ethical approach to our investments policy:

- investments exclude companies with significant trading interests in armaments, tobacco, pornography, alcohol, gambling and animal testing (excluding medical research for the benefit of humans)
- we only invest in companies that Experts in Responsible Investment Solutions consider able to mitigate their environmental impact and exposure to regions that could represent a 'human rights risk'
- the fund manager makes sure companies within our portfolio have appropriate policies regarding discrimination on the grounds of disability, age, religion, race, gender and sexual orientation



- we hold no direct Russian-listed exposure and total indirect Russian exposure accounts for less than 0.1% of the total assets managed by our fund manager. They have controls in place to flag any trades in companies that generate a material proportion of their revenues from Russia, as well as using a cloud-based platform to check portfolio holdings, clients and third-party relations for compliance with national and international sanction and embargo directives

The performance of the investment portfolio is formally assessed against the above criteria every year by the Finance Committee. Our investments were worth £26.1 million at 31 March 2024. This figure was £30.6 million at 31 March 2023. This change represents the use of funds for operational activities and planned strategic investments net of unrealised valuation gains of £1.5 million.

The asset allocation at 31 March 2024 was 30% bonds, 39% equities and 31% cash and cash equivalents.

The portfolio includes a sub-fund created to provide security to the Scope Pension Scheme. The balance on this fund at 31 March 2024 was £6.5 million, all of which is secured for the Pension Scheme.

## Pensions

We operate the following pension schemes:

- The Scope Pension Scheme closed to further contributions on 30 June 2013. This is a single employer defined benefit pension scheme.
- Because the Scope Pension Scheme closed to new members, in 1 October 2003 we opened a new scheme. This is a defined contribution stakeholder pension plan.

The year-end valuation of the Scope Pension Scheme shows a deficit of £0.6 million, based on FRS 102 assumptions. This figure is compared to a surplus of £2.6 million in 2022/23.

The surplus was eliminated and a deficit caused by:

- actual inflation being higher than previously assumed under FRS 102
- reduction in the market value of assets, reflecting the impact of falling gilt prices

Partially offset by:

- a reduction in the expectation of future inflation, reducing the value placed on the FRS 102 liability
- the update to the future projection of mortality improvements

A pension scheme liability of £0.6 million is included in the balance sheet. You can find out more in note 28 to the financial statements. The Scope Pension Scheme is now closed to new members and to future accrual.

## Review of Scope subsidiaries

During this financial year, we had one active subsidiary:

- Scope Central Trading Limited

The activities of this subsidiary, and its assets and liabilities, are included in these financial statements on a line-by-line basis. Transactions between entities such as sales from one entity to another are taken out when consolidating the group accounts. Details of all our subsidiaries, including those which no longer trade, are given in notes 8 and 15.

The company's main activities are buying and selling general merchandise, greeting cards, clothing and giftware in our retail and online shops.

The turnover for the year was £1.4 million. This figure was £1.1 million in 2022/23. Net operating profit before the Gift Aid payment to Scope was £0.6 million. This figure was £0.5 million in 2022/23.

Since the end of the financial year we have acquired a new subsidiary, PurpleSpace Limited. PurpleSpace is the world's only networking and professional development hub for disabled employees, networks and resource groups. It has a network of over 4,000 leaders across 56 countries.

## Promoting success

The trustees, as company directors of Scope, must act in accordance with a clearly defined set of duties in section 172 of the Companies Act 2006: "the directors of a company must act in a way they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole, and in doing so, the directors must have regard, amongst other matters, to the:

- likely consequences of any decision in the long term
- interests of the company's employees
- need to foster the company's business relationships with suppliers, customers and others
- impact of the company's operations on the community and the environment
- desirability of the company maintaining a reputation for high standards of business conduct
- need to act fairly between members of the company"

As part of their induction, directors are briefed on these duties and they can access professional advice on these as needed, either from the company secretary or independently. Our directors fulfil their duties partly through a clearly defined governance framework, delegating day-to-day operations to the executive leadership team and

committees of the Board in line with the terms of reference. You can read more about this in the section on our structure, governance and management.

The following sections further detail how Scope's directors exercise their duties.

## Our colleagues

Our people are at the heart of everything we do. Their development, wellbeing and engagement is critical to our success. We work together in an environment that aims to support creativity, passion and growth. We have a presence throughout England and Wales, with people based around the UK. We're a community of around 850 colleagues and 4,800 volunteers, all working together with a shared vision of equality for disabled people.

Scope continues to create more opportunities for colleagues. We want to support them to develop within their roles and prepare for the future.

We refreshed our colleague forum. This group have been key in reviewing our benefits offered and how we communicate across the charity.

We're helping retail colleagues to help them progress from Shop Manager to Area Manager roles. We're doing this through our 3 levels of the pioneering leadership programme. Our Scope to Lead programme is also available to our corporate colleagues.

We completed a talent audit to help our colleagues progress within the organisation. We did this to understand the skills they currently have, and the new skills they want to develop.

Our colleague development programmes and approach was recognised through the Princess Royal Training Awards (City and Guilds), and as a finalist in the HR Zone Culture Pioneer Award. Scope's approach to leadership development is to equip our leaders at all levels to lead through culture and our values.

We have further improved our volunteer experience. For example, we improved our volunteer database and automated processes.

## Equality, Diversity and Inclusion (EDI) strategy

In January 2023, we launched our 3-year EDI strategy. This sets out our ambition for EDI at Scope, and our plan to achieve this so EDI is a part of everything we do. We have made significant progress since launch. But we are still at the start of building the lasting change we want to see. We know that this will take time and collaboration.

We have several key achievements over the last year.

We have improved the accessibility of all job adverts, our website and application form. We now also share interview topics with candidates before interviews.

The Board of Trustees approved an EDI statement of intent. This sets out how the Board of Trustees will demonstrate inclusive leadership, in line with the Charity Governance Code's EDI principle.

We launched our new Adjustments and Access to Work policy.

We launched 3 new colleague networks. We now have 7 total colleague networks.

Disability equality training is now a required part of induction training for all colleagues.

We continued our regular EDI roundtables open to all colleagues. Topics included faith inclusion, sexism in the workplace, social class and the charity sector and LGBTQ+ inclusion.

We renewed our status as a Level 3 Disability Confident employer.

We increased the diversity of our membership. 24.9% of our Scope members are Black, Asian or minority ethnic. In May 2023, 17.8% were Black, Asian or minority ethnic. This figure has increased by 7.1%.

The membership team organised several successful events, including 'Celebrating Black History Month together' and 'Disability and the South Asian community'.

We published research about how the media can improve attitudes towards disabled people. We found that only 1 in 10 respondents have seen a disabled person who was Black, Asian or minority ethnic on TV in the last 12 months. As part of our new An Equal Future strategy, we are calling on the media industry to tackle the lack of diversity in television. We worked with high profile supporters Shani Dhanda and Fats Timbo to share their experiences with ITV News.

We collaborated with Black disabled people for Black History Month. They helped us to create content about intersectionality for our social media channels.

We introduced our EDI steering group. The group is made up of representatives from our colleague networks alongside external representatives. The group is set up to challenge and stretch us as we continue to deliver our EDI strategy.

## Our people data

### Disability

Our colleagues are a diverse group of people. At March 2024, 18.5% of our colleagues reported through our HR system that they are disabled, have a health condition or impairment.

27% of our colleagues identify as disabled, or as having a health condition or impairment (according to the results of our anonymous colleague survey, 2023). 30% of our volunteers identify as disabled, or having a health condition or impairment (volunteer survey, 2023).

Although not mandatory, we report our disability pay gap. For 2023/24 this is -3.9%, which means disabled colleagues, on average, earn more than non-disabled colleagues.

### Gender

We continue to focus on reducing our gender pay gap but are committed to making further progress. Our mean pay gap reported for 2023/24 is 13.2%. This figure was 15.5% in 2022/23.

## Ethnicity

Our organisation remains predominantly white British in ethnic makeup. 81.5% of our employees are white. 14.3% of our colleagues are Black, Asian or minority ethnic. Our ethnicity pay gap is 0.04%. In our volunteer survey, 81% of respondents stated that they were white.

## Sexual orientation and gender identity

In April 2024, 10.3% of colleagues shared that they are LGBTQ+ on our HR system. This compares with 13% in the 2023 colleague engagement survey.

## How senior pay is set

We set the pay and reward for senior colleagues by:

- evaluating the role against others in Scope from different job families, to make our pay structure consistent
- using market data from sector pay surveys and reports

To make sure we're doing everything possible to achieve our mission, there may be some flexibility on pay and reward to make sure our people have the skills we need. Our overall policy on pay and reward is agreed by the Equality, Diversity, Inclusion and People (EDIP) Committee and approved by the Board of Trustees. This includes recommendations from the Chief Executive on the executive leadership team's pay. The Committee also recommends to the Board of Trustees how much they think the Chief Executive should be paid.

In April 2023, we reviewed executive pay. We awarded pay increases in line with sector benchmarks.

These are the salaries that were paid to our executive leadership team:

| Role                                                     | Gross salary for the year ended 31 March 2024 | Employer pension contributions in 2023/24 | Total financial reward |
|----------------------------------------------------------|-----------------------------------------------|-------------------------------------------|------------------------|
| Chief Executive                                          | £150,500                                      | £0                                        | £150,500               |
| Executive Director of People                             | £99,850                                       | £5,991                                    | £105,841               |
| Executive Director of Strategy, Impact and Social Change | £104,723                                      | £6,284                                    | £111,007               |
| Executive Director of Retail and Communities             | £144,000                                      | £0                                        | £144,000               |
| Chief Financial Officer                                  | £120,500                                      | £4,820                                    | £125,320               |
| Executive Director of Services                           | £110,559                                      | £6,633                                    | £117,192               |
| Executive Director of Partnerships (part-year)           | £27,400                                       | £526                                      | £27,926                |
| Executive Director of Fundraising                        | £91,826                                       | £1,321                                    | £93,147                |
| Executive Director of Digital and Marketing              | £103,125                                      | £0                                        | £103,125               |

## Environmental impact

We continue to consider and minimise the impact that we have on our environment. As part of this work, we're sharing the measurements of our carbon footprint.

We consider this across 3 main areas:

- direct emissions from activities that we own or control which release emissions into the atmosphere. Emissions are generated from natural gas and relate to vehicles that we own or lease
- indirect emissions released into the atmosphere, which are associated with our consumption of purchased electricity
- other indirect emissions from our actions. This includes emissions from business travel

In 2022/23, our total carbon dioxide (CO<sub>2</sub>) emissions were 957 tonnes. In 2023/24, we reduced this to 874 tonnes. This comes from:

- The use of purchased electricity: 66% or 575.8 tonnes. These figures were 64% or 614.3 tonnes in 2022/23.
- Company vehicles: 26% or 226.3 tonnes. These figures were 26% or 246.9 tonnes in 2022/23.
- Natural gas: 1% or 6.6 tonnes. These figures were 1% or 13.1 tonnes in 2022/23.
- Other indirect emissions: 7% or 65.3 tonnes. These figures were 9% or 82.7 tonnes in 2022/23.

We offset 66% (64% in 2022/23) of these emissions through a green energy contract.

In 2019/20, we set a target to reduce our emissions of CO<sub>2e</sub> by 2% for each square metre of floor area, each year. The intensity ratio of total emissions for each square metre of retail floor area for 2023/24 was 0.0340 (0.0373 in 2022/23). This is a 9% decrease compared to the previous year and a 28% decrease compared to 2019/20. The reasons for this decrease are the closure of some of our retail shops, and lower electricity use due to upgrading our lighting systems to LEDs. We have also noticed a reduction in company and private transportation use.

We want to reduce emissions by a further 2% in 2024/25.

# Principal risks and uncertainties

## Overview

During the past year, we continued to use our risk management framework and statement of risk appetite. The risk management framework sets out the roles and responsibilities for risk management at Scope across all departments. It also sets out the approach to identify, manage, monitor and review risk, as well as how we communicate and learn from risk management activities.

The overall responsibility for the management and control of risk rests with the Board of Trustees. We also delegate some elements of the risk management process to our Audit and Risk Committee, executive leadership team, the leadership team and other colleagues.

The Audit and Risk Committee oversees the corporate assurance framework, the external audit and the annual programme of internal audit. The Committee takes the lead role on risk management oversight, regularly reviewing our corporate risk register and making sure the risk management framework works, as well as feeding back recommendations to the Board.

Certain external environmental factors are outside our control, for example:

- Government policy and other changes that may affect the lives and experiences of disabled people
- changes in market conditions that can affect our net income, general economic conditions and inflationary pressure on operating costs
- the value of investments we hold that can go up or down, in line with general market trends

The impact of these environmental factors is monitored quarterly at a minimum (and more actively, in times of significant impact). This will allow us to make a quick and agile response, mitigating impact and ensuring continuity.

We use a set of control systems within our corporate assurance framework, so everyone can feel confident we're running our organisation and services effectively. Our internal auditors also systematically review our key activities and systems, prioritising areas of strategic risks, as well as following up on areas for improvement identified in previous years.

## Our corporate risks

Our principal corporate risks are outlined below, with management actions to mitigate either the likelihood of the risk occurring or its possible impact.



## Strategic and environmental risks

1. Failure to successfully transition to delivering our new strategy An Equal Future, under a new operating model, while continuing to effectively deliver business as usual.
2. Failure to stay relevant to disabled people and supporters needs and be at the forefront of societal change.

Mitigation for risk 1 and 2:

- detailed current year plan, transition and change resources, and monthly reviews in place
  - executive leadership team and leadership team development and collaboration through regular, externally facilitated sessions
  - using our co-production model to embed the experiences and voices of disabled people in all our work
  - embedding an insight driven approach to our communications, our campaigning and our interactions with our supporters and customers
  - maintaining a strong 'critical' friend relationship with key Government departments
  - tracking a consistent set of outcomes across our services and campaigns using the same measures and indicators, and reporting on these regularly to the Board of Trustees
  - continually assessing new and existing activity, against our impact framework
3. Failure to realise the potential of digital technologies and channels to connect with our audiences. This in turn reduces our impact and outcomes for disabled people, reduces engagement with all audiences and limits income generation.

Mitigation

- We have a specialist digital team in place to support colleagues, with expertise in emerging technologies, product management, user experience, front-end development and accessibility.
  - We have external agency support that gives us access to a wider range of platform and development expertise than we have in-house.
  - We trial new digital opportunities and ways of working through standalone digital initiatives, including the emergence of artificial intelligence (AI) and how it may impact the organisation.
4. Scope may not be able to generate sufficient net income to meet its resource and financial obligations, and continue to deliver public benefit efficiently and effectively in the short, medium or long term.

### Mitigation

- We have a detailed business plan and budget, including strategic investment to grow and diversify income streams.
- We use our daily, weekly and monthly reports to monitor income, costs and leading indicators in detail, enabling us to take corrective action where needed.

## Operational risks

1. Safeguarding arrangements fail to promote well-being, protect staff, volunteers or beneficiaries from adverse incidents and enable effective handling and responses to allegations, resulting in reputational damage.

### Mitigation

- We prioritise the safeguarding of all people who interact with Scope in everything we do. Our safeguarding policy is clearly embedded in operational processes and led by a team of specialists.
  - The Board of Trustees has responsibility for oversight of safeguarding activity and is committed to promoting the welfare and wellbeing of children and adults at risk. It also ensures the right level of protection and safeguarding response is in place and that incidents and allegations are handled with speed, efficiency and rigour.
  - An independent committee member with specialist safeguarding expertise and experience attends the Audit and Risk Committee and provides expert advice to the Board.
  - The chief executive has management responsibility for safeguarding. Additionally, all leaders are responsible for setting the standard and behaving in a way that reflects our values, complies with our safeguarding policy and procedures, and protects customers, colleagues and members of the public.
  - We have a cross-organisation Safeguarding Steering Group with designated safeguarding leads and an external expert that meets 4 times each year. The group supports and reviews the progress and implementation of Scope's safeguarding plan. It also provides oversight of safeguarding reporting, policies, procedures and resourcing, as well as reporting to the Board.
  - Alongside other serious incident reporting, we report serious safeguarding incidents to the Charity Commission and other relevant regulators.
2. Misaligned governance and oversight structures or inadequate management information lead to ineffective oversight of delivery and strategy.

### Mitigation

- We conduct regular skills audits and carry out continuous succession planning, using specialist agencies and internal recruitment campaigns to help improve our reach and

diversity.

- Independent committee members fill specific skills gaps.
  - Trustees serve a maximum of two three-year terms. A robust induction process includes specific training and development as needed.
  - We self-monitor against the Charity Governance Code.
  - We have robust financial and internal audit processes, including reporting against agreed KPIs and corporate risk register.
  - Last year we commissioned an independent review of Board and committee performance
3. Scope fails to attract and retain skilled and experienced colleagues to: (1) deliver its objectives and become an agent for social change (2) retain key corporate knowledge.

#### Mitigation

- We work with specialist recruitment agencies where appropriate and review applicant data to improve our attraction processes.
  - Our development and training programmes for colleagues are constantly reviewed to enable career progression.
  - We've reviewed our adjustment processes, to positively support all colleagues to do their best work.
  - We'll use colleague inclusivity networks and engagement surveys, to help us identify areas for improvement.
4. Cyber incidents negatively impact the confidentiality, integrity, and availability of our information systems and/or data.

#### Mitigation

- We have an information and data security management framework to cover our security culture, security processes and IT security tools.
- Our technology is constantly reassessed, reflecting the ever-changing environment. All colleagues receive information security and General Data Protection Regulation (GDPR) training. Other controls include strong password policies, firewall and secure back-up infrastructure, restricted access, multi-factor authentication, mobile device controls and patch and change management policies.
- Our Business Continuity Plan has been tested, refreshed and aligned. We've done this to make sure it's fit for purpose alongside our current strategy, structure and technology environment.

## Legal and regulatory risks

1. Non-compliance with disability legislation or other regulations (Charity Commission, fundraising and gambling regulations, His Majesty's Revenue and Customs (HMRC), employment law, health and safety, GDPR).

### Mitigation

- Our approach to safeguarding is noted in detail above.
- We make sure all new spaces and environments are accessible to disabled people and continue to review existing space, to maintain access requirements.
- We've adapted our services to the specific needs of those attending, by providing signed sessions, for example, and offering information in various accessible formats.
- We have clear guidance in place on our online community to make sure action can be taken to improve or remove inappropriate behaviours. We take clear action where individuals fail to uphold acceptable standards of behaviour.
- We have specialist disability legislation, safeguarding, data, and health and safety leads in place. We conduct regular horizon scanning against new legislation and seek independent advice where needed. We've improved our information security and data protection controls and we continue to work towards achieving Cyber Essentials status.

## Financial risk management

During our day-to-day operations, we need to manage a variety of financial factors, such as credit and liquidity risks. We also need to manage the risk of the financial impact of any shortfall in net income compared to budget (see strategic risk 4). We use different control mechanisms to manage these.

## Safeguarding of assets

Credit risk relates to the risk that another party fails to honour its financial obligations to us and, consequently, we suffer a monetary loss.

The value of our investment assets is exposed to the risk from volatility in global markets. Our investments of £26.1 million are managed by RLAM, an A-credit-rated organisation. RLAM's investment performance and credit rating are overseen by our Finance Committee. Our main cash balances of £1 million are held in accounts managed by the NatWest Group. The credit rating of any bank is considered when reviewing credit risk. We do not engage in any transactions involving derivatives or working capital.

Liquidity risk is the risk of being unable to raise enough cash to meet our obligations when they fall due. We manage our liquidity risk by making sure we manage our cash flow effectively, tracking working capital and net current assets.

Fraud is an inherent risk to all organisations and the risk of cyber fraud in the environment is increasing. We have controls in place to prevent and detect internal and external fraud as far as possible.

# Our structure, governance and management

## How Scope is constituted

We are led by our Board of Trustees, who serve as Directors under company law.

The Standing Orders of the Board of Scope set out the regulations for the conduct of the Board of Trustees and its Committees. The Memorandum and Articles of Association is the governing and prevailing document of the charity. In the case of any conflict between the provisions of the Standing Orders and the Articles of Association, the latter will prevail.

Scope is a registered charity (Charity Commission number 208231) and a private company limited by guarantee without share capital (Companies House number 520866). It operates throughout England and Wales and it was incorporated on 20 June 1953.

Scope and all its subsidiaries are registered at Scope, 2nd Floor, Here East Press Centre, 14 East Bay Lane, London, England, E15 2GW.

## Methods used to recruit and appoint new charity trustees

The key constitutional provisions for the appointment of trustees are Articles 32 to 36.

These are:

32. The number of trustees shall not be less than 9 nor more than 14 (which shall include the Chair).

33. Apart from the Chair of the Board, who shall be appointed in accordance with Article 34, trustees shall be elected by the members at the Annual General Meeting, from people nominated for election by a committee. That committee is established by the Board, with delegated authority to make such nominations.

34. The Chair of the Board shall be appointed by the Board at its first meeting following the Annual General Meeting in each year, after being nominated by a committee. That committee is established by the Board, with delegated authority to make such nominations. The Board may refuse any person so nominated, in which case that committee shall nominate another individual to act as chair. When they're appointed, the chair shall (if they are not already a trustee) automatically become a trustee.

35. The Board shall have power to co-opt any person to be a trustee, but the total number of trustees shall not exceed the number determined under Article 32. Any person so co-opted shall only serve in office until the next Annual General Meeting. Then they may be re-appointed by the members, if they've been nominated for election in accordance with Article 33.

36. When they're appointed as a trustee, a person shall automatically become a member and they shall sign the register accordingly.

The Nominations and Governance Committee makes sure people who join the Board and its committees have the right skills, experience, values, and expertise. This is so they can govern to the high standards demanded by our beneficiaries, customers, partners and supporters. The Committee oversees the search for, and recruitment of, trustees and independent committee members. The Committee is a standing committee and reports to the Board.

The Committee has delegated authority to make nominations for the election of the chair, trustees and independent committee members.

Once a trustee is elected by the members, they can serve a three-year term. They can then serve a maximum of a further three years if they and the members agree.

Our trustees volunteer their time and do not receive any rewards or benefits. Any expenses reclaimed by trustees are disclosed in our financial statements.

## **Recruitment of trustees and independent committee members**

We recognise the value of a diverse Board and committees, with a relevant blend of skills, experience and characteristics. To achieve this, we engage the services of recruitment consultants specialising in diverse boards. We also use specialist advertising platforms and harness the power of our networks.

By using wider and more inclusive methods of searching for new trustees and independent committee members, we can access a wider pool of applicants from a broad range of different social, economic and ethnic backgrounds. This leads to a greater diversity of perspectives.

Recruitment proposals consider the skills of the trustees and independent committee members, while seeking to address any gaps in existing skills, experience and diversity. Appointments are made subject to receipt of satisfactory references. Trustees are asked to sign an automatic disqualification declaration. Both trustees and independent committee members must also complete the declarations of interest forms each year and undergo enhanced Disclosure and Barring Service (DBS) checks.

## **How we make decisions**

Our Memorandum and Articles of Association says the Board “may make rules with respect to the carrying into effect of all or any of the purposes of the Company or all or any of the provisions of these Articles”.

The Board uses different governing documents to help it make the rules, including:

- The Standing Orders of the Board of Scope set out the regulations for the Board of Trustees, its committees and people working for and with us. It shows how the Board can delegate authority to individuals, the executive, committees and working groups.

- The Scheme of Delegated Authority sets out which powers are delegated to colleagues through the chief executive, and which stay with the Board. This is a tool to help colleagues so that the right person or group make decisions. This helps the charity operate most efficiently and effectively.

The chief executive is responsible for the operational management of Scope. They regularly report important matters and updates to the Board of Trustees.

## Induction and support of trustees

The Standing Orders set out the policy about how to train and support trustees, analyse their skills and evaluate the Board. This includes conducting appraisals and induction training, as well as identifying their ongoing development and support needs.

We provide all trustees with a full induction once they start. The induction includes a detailed briefing on the legal roles of trustees and directors, our history, structure, mission and purpose. We support our trustees to make them feel welcome and help them to fulfil their roles and deliver impact.

As part of the role, trustees have the opportunity to visit our shops and services. They get time to meet colleagues and volunteers, gaining first-hand experience of what we do and how we do it.

6 months after they have been appointed, new trustees have an informal one-to-one meeting with the chair or deputy chair of the Board. This is an opportunity to identify any additional support they might need to fulfil their roles.

## The Board of Trustees and its committees

Charities exist to fulfil their charitable purposes. Scope is governed by our Board of Trustees, who have a responsibility to understand the environment in which Scope operates. They help us to fulfil our purposes as effectively as possible with our available resources. The Board's core role is to focus on strategy, performance and assurance.

The Board has established 5 standing committees to report on:

- audit and risk
- finance
- EDIP
- external audiences
- nominations and governance

Each committee has approved terms of reference. Membership of all committees includes both members of the Board of Trustees and independent committee members. Independent committee members play an important governance role. Their contribution helps make sure advice and assurance through the committee structure is informed by the relevant expertise



and experience. The role is also designed to provide independent committee members with the opportunity to develop leadership skills, so they can be considered for a trustee role in the future, dependent on skills required by the Board to deliver our strategy.

Our independent committee members take part in the same comprehensive induction as our Trustees. They're given the same level of support to help them fulfil their role and feel welcomed.

The Chair of each committee reports to the Board of Trustees at every board meeting. They share the most important activities their committee has taken and decisions they've made. The committees also give the Board their support and advice in their specific areas of expertise. They make sure the Board is fully equipped with knowledge, expertise and experience.

We have 5 Committees.

The Audit and Risk Committee, who oversee the corporate assurance framework, internal and external auditing and risk management.

The Finance Committee, who make sure we use our financial resources and assets appropriately, and review our financial position.

The EDIP Committee oversee, review and connect all policy and strategic matters about EDIP matters across the organisation. They do this so we can be the best example of social change.

The External Audiences Committee oversee how well we are engaging with and meeting the needs of our external audiences through our services, fundraising, campaigning, influencing, retail, community activities, and partnerships.

The Nominations and Governance Committee make sure the Board and Committees have the right skills to govern Scope and are responsible for the diversity of our Board. This committee assists the Board in overseeing the quality of our governance. They also support the Board with their legal and regulatory requirements. This includes charity law and guidance from the Charity Commission.

## Scope Assemblies

Scope has 2 Assemblies:

- Scope Assembly, which is open to members of all ages
- Young Members Assembly, for members who are 18 to 25 years old

The Assemblies give members the opportunity to hear news and updates, and give feedback on decisions and initiatives. These assemblies are elected by the membership to take members' views to trustees and the executive leadership team.

As of 31 March 2024, there are 22 elected assembly representatives. 14 of these are in the Scope Assembly and 8 in the Young Members Assembly.

In 2022, the Board set out plans to relaunch and grow our membership to better engage members and attract more young members too. On 1 April 2023, we had 1,040 members. On 31 March, we increased this to 2,240 members. 175 of these members are aged 18 to 25 years old, which now represents 14% of our membership. This figure was 3% previously.

## Our governance

We understand the importance of being accountable and transparent about our internal approach and governance processes. We're committed to establishing and embedding best practice governance throughout Scope.

The Nominations and Governance Committee monitors delivery against the governance workplan and has overseen a skills and diversity audit. They also oversaw a full Board performance review, which they sourced an external consultant to do.

There are clear processes in place for annual and long term planning. This is supported by the Finance Committee, the investment review panel held by the executive leadership team and the scheme of delegated authority.

The executive leadership team monitors key supplier and contractual relationships to help ensure value for money and the effective management of risks. Our key supplier relationships are with our fundraising partners, technology service providers, property landlords, utility providers and waste collectors.

## Fundraising governance

We fundraise to create an equal future with disabled people.

Our supporters help us in many ways. They volunteer, donate, fundraise, take part in our events, campaign, raise awareness and offer their expertise and skills.

Support from corporate partnerships, charitable trusts and high net worth individuals funds our innovative and evidence-based services. Financial investment and pro-bono support mean that we can increase our reach, amplify our voice and make even more of an impact on the lives of disabled people.

We have the highest standards of professional fundraising. We encourage our colleagues to join the Chartered Institute of Fundraising's training courses and special interest groups. We are registered with the Fundraising Regulator to make sure we're respectful, open, honest and accountable in line with our organisational values. We're open about how we raise and use public donations, and we're transparent about the impact of these donations on the lives of disabled people and their families.

We take great care in choosing third party suppliers. We make sure our contracts specify they follow fundraising best practice and closely monitoring how they fundraise on our behalf. We mystery shop and shadow our agencies very regularly, so we're confident they're displaying the standards we expect of them.

We work hard to give our supporters the best possible experience of Scope. But we understand things can go wrong and we take all concerns and complaints seriously. We provide a complaints procedure through our website.

The number of complaints received about fundraising activities in 2023/24 was 195 (691 in 2022/23). Complaints were resolved satisfactorily through our internal processes. One complaint was escalated to the Fundraising Regulator, which was satisfied with how Scope handled the complaint and the issue was resolved. We saw a decrease in complaints this year, compared to last year, which we believe is the result of terminating arrangements with two fundraising agencies for whom we received the most complaints in 2022/23.

Our fundraising compliance and procedures are a priority. We're reviewing and updating fundraising procedures in line with the Code of Practice and the requirements of Scope's Gambling Commission license. This year, we will review our fundraising procedures using the guidance from the Charity Commission which is called CC20.

## **Directors' and trustees' indemnity**

During the year, we had an indemnity insurance policy in place. This is in favour of our directors and trustees against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. This indemnity insurance policy is still in place, as of the date of approving the trustees' report.

## **Our directors and trustees**

During the year, unless noted otherwise, and at the time of signing the financial statements, the trustees in office are:

- Joanne Hall
- Katie Stevens
- Mark Johnstone, Deputy Chair and Hon. Treasurer
- Matthew Johnston
- Mina Jesa
- Reece Jackson (appointed 5 April 2024)
- Sir Robin Millar CBE, Chair
- Simon Godfrey
- Tariq Khan (resigned 30 April 2024)
- Zeinab Chaudhary

## **Chief Executive**

Mark Hodgkinson

## **Legal and administrative details**

### **Independent auditors**

Moore Kingston Smith LLP, 9 Appold Street, London, EC2A 2AP

### **Solicitors**

Anthony Collins Solicitors, 76 King Street, Manchester, M2 4NH

### **Bankers**

National Westminster Bank plc, City of London Office, Corporate Business Centre, PO Box 12263, 1 Princes Street, London, EC2R 8PH

### **Company secretary**

Angela Archbold

### **Registered office**

Scope and all subsidiaries are registered at Here East Press Centre, 14 East Bay Lane, London, E15 2GW

## Statement of Trustees' responsibilities

The Trustees (who are also Directors of Scope for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Board of Trustees to prepare financial statements for each financial year. Under that same Law, the Board of Trustees has prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable Law (United Kingdom Generally Accepted Accounting Practice).

Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group, and the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the 'Accounting and Reporting by Charities: Statement of Recommended Practice 2019' ('Charities SORP').
- Make judgements and estimates that are reasonable and prudent.
- State whether FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' has been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Board of Trustees is responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and the group, and enable them to make sure that the financial statements comply with the Companies Act 2006.

They're also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Board of Trustees is aware:

- There's no relevant audit information of which the company's auditors are unaware.
- They've taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and establish the company's auditors are aware of that information.

The Board of Trustees is responsible for the maintenance and integrity of the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may be different from legislation in other jurisdictions.

The Trustees' report and Strategic report were signed on behalf of the Trustees by:

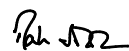


Robin millar (Jul 24, 2024 15:20 GMT+1)

Sir Robin Millar CBE

Trustee

Date: 24 July 2024



Mark Johnstone (Jul 24, 2024 15:11 GMT+1)

Mark Johnstone

Trustee

# Independent Auditor's report to the Members of Scope

## Opinion

We have audited the financial statements of Scope ('the parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement 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 group's and the parent charitable company's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

## 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 Trustees are responsible for the other information contained in the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the Trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Trustees' annual report have been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or



- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on pages 40-41, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## Auditor's responsibilities for the audit of the financial statements

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act

2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

## 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. Our audit work has been undertaken so that we might state to the charitable company's members those matters which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Moore Kingston Smith LLP*  
Moore Kingston Smith LLP (Jul 31, 2024 14:54 GMT+1)

Andrew Stickland (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

9 Appold Street

London, EC2A 2AP

Date: Jul 31, 2024

# Group statement of financial activities

(Incorporating an income and expenditure account)

For the year ended 31 March 2024

|                                                          |          | Unrestricted<br>funds 2024 | Restricted<br>funds 2024 | Total funds<br>2024 | Unrestricted<br>funds 2023 | Restricted<br>funds 2023 | Total funds<br>2023 |
|----------------------------------------------------------|----------|----------------------------|--------------------------|---------------------|----------------------------|--------------------------|---------------------|
|                                                          | Note     | £000                       | £000                     | £000                | £000                       | £000                     | £000                |
| <b>Income and endowments from:</b>                       |          |                            |                          |                     |                            |                          |                     |
| Donations and legacies                                   | 3        | 15,157                     | 216                      | 15,373              | 11,743                     | 833                      | 12,576              |
| Other trading activities                                 | 4        | 24,024                     | –                        | 24,024              | 23,564                     | –                        | 23,564              |
| Investments                                              | 5        | 995                        | –                        | 995                 | 825                        | –                        | 825                 |
| Charitable activities:                                   |          |                            |                          |                     |                            |                          |                     |
| Fees                                                     |          | 928                        | 393                      | 1,321               | 760                        | 300                      | 1,060               |
| Grants                                                   | 6        | 308                        | 1,380                    | 1,688               | 14                         | 2,472                    | 2,486               |
| Other income                                             | 7        | 3,770                      | –                        | 3,770               | 3,546                      | –                        | 3,546               |
| <b>Total income and endowments</b>                       |          | <b>45,182</b>              | <b>1,989</b>             | <b>47,171</b>       | <b>40,452</b>              | <b>3,605</b>             | <b>44,057</b>       |
| <b>Expenditure on:</b>                                   |          |                            |                          |                     |                            |                          |                     |
| Raising funds                                            | 9        | 31,217                     | –                        | 31,217              | 32,527                     | –                        | 32,527              |
| Charitable activities:                                   |          |                            |                          |                     |                            |                          |                     |
| Community engagement                                     | 9        | 1,429                      | –                        | 1,429               | 1,531                      | 2,103                    | 3,634               |
| Employment services                                      | 9        | 1,674                      | 840                      | 2,514               | 1,549                      | 1,305                    | 2,854               |
| Family services                                          | 9        | 1,622                      | 237                      | 1,859               | 2,127                      | 218                      | 2,345               |
| Information and advice                                   | 9        | 4,157                      | 1,078                    | 5,235               | 2,749                      | –                        | 2,749               |
| Influencing and campaigning                              | 9        | 5,774                      | –                        | 5,774               | 6,563                      | –                        | 6,563               |
| Strategic spend                                          | 9        | 565                        | –                        | 565                 | 1,174                      | –                        | 1,174               |
| Governance                                               | 9        | 145                        | –                        | 145                 | 139                        | –                        | 139                 |
| <b>Total expenditure</b>                                 | <b>9</b> | <b>46,584</b>              | <b>2,155</b>             | <b>48,739</b>       | <b>48,359</b>              | <b>3,626</b>             | <b>51,985</b>       |
| Net gains/(losses) on investments                        | 14       | 1,483                      | –                        | 1,483               | (1,558)                    | –                        | (1,558)             |
| <b>Net income/(expenditure)</b>                          |          | <b>81</b>                  | <b>(166)</b>             | <b>(85)</b>         | <b>(9,465)</b>             | <b>(21)</b>              | <b>(9,486)</b>      |
| Transfers between funds                                  | 20       | 297                        | (297)                    | –                   | 86                         | (86)                     | –                   |
| Actuarial (loss)/gain on defined benefit pension schemes | 28       | (172)                      | –                        | (172)               | 582                        | –                        | 582                 |
| <b>Net movement in funds</b>                             |          | <b>206</b>                 | <b>(463)</b>             | <b>(257)</b>        | <b>(8,797)</b>             | <b>(107)</b>             | <b>(8,904)</b>      |
| <b>Fund balances brought forward at 1 April</b>          |          | <b>33,302</b>              | <b>1,405</b>             | <b>34,707</b>       | <b>42,099</b>              | <b>1,512</b>             | <b>43,611</b>       |
| <b>Fund balances carried forward at 31 March</b>         |          | <b>33,508</b>              | <b>942</b>               | <b>34,450</b>       | <b>33,302</b>              | <b>1,405</b>             | <b>34,707</b>       |

There were no gains or losses during the year, except those included above as part of the statement of financial activities.

# Group and parent charitable company balance sheets

As at 31 March 2024

|                                                |      | Group         | Group         | Charity       | Charity       |
|------------------------------------------------|------|---------------|---------------|---------------|---------------|
|                                                |      | 2024          | 2023          | 2024          | 2023          |
|                                                | Note | £000          | £000          | £000          | £000          |
| <b>Fixed assets</b>                            |      |               |               |               |               |
| Intangible assets                              | 12   | 562           | 857           | 562           | 857           |
| Tangible assets                                | 13   | 3,783         | 2,289         | 3,783         | 2,289         |
| Investments                                    | 14   | 26,136        | 30,570        | 26,136        | 30,570        |
| <b>Total fixed assets</b>                      |      | <b>30,481</b> | <b>33,716</b> | <b>30,481</b> | <b>33,716</b> |
| <b>Current assets</b>                          |      |               |               |               |               |
| Stocks                                         |      | 453           | 381           | –             | –             |
| Debtors                                        | 16   | 9,294         | 6,814         | 9,273         | 6,800         |
| Cash at bank and in hand                       |      | 1,026         | 290           | 1,026         | 176           |
| <b>Total current assets</b>                    |      | <b>10,773</b> | <b>7,485</b>  | <b>10,299</b> | <b>6,976</b>  |
| Creditors: amounts falling due within one year | 17   | (3,439)       | (3,588)       | (3,599)       | (3,577)       |
| <b>Net current assets</b>                      |      | <b>7,334</b>  | <b>3,897</b>  | <b>6,700</b>  | <b>3,399</b>  |
| <b>Total assets less current liabilities</b>   |      | <b>37,815</b> | <b>37,613</b> | <b>37,181</b> | <b>37,115</b> |
| Provision for liabilities and charges          | 19   | (2,789)       | (2,906)       | (2,789)       | (2,906)       |
| FRS 102 Pension liability                      | 28   | (576)         | –             | (576)         | –             |
| <b>Net assets</b>                              |      | <b>34,450</b> | <b>34,707</b> | <b>33,816</b> | <b>34,209</b> |
| <b>Funds</b>                                   |      |               |               |               |               |
| Restricted funds                               | 20   | 942           | 1,405         | 942           | 1,405         |
| Unrestricted funds                             | 20   | 24,508        | 26,102        | 23,874        | 25,604        |
| Designated funds, strategic investment         | 20   | 2,500         | 700           | 2,500         | 700           |
| Designated funds, pension                      | 20   | 6,500         | 6,500         | 6,500         | 6,500         |
| <b>Total funds</b>                             |      | <b>34,450</b> | <b>34,707</b> | <b>33,816</b> | <b>34,209</b> |

As permitted by section 408 of the Companies Act 2006, and FRS 102, no separate statement of financial activities is presented for the parent charity.

The notes on pages 50 to 73 form part of these financial statements.

The financial statements on pages 47 to 73 were approved by the Board of Trustees on 24 July 2024 and signed on its behalf by:

*Robin millar*

Robin millar (Jul 24, 2024 15:20 GMT+1)

Sir Robin Millar CBE  
Trustee

Company number: 520866

*Mark Johnstone*

Mark Johnstone (Jul 24, 2024 15:11 GMT+1)

Mark Johnstone  
Trustee

# Group cash flow statement

For the year ended 31 March 2024

|                                                  | Group<br>2024<br>£000 | Group<br>2023<br>£000 |
|--------------------------------------------------|-----------------------|-----------------------|
| <b>Cash flows from operating activities:</b>     |                       |                       |
| Net cash used in operating activities            | (4,089)               | (8,487)               |
| <b>Cash flows from investing activities:</b>     |                       |                       |
| Investment income received                       | 995                   | 825                   |
| Purchase of tangible and intangible fixed assets | (2,087)               | (1,658)               |
| Sale of tangible and intangible fixed            | –                     | –                     |
| Purchase of fixed asset investments              | (183)                 | –                     |
| Sale of fixed asset investments                  | 6,100                 | 8,057                 |
| Net cash from investing activities               | 4,825                 | 7,224                 |
| <b>Change in cash and cash equivalents</b>       | <b>736</b>            | <b>(1,263)</b>        |
| Cash brought forward at 1 April                  | 290                   | 1,553                 |
| <b>Cash carried forward at 31 March</b>          | <b>1,026</b>          | <b>290</b>            |

## Note to group cash flow statement

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

|                                                               | Group<br>2024<br>£000 | Group<br>2023<br>£000 |
|---------------------------------------------------------------|-----------------------|-----------------------|
| Net movement in funds for the reporting period                | (257)                 | (8,904)               |
| <b>Adjustments for:</b>                                       |                       |                       |
| Net (gains) or losses on investments                          | (1,483)               | 1,558                 |
| Investment income received                                    | (995)                 | (825)                 |
| Depreciation and amortisation charges                         | 879                   | 638                   |
| Loss on sale of tangible fixed assets                         | 9                     | 34                    |
| Increase in stock                                             | (72)                  | (204)                 |
| Increase in debtors                                           | (2,480)               | (487)                 |
| Decrease in creditors                                         | (149)                 | (42)                  |
| Increase/(decrease) in provisions for liabilities and charges | (117)                 | (255)                 |
| Increase in FRS 102 pension liability                         | 576                   | –                     |
| <b>Net cash used in operating activities</b>                  | <b>(4,089)</b>        | <b>(8,487)</b>        |

# Notes to the financial statements

## 1. Accounting policies

### Basis of preparation

The financial statements are prepared in line with:

- Charities Act 2011
- accounting and reporting by charities: statement of recommended practice 2019 (Charities SORP)
- applicable accounting and reporting standards in the United Kingdom, including the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102)
- Companies Act 2006

The group accounting policies adopted by the Board of Trustees are applied consistently year on year. They are described below.

The financial statements are prepared on a going concern basis. The historical cost convention is used, except for the revaluation of investments.

The charity has applied the exemption from preparing a cash flow statement under FRS 102. The charity cash flows are consolidated in the group financial statements. The charity is a public benefit entity.

### Going concern

The Trustees have considered the financial position of the charity. This includes cash, reserves, investment levels, future trading forecasts and, in particular, the ongoing impact of cost inflation on the activities and financial results of the charity. Having considered the risks and uncertainties, they have concluded the charity is able to meet its liabilities as they fall due. And for at least 12 months from the date of this report. It remains appropriate to prepare the financial statements on the going concern basis.

### Basis of consolidation

The consolidated group financial statements include the financial statements of Scope and its subsidiary undertakings on a line-by-line basis. The charity's total incoming resources were £45.8 million (£43 million in 2022/23). The charity's total expenditure was £47 million (compared to £50.8 million in 2022/23).

The charity's net movement in funds also include:

- pension scheme FRS 102 pension liability charge of £576,000 (compared to £nil in 2022/23)

- investment gains of £1,483,000 (compared to losses of £1,558,000 in 2022/23)

There were no other recognised gains or losses attributable to the charity.

As allowed by section 408 of the Companies Act 2006 and FRS 102, no statement of financial activities is presented for the parent charity.

## Incoming resources

We recognise all income in the statement of financial activities when:

- the conditions for receipt have been met. That is, there is entitlement to the funds
- it's at least probable that the funds will be received
- the funds can be reliably measured

The following accounting policies are applied to income:

### Donations including events and individual giving

As a public benefit entity, we receive various donations as non-exchange transactions.

We include general donations and donations from fundraising events in income on receipt. The Gift Aid we're entitled to but had not received at the end of the financial year is included in incoming resources, and shown as a debtor in the balance sheet.

We recognise income from fundraising events on delivery of the event.

### Individual giving, face to face fundraising

We recognise regular donations from individuals on receipt. Income is recognised gross. We record any fees charged for fundraising, including by a third party, as a fundraising expense.

## Legacies

We recognise legacy income when we can reliably measure the amount receivable and when it's probable we'll receive it.

Receipt is typically probable when:

- there has been grant of probate
- the executors have established that there are sufficient assets in the estate to pay the legacy, after settling any liabilities
- any conditions attached to the legacy are either within our control or have been met

When the legacy amount due to Scope is uncertain, we disclose the legacy as a contingent asset. For example, if the interest of the charity in a pecuniary or residuary legacy cannot be measured reliably.



## **Restricted donations including corporate donations**

Donations are restricted when donors apply specific conditions on how we can use the funds. We recognise restricted donations when the conditions for entitlement are within our control or have been met.

## **Donations in kind**

Donations in kind (including work undertaken without charge) are recognised at their value to Scope when received. We include an equal amount in the appropriate category of expenditure.

The financial statements do not include volunteer time as this cannot be reliably estimated.

## **Retail income**

We recognise retail income, including sales of donated goods in our shops, when the sale takes place. We accrue estimated associated Gift Aid at the point of sale. Once we have consent, we recognise the income claimed from HMRC and reverse the accrual.

## **Bought-in goods income**

We recognise bought-in goods income at the point of sale.

## **Investment income**

We recognise investment income when receivable.

## **Fees for services**

We recognise fees once we've provided the services. We defer income received in advance until we provide the service.

## **Grants receivable including Government grants**

We recognise grants when the conditions for entitlement are met. Evidence of entitlement typically exists when we receive the formal offer of funding. Where terms or conditions must be met before we have entitlement to the resources, the income is deferred. It is also included in creditors until any terms and conditions, outside of our control, have been met.

Grant funding agreements may contain performance conditions. For example, payments are linked to the achievement of a particular level of service or the units of output delivered. In these circumstances, we recognise income when the performance related conditions have been met.

Conditions may specify the period over which the expenditure of resources can take place. This may limit our ability to spend the grant until we perform the activity related to the specified period. In these circumstances, we recognise income over the period specified.

## Other income from other charitable activities

Other income includes income for rent receivable, sponsorship and other incoming resources from charitable activities. We recognise income when the related activity happens. We recognise rent receivable over the rental period.

## Profit and loss on sale of asset

The net book value of the asset being disposed is allocated to the associated receipt. If the receipt is more than the net book value, we recognise the profit as income. If the net book value is more than the receipt, we recognise the loss as reduced income.

## Resources expended

All resources expended have been accounted for on an accruals basis. Irrecoverable Value Added Tax (VAT) is included with the expense item to which it relates.

## Charitable expenditure

This includes all expenditure directly related to the delivery of our mission.

## Support costs

Our support costs include the costs of colleagues, rent and other operational costs. All costs are allocated between the costs of raising income, activities in furtherance of the charity's objects and other costs. Most costs we incur are directly attributable to individual activities. Where costs are not directly attributable to activities, they are apportioned on an appropriate basis (see note 9).

## Grants payable

Grants payable are recognised in the statement of financial activities when the conditions within Scope's control for disbursement have been met. Grants paid before the conditions have been met are deferred and included in debtors at the end of the financial year.

## Intangible fixed assets

Intangible assets are stated in the balance sheet at cost less accumulated amortisation. Amortisation is charged evenly over the estimated useful lives of the assets at the following rates:

- software development, 25% or 33.3%

## Tangible fixed assets

Freehold properties and other tangible assets are stated in the balance sheet at cost, or the fair value at the date of receipt (if donated) less accumulated depreciation.

Depreciation is charged evenly over the estimated useful lives of the assets at the following rates:

- freehold land, no depreciation
- freehold property, 2%
- leasehold property and improvements to leasehold property, 2% or over the term of the lease if less than 50 years
- improvements to property, 6.66%
- motor vehicles, 20%
- fixtures and equipment, 20%
- computer equipment and software, 25% or 33.33%

Gains or losses from the disposal of tangible fixed assets are recognised in other income.

## Asset impairment

At each reporting date, fixed assets are reviewed to assess whether they have suffered impairment. The recoverable amount of any affected asset is estimated and compared with its net book value.

If the estimated recoverable amount is lower, the net book value is reduced to its estimated recoverable amount and an impairment loss is recognised immediately in the statement of financial activities.

## Funds

### Restricted funds

Restricted funds are the unspent balances on grants, donations and legacies received from donors who stated that they must be used for specific purposes.

### Unrestricted funds

Funds that can be spent at the discretion of the Board of Trustees to help fulfil our objectives. These funds may be held to finance working capital and strategic investment.

### Designated funds

Funds that have been set aside at the discretion of the Board of Trustees for specific purposes. They would otherwise form part of the general unrestricted funds.

## Financial assets and liabilities

Investments are stated at fair value. Net gains and losses that have resulted from both changes in holdings and in their fair value are shown in the appropriate section of the statement of financial activities.

Debtors and creditors treated as financial assets and liabilities (notes 16 to 19) are measured at transaction price, less any impairment. Cash balances are stated at present value.

## Leases

Operating lease costs are charged directly in the period to which they relate.

## Stocks

Stocks are stated at the lower of cost and net realisable value. They are valued using the weighted average method. Stock is reviewed regularly throughout the year with a provision made for stock that is unlikely to be sold. Stocks of unsold donated goods are not valued for balance sheet purposes because their cost is nil, and their value is uncertain until sold.

## Pension costs

The statement of financial activities includes:

- the cost of benefits accruing during the year in respect of current and past service (charged against net outgoing resources)
- the expected return on the pension scheme's assets and the increase in the present value of the scheme's liabilities, shown as pensions finance charge
- actuarial gain recognised in the pension scheme (shown within net movement of funds)
- in accordance with FRS 102, the scheme value is calculated taking assets at their year-end fair values, and liabilities at their actuarially calculated values discounted at year-end AA-rated corporate bond interest rates. You can read more about all pension schemes in note 28.

We participate in a defined contribution scheme. Contributions to the scheme are recognised in the period they become payable.

Pension costs, other than finance charges and actuarial gains or losses (note 28), are allocated to expenditure by charitable activity in line with other salary costs.

## Irrecoverable VAT

Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

## 2. Critical accounting judgements and estimation

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including reasonable expectations of future events.

Provision is made for retirement obligations, stock obsolescence and dilapidations on leased properties. These provisions need management's best estimate of the costs that will be incurred, based on legislative and contractual requirements.

Management considers whether fixed assets are impaired. Where an indication of impairment is identified, the recoverable value of those assets requires the estimation of the future cash contribution that can be realised from those assets.

### Contingent assets

Legacy income, where confirmation of the amount has not been received at the balance sheet date, has not been included in incoming resources. The value of these legacies is estimated as £1,480,000. This figure was £1,061,000 in 2022/23.

## 3. Donations and legacies

|                                               | Group<br>2024<br>£000 | Group<br>2023<br>£000 |
|-----------------------------------------------|-----------------------|-----------------------|
| Individual giving                             | 7,397                 | 7,657                 |
| Events fundraising                            | 387                   | 420                   |
| Philanthropy and corporate partnerships       | 349                   | 547                   |
| Trusts                                        | 94                    | 162                   |
| Donations in kind*                            | 1,175                 | 129                   |
| <b>Donations and gifts excluding legacies</b> | <b>9,402</b>          | <b>8,915</b>          |
| Legacies                                      | 5,971                 | 3,661                 |
| <b>Total donations and gifts</b>              | <b>15,373</b>         | <b>12,576</b>         |

\*Donations in kind refers to professional services and media assets received by Scope, supporting charitable and strategic activities.

## 4. Other trading activities

|                                       | Group<br>2024<br>£000 | Group<br>2023<br>£000 |
|---------------------------------------|-----------------------|-----------------------|
| Gift Aid                              | 1,253                 | 1,267                 |
| Sale of donated and bought-in goods   | 22,326                | 21,813                |
| Donations in shops                    | 293                   | 278                   |
| Raffles in shops                      | 110                   | 145                   |
| Other income                          | 42                    | 61                    |
| <b>Total other trading activities</b> | <b>24,024</b>         | <b>23,564</b>         |

## 5. Income from investments

|                                | Group<br>2024<br>£000 | Group<br>2023<br>£000 |
|--------------------------------|-----------------------|-----------------------|
| Income from listed investments | 995                   | 825                   |

## 6. Grants receivable

|                                          | Unrestricted<br>funds<br>£000 | Restricted<br>funds<br>£000 | 2024<br>total<br>£000 | 2023<br>total<br>£000 |
|------------------------------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| Working on Wellbeing                     | –                             | 706                         | 706                   | 662                   |
| <b>Total Government grants</b>           | <b>–</b>                      | <b>706</b>                  | <b>706</b>            | <b>662</b>            |
| Charities Aid Foundation                 | –                             | –                           | –                     | 1,500                 |
| Energy Saving Trust                      | –                             | 267                         | 267                   | 117                   |
| British Gas Energy Trust                 | –                             | 149                         | 149                   | 38                    |
| People's Postcode Lottery                | 300                           | –                           | 300                   | –                     |
| National Lottery – Cost of Living Crisis | –                             | 75                          | 75                    | –                     |
| Other grants < £50,000                   | 8                             | 183                         | 191                   | 169                   |
| <b>Total other grants</b>                | <b>308</b>                    | <b>674</b>                  | <b>982</b>            | <b>1,824</b>          |
| <b>Total grants receivable</b>           | <b>308</b>                    | <b>1,380</b>                | <b>1,688</b>          | <b>2,486</b>          |

At the balance sheet date, there were no unfulfilled conditions for any of the Government grants above.

## 7. Other income

|                                       | Group<br>2024<br>£000 | Group<br>2023<br>£000 |
|---------------------------------------|-----------------------|-----------------------|
| Lottery and raffles                   | 3,215                 | 3,241                 |
| Other income                          | 564                   | 339                   |
| Loss on sale of tangible fixed assets | (9)                   | (34)                  |
| <b>Total other income</b>             | <b>3,770</b>          | <b>3,546</b>          |

## 8. Subsidiaries' income and costs

The income and costs of Scope Central Trading Limited:

|                                | 2024<br>total<br>£000 | 2023<br>total<br>£000 |
|--------------------------------|-----------------------|-----------------------|
| Turnover                       | 1,399                 | 1,061                 |
| Cost of sales                  | (764)                 | (563)                 |
| <b>Gross profit</b>            | <b>635</b>            | <b>498</b>            |
| Administration and other costs | –                     | –                     |
| Other operating income         | –                     | –                     |
| <b>Operating profit/(loss)</b> | <b>635</b>            | <b>498</b>            |
| Taxation                       | –                     | –                     |
| <b>Net income</b>              | <b>635</b>            | <b>498</b>            |

Income and expenditure reported by the subsidiaries has been included in the appropriate sections in the statement of financial activities, under the relevant department.

At 31 March 2024, Scope Central Trading Limited had £634,406 net assets. In 2022/23, this figure was £497,591. This year's figures includes assets of £648,970 (compared to £532,541 in 2022/23) and liabilities of £14,564 (compared to £34,950 in 2022/23).

Scope holds 100% of the share capital of Scope Central Trading Limited. You can read more about this in note 15.

## 9. Analysis of total expenditure and support costs

|                                                               | Activities undertaken directly<br>£000 | Support costs<br>£000 | 2024 total<br>£000 | 2023 total<br>£000 |
|---------------------------------------------------------------|----------------------------------------|-----------------------|--------------------|--------------------|
| <b>The Group</b>                                              |                                        |                       |                    |                    |
| <b>Cost of raising funds:</b>                                 |                                        |                       |                    |                    |
| Cost of raising donations and legacies                        | 4,784                                  | 1,692                 | 6,476              | 8,822              |
| Cost of trading activities                                    | 21,162                                 | 3,579                 | 24,741             | 23,705             |
| <b>Total cost of raising funds</b>                            | <b>25,946</b>                          | <b>5,271</b>          | <b>31,217</b>      | <b>32,527</b>      |
| <b>Charitable activities</b>                                  |                                        |                       |                    |                    |
| Community engagement                                          | 1,228                                  | 201                   | 1,429              | 3,634              |
| Employment services                                           | 1,995                                  | 519                   | 2,514              | 2,854              |
| Family services                                               | 1,187                                  | 672                   | 1,859              | 2,345              |
| Information and advice                                        | 4,694                                  | 541                   | 5,235              | 2,749              |
| Influencing and campaigning                                   | 5,092                                  | 683                   | 5,775              | 6,563              |
| Strategic spend                                               | 532                                    | 33                    | 565                | 1,174              |
| Governance                                                    | 145                                    | –                     | 145                | 139                |
| <b>Total cost of charitable activities</b>                    | <b>14,873</b>                          | <b>2,649</b>          | <b>17,522</b>      | <b>19,458</b>      |
| <b>Total expenditure</b>                                      | <b>40,819</b>                          | <b>7,920</b>          | <b>48,739</b>      | <b>51,985</b>      |
| <b>Total expenditure excluding cost of trading activities</b> | <b>19,654</b>                          | <b>4,174</b>          | <b>23,828</b>      | <b>28,280</b>      |

|                                                   | Management, HR and communications<br>£000 | Finance and purchasing<br>£000 | Technology services<br>£000 | Property and facilities<br>£000 | 2024 total<br>£000 | 2023 total<br>£000 |
|---------------------------------------------------|-------------------------------------------|--------------------------------|-----------------------------|---------------------------------|--------------------|--------------------|
| <b>Support costs</b>                              |                                           |                                |                             |                                 |                    |                    |
| <b>Cost of raising funds</b>                      |                                           |                                |                             |                                 |                    |                    |
| Cost of raising donations and legacies            | 509                                       | 392                            | 456                         | 335                             | 1,692              | 1,934              |
| Cost of trading activities                        | 1,077                                     | 828                            | 965                         | 709                             | 3,579              | 3,480              |
|                                                   | <b>1,586</b>                              | <b>1,220</b>                   | <b>1,421</b>                | <b>1,044</b>                    | <b>5,271</b>       | <b>5,414</b>       |
| <b>Charitable activities</b>                      |                                           |                                |                             |                                 |                    |                    |
| Community engagement                              | 61                                        | 46                             | 54                          | 40                              | 201                | 292                |
| Employment services                               | 156                                       | 120                            | 140                         | 103                             | 519                | 555                |
| Family services                                   | 202                                       | 156                            | 181                         | 133                             | 672                | 671                |
| Information and advice                            | 163                                       | 125                            | 146                         | 107                             | 541                | 483                |
| Influencing and campaigning                       | 206                                       | 158                            | 184                         | 135                             | 683                | 593                |
| Strategic spend                                   | 9                                         | 8                              | 9                           | 7                               | 33                 | 97                 |
| <b>Total support costs, charitable activities</b> | <b>797</b>                                | <b>613</b>                     | <b>714</b>                  | <b>525</b>                      | <b>2,649</b>       | <b>2,691</b>       |
| <b>Total support costs for 2024</b>               | <b>2,383</b>                              | <b>1,833</b>                   | <b>2,135</b>                | <b>1,569</b>                    | <b>7,920</b>       | <b>8,105</b>       |
| <b>Total support costs for 2023</b>               | <b>2,745</b>                              | <b>2,047</b>                   | <b>1,574</b>                | <b>1,739</b>                    |                    |                    |

Every year, we review the basis of support cost allocation to make sure it's reasonable and fairly reflects the nature of the costs as well as how they're incurred. The allocation basis is:

- according to usage or transactional data where this is relevant and available
- departmental headcount where the cost is related to the number of colleagues
- in proportion to the size of the cost base where the size of the departmental activity is more relevant
- evenly allocated across departments where this is considered a more appropriate indicator for corporate costs



## 10. Net income/expenditure

Net income/expenditure for the year is stated after charging:

|                                                              | Group<br>2024<br>£000 | Group<br>2023<br>£000 |
|--------------------------------------------------------------|-----------------------|-----------------------|
| <b>Auditors' remuneration:</b>                               |                       |                       |
| Audit of these financial statements                          | 58                    | 56                    |
| Audit of the charity's subsidiaries                          | 5                     | 5                     |
| Non-audit fees*                                              | 3                     | 3                     |
| <b>Loss on sale of tangible assets:</b>                      |                       |                       |
| Loss on the sale of fixed assets                             | 9                     | 34                    |
| <b>Depreciation of intangible and tangible fixed assets:</b> |                       |                       |
| Owned assets                                                 | 879                   | 638                   |
| Net pension finance cost                                     | (172)                 | 582                   |
| <b>Operating lease rentals:</b>                              |                       |                       |
| Equipment                                                    | 194                   | 201                   |
| Property                                                     | 4,233                 | 4,561                 |
| Motor vehicles                                               | 277                   | 204                   |

\*Non-audit fees refers to tax advice.

## 11. Information regarding employees and trustees

|                                                                       | Group<br>2024<br>£000 | Group<br>2023<br>£000 |
|-----------------------------------------------------------------------|-----------------------|-----------------------|
| Wages and salaries                                                    | 22,470                | 21,607                |
| Social security costs                                                 | 1,930                 | 1,911                 |
| Other pension costs                                                   | 564                   | 510                   |
| <b>Payroll and staff related costs excluding third parties</b>        | <b>24,964</b>         | <b>24,028</b>         |
| Payments made to independent third parties for the provision of staff | 339                   | 405                   |
| <b>Total payroll and staff related costs</b>                          | <b>25,303</b>         | <b>24,433</b>         |

The table above does not include redundancy payments of £23,636 (compared to £50,864 in 2022/23) and ex-gratia (goodwill) payments of £43,037 (compared to £49,042 in 2022/23). Ex-gratia payments were made as part of settlement agreements with former employees at the time of leaving and were fully paid in the year. These payments are managed through our people team in line with approved policy and procedure. They are authorised in accordance with the Scheme of Delegated Authority based on the size of payment.

Payments made to independent third parties for the provision of staff includes costs to cover vacancies which are pending recruitment, cover for short term sickness and certain projects.

|                                                    | 2024       | 2023       |
|----------------------------------------------------|------------|------------|
| Raising donations and legacies                     | 37         | 40         |
| Trading activities                                 | 505        | 486        |
| Community engagement                               | 15         | 14         |
| Employment services                                | 45         | 47         |
| Family services                                    | 81         | 79         |
| Information and advice                             | 34         | 39         |
| Influencing and campaigning                        | 58         | 50         |
| Strategic spend                                    | 1          | 5          |
| Support costs                                      | 63         | 69         |
| Governance                                         | 3          | 3          |
| <b>Average number of employees during the year</b> | <b>842</b> | <b>832</b> |

The average full-time equivalent headcount was 713 (compared to 710 in 2022/23). This excludes hourly paid casual workers, as the hours they work can vary.

The number of senior colleagues whose salary exceeded £60,000 is below. This salary includes taxable benefits in kind and redundancy payments, but not employer pension costs.

|                                              | 2024<br>Number | 2023<br>Number |
|----------------------------------------------|----------------|----------------|
| £60,000 – £70,000                            | 17             | 11             |
| £70,001 – £80,000                            | 8              | 6              |
| £80,001 – £90,000                            | 1              | 1              |
| £90,001 – £100,000                           | 2              | 3              |
| £100,001 – £110,000                          | 2              | 2              |
| £110,001 – £120,000                          | 1              | 1              |
| £120,001 – £130,000                          | 1              | –              |
| £130,001 – £140,000                          | –              | –              |
| £140,001 – £150,000                          | 1              | 2              |
| £150,001 – £160,000                          | 1              | –              |
| <b>Total colleagues earning over £60,000</b> | <b>34</b>      | <b>26</b>      |

We operate an auto enrolment defined contribution scheme as our main pension plan.

29 senior colleagues are accruing retirement benefits from the defined contribution scheme. This figure was 23 in 2022/23.

Contributions paid for the year, including salary sacrifice amounts, in respect of senior colleagues included in the table above for all schemes amounted to £218,552 (compared to £151,578 in 2022/23).

The executive leadership team who have authority and responsibility for planning, directing and controlling the activities of the group are considered to be key management personnel.

In 2023/24, their total remuneration was £1,094,846. This includes £952,483 for salaries, £116,788 for employer national insurance contributions and £25,575 for employer pension contributions.

In 2022/23, their total remuneration was £991,555. This includes £863,536 for salaries, £111,548 for employer national insurance contributions and £16,471 for employer pension contributions.

In 2023/24, we have not given any trustees or person closely related or connected to them any remuneration or other benefits. Other than as a beneficiary on non-preferential terms (same as 2022/23). During the year, we reimbursed £670 for travel, subsistence and accommodation expenses to 4 Trustees. This was £852 to 4 Trustees in 2022/23.

## 12. Intangible fixed assets for use by the group and charity

| Group and charity               | Software development<br>£000 | Total<br>£000 |
|---------------------------------|------------------------------|---------------|
| <b>Cost</b>                     |                              |               |
| At 1 April 2023                 | 986                          | 986           |
| Additions                       | 16                           | 16            |
| Cost adjustment                 | (75)                         | (75)          |
| Disposals                       | –                            | –             |
| <b>At 31 March 2024</b>         | <b>927</b>                   | <b>927</b>    |
| <b>Accumulated amortisation</b> |                              |               |
| At 1 April 2023                 | 129                          | 129           |
| Charge for the year             | 236                          | 236           |
| Disposals                       | –                            | –             |
| <b>At 31 March 2024</b>         | <b>365</b>                   | <b>365</b>    |
| <b>Net book value</b>           |                              |               |
| At 1 April 2023                 | 857                          | 857           |
| <b>At 31 March 2024</b>         | <b>562</b>                   | <b>562</b>    |

## 13. Tangible fixed assets for use by the group and charity

|                                 | Freehold and<br>leasehold<br>property<br>£000 | Fixtures,<br>equipment and<br>computers<br>£000 | Total<br>£000 |
|---------------------------------|-----------------------------------------------|-------------------------------------------------|---------------|
| <b>Group and charity</b>        |                                               |                                                 |               |
| <b>Cost</b>                     |                                               |                                                 |               |
| At 1 April 2023                 | 5,451                                         | 8,859                                           | 14,310        |
| Additions                       | 1,370                                         | 776                                             | 2,146         |
| Disposals                       | (977)                                         | (770)                                           | (1,747)       |
| <b>At 31 March 2024</b>         | <b>5,844</b>                                  | <b>8,865</b>                                    | <b>14,709</b> |
| <b>Accumulated depreciation</b> |                                               |                                                 |               |
| At 1 April 2023                 | 4,822                                         | 7,199                                           | 12,021        |
| Charge for the year             | 198                                           | 445                                             | 643           |
| Disposals                       | (973)                                         | (765)                                           | (1,738)       |
| <b>At 31 March 2024</b>         | <b>4,047</b>                                  | <b>6,879</b>                                    | <b>10,926</b> |
| <b>Net book value</b>           |                                               |                                                 |               |
| At 1 April 2023                 | 629                                           | 1,660                                           | 2,289         |
| <b>At 31 March 2024</b>         | <b>1,797</b>                                  | <b>1,986</b>                                    | <b>3,783</b>  |

We have not adopted a policy of revaluing our properties. The carrying amount of our tangible fixed assets is held at the depreciated cost.

## 14. Investments

|                          | Group<br>2024<br>£000 | Group<br>2023<br>£000 | Charity<br>2024<br>£000 | Charity<br>2023<br>£000 |
|--------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Financial investments    | 26,136                | 30,570                | 26,136                  | 30,570                  |
| <b>Total investments</b> | <b>26,136</b>         | <b>30,570</b>         | <b>26,136</b>           | <b>30,570</b>           |

|                                                    | Group and<br>charity<br>2024<br>£000 | Group and<br>charity<br>2023<br>£000 |
|----------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Total financial investments:</b>                |                                      |                                      |
| Market value at 1 April                            | 30,570                               | 40,185                               |
| Additions at cost                                  | 183                                  | –                                    |
| Sale of fixed asset investments                    | (6,100)                              | (8,057)                              |
| Net investment unrealised gains/(losses)           | 1,483                                | (1,558)                              |
| <b>Market value at 31 March</b>                    | <b>26,136</b>                        | <b>30,570</b>                        |
| <b>Investments comprise the following:</b>         |                                      |                                      |
| <b>Investments listed on a UK stock exchange</b>   |                                      |                                      |
| Fixed interest                                     | 7,950                                | 7,648                                |
| Equities                                           | 10,066                               | 9,625                                |
| <b>Other UK investments</b>                        |                                      |                                      |
| Cash deposits held as part of investment portfolio | 7,937                                | 13,297                               |
| Growth Investment Fund                             | 183                                  | –                                    |
| <b>Market value at 31 March</b>                    | <b>26,136</b>                        | <b>30,570</b>                        |

Financial investments are measured at fair value through income and expenditure.

The equity holdings are held as a proportion of a fund rather than direct share holdings. No single equity investment exceeds 5%. The trustees consider the value of the investments to be supported by their underlying assets.

There is no difference between fair value and market value as the investments are either fixed interest, equities or cash deposits. Market valuation shows the fair value for these assets.

## 15. Subsidiaries

Results for the subsidiaries listed below are included in the group balances of these accounts.

| Subsidiary undertaking                                                                 | Country of registration and/or operation | Principal activities                                                                                         | Authorised and issued share capital |
|----------------------------------------------------------------------------------------|------------------------------------------|--------------------------------------------------------------------------------------------------------------|-------------------------------------|
| Scope Central Trading Limited<br>100% direct holding<br>(Company no. 1108300)          | England and Wales                        | Purchase of general merchandise, the distribution and sale of clothing and gifts and sales of greeting cards | £100                                |
| Scope Pension Scheme Trustee Limited*<br>100% direct holding<br>(Company no. 01814430) | England and Wales                        | Dormant                                                                                                      | £100. £2 issued and fully paid      |
| Scope (IP) Limited<br>(Company no. 11774613)                                           | England and Wales                        | Dormant                                                                                                      | £1                                  |

\*Entitled to audit exemption by virtue of section 480 of the Companies Act 2006, as dormant companies.

## 16. Debtors

|                       | Group<br>2024<br>£000 | Group<br>2023<br>£000 | Charity<br>2024<br>£000 | Charity<br>2023<br>£000 |
|-----------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Trade debtors*        | 152                   | 172                   | 149                     | 172                     |
| Gift Aid recoverable* | 600                   | 637                   | 600                     | 637                     |
| Staff loans*          | 6                     | 1                     | 6                       | 1                       |
| Other debtors*        | 1,139                 | 1,325                 | 1,121                   | 1,311                   |
| Accrued income        | 5,835                 | 2,978                 | 5,835                   | 2,978                   |
| Prepayments           | 1,562                 | 1,701                 | 1,562                   | 1,701                   |
|                       | <b>9,294</b>          | <b>6,814</b>          | <b>9,273</b>            | <b>6,800</b>            |

\*Financial assets measured at amortised cost.

Trade debtors are shown net of a £nil provision. This is the same as 2022/23.

Staff loans of £5,562 are to be repaid on leaving Scope or when the individual's employment changes. In 2022/23, this figure was £1,100.

## 17. Creditors: amounts falling due within one year

|                                     | Group<br>2024<br>£000 | Group<br>2023<br>£000 | Charity<br>2024<br>£000 | Charity<br>2023<br>£000 |
|-------------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Trade creditors*                    | 675                   | 824                   | 673                     | 817                     |
| Taxation and social security*       | 444                   | 460                   | 444                     | 460                     |
| Amounts owed to group undertakings* | –                     | –                     | 166                     | 7                       |
| Other creditors*                    | 181                   | 161                   | 181                     | 161                     |
| Accruals                            | 2,139                 | 2,072                 | 2,135                   | 2,061                   |
| Deferred income (note 18)           | –                     | 71                    | –                       | 71                      |
|                                     | <b>3,439</b>          | <b>3,588</b>          | <b>3,599</b>            | <b>3,577</b>            |

\*Financial liabilities measured at amortised cost.

Amounts owing in respect of pension schemes at 31 March 2024 included above are £114,331. In 2022/23, this figure was £110,419.

## 18. Deferred income

|                                       | Balance 31<br>March<br>2023<br>£000 | Release to<br>income<br>£000 | Deferred in<br>current year<br>£000 | Balance 31<br>March<br>2024<br>£000 |
|---------------------------------------|-------------------------------------|------------------------------|-------------------------------------|-------------------------------------|
| <b>Group and charity:</b>             |                                     |                              |                                     |                                     |
| Income in advance of service delivery | 71                                  | (71)                         | –                                   | –                                   |
|                                       | <b>71</b>                           | <b>(71)</b>                  | <b>–</b>                            | <b>–</b>                            |

## 19. Provisions for liabilities and charges

|                                 | Balance 31<br>March<br>2023<br>£000 | Charged to<br>income and<br>expenditure<br>£000 | Utilised<br>£000 | Balance 31<br>March<br>2024<br>£000 |
|---------------------------------|-------------------------------------|-------------------------------------------------|------------------|-------------------------------------|
| <b>Group and charity:</b>       |                                     |                                                 |                  |                                     |
| Provisions for dilapidations    | 1,929                               | 91                                              | (111)            | 1,909                               |
| Provision for rent free periods | 977                                 | 95                                              | (192)            | 880                                 |
|                                 | <b>2,906</b>                        | <b>186</b>                                      | <b>(303)</b>     | <b>2,789</b>                        |

We are obliged to return buildings to their original condition, removing any alterations, on certain leased properties. This includes repairing wear and tear. The cost is charged to the statement of financial activities as they arise. The provision is expected to be used as the leases terminate.

## 20. Funds

|                                          | Balance 31<br>March<br>2023<br>£000 | Incoming<br>resources<br>£000 | Expenditure,<br>gains and<br>losses<br>£000 | Transfers<br>£000 | Balance 31<br>March<br>2024<br>£000 |
|------------------------------------------|-------------------------------------|-------------------------------|---------------------------------------------|-------------------|-------------------------------------|
| <b>Group</b>                             |                                     |                               |                                             |                   |                                     |
| <b>Unrestricted funds</b>                |                                     |                               |                                             |                   |                                     |
| Unrestricted funds, general              | 26,102                              | 45,182                        | (44,708)                                    | (2,068)           | <b>24,508</b>                       |
| Designated funds, strategic investment** | 700                                 | –                             | (565)                                       | 2,365             | <b>2,500</b>                        |
| Designated funds, pension                | 6,500                               | –                             | –                                           | –                 | <b>6,500</b>                        |
| <b>Restricted funds</b>                  |                                     |                               |                                             |                   |                                     |
| Restricted funds                         | 1,395                               | 1,989                         | (2,155)                                     | (297)             | <b>932</b>                          |
| Permanent endowment                      | 10                                  | –                             | –                                           | –                 | <b>10</b>                           |
| <b>Total funds</b>                       | <b>34,707</b>                       | <b>47,171</b>                 | <b>(47,428)</b>                             | <b>–</b>          | <b>34,450</b>                       |

|                                          | Balance 31<br>March<br>2023<br>£000 | Incoming<br>resources<br>£000 | Expenditure,<br>gains and<br>losses<br>£000 | Transfers<br>£000 | Balance 31<br>March<br>2024<br>£000 |
|------------------------------------------|-------------------------------------|-------------------------------|---------------------------------------------|-------------------|-------------------------------------|
| <b>Charity</b>                           |                                     |                               |                                             |                   |                                     |
| <b>Unrestricted funds</b>                |                                     |                               |                                             |                   |                                     |
| Unrestricted funds, general              | 25,604                              | 43,783                        | (43,445)                                    | (2,068)           | <b>23,874</b>                       |
| Designated funds, strategic investment** | 700                                 | –                             | (565)                                       | 2,365             | <b>2,500</b>                        |
| Designated funds, pension                | 6,500                               | –                             | –                                           | –                 | <b>6,500</b>                        |
| <b>Restricted funds</b>                  |                                     |                               |                                             |                   |                                     |
| Restricted funds*                        | 1,395                               | 1,989                         | (2,155)                                     | (297)             | <b>932</b>                          |
| Permanent endowment                      | 10                                  | –                             | –                                           | –                 | <b>10</b>                           |
| <b>Total funds</b>                       | <b>34,209</b>                       | <b>45,772</b>                 | <b>(46,165)</b>                             | <b>–</b>          | <b>33,816</b>                       |

\*Transfer reflects corrections for restricted costs not previously allocated to the fund.

\*\*Designated funds for strategic investment are planned to be spent in the next year.

Restricted funds are mostly restricted grants (see note 6) and restricted donations (see note 3). These are all accounted for in line with the limitations placed on each fund.

A designated fund of £6.5 million (£6.5 million in 2022/23) is in place as security for the Scope Pension Scheme.

A designated fund of £2.5 million (£0.7 million in 2022/23) is held for planned strategic investment in the next year. We'll designate further funds as we develop and authorise detailed investment business cases to deliver our new 10-year strategy.



## 21. Analysis of assets and liabilities between funds

|                                        | Restricted funds<br>£000 | Designated strategic<br>£000 | Designated pension<br>£000 | Unrestricted funds<br>£000 | Total 2024<br>£000 |
|----------------------------------------|--------------------------|------------------------------|----------------------------|----------------------------|--------------------|
| <b>Group</b>                           |                          |                              |                            |                            |                    |
| <b>Fixed assets</b>                    | –                        | 2,500                        | 6,500                      | 21,481                     | 30,481             |
| Current assets                         | 942                      | –                            | –                          | 9,831                      | 10,773             |
| Current liabilities                    | –                        | –                            | –                          | (3,439)                    | (3,439)            |
| <b>Net current assets</b>              | <b>942</b>               | <b>–</b>                     | <b>–</b>                   | <b>6,392</b>               | <b>7,334</b>       |
| Provisions for liabilities and charges | –                        | –                            | –                          | (2,789)                    | (2,789)            |
| FRS 102 pension liability              | –                        | –                            | –                          | (576)                      | (576)              |
| <b>Net assets</b>                      | <b>942</b>               | <b>2,500</b>                 | <b>6,500</b>               | <b>24,508</b>              | <b>34,450</b>      |

|                                        | Restricted funds<br>£000 | Designated strategic<br>£000 | Designated pension<br>£000 | Unrestricted funds<br>£000 | Total 2024<br>£000 |
|----------------------------------------|--------------------------|------------------------------|----------------------------|----------------------------|--------------------|
| <b>Charity</b>                         |                          |                              |                            |                            |                    |
| <b>Fixed assets</b>                    | –                        | 2,500                        | 6,500                      | 21,481                     | 30,481             |
| Current assets                         | 942                      | –                            | –                          | 9,357                      | 10,299             |
| Current liabilities                    | –                        | –                            | –                          | (3,599)                    | (3,599)            |
| <b>Net current assets</b>              | <b>942</b>               | <b>–</b>                     | <b>–</b>                   | <b>5,758</b>               | <b>6,700</b>       |
| Provisions for liabilities and charges | –                        | –                            | –                          | (2,789)                    | (2,789)            |
| FRS 102 pension liability              | –                        | –                            | –                          | (576)                      | (576)              |
| <b>Net assets</b>                      | <b>942</b>               | <b>2,500</b>                 | <b>6,500</b>               | <b>23,874</b>              | <b>33,816</b>      |

## 22. Free reserves

|                                                            | Group<br>2024<br>£000 | Group<br>2023<br>£000 |
|------------------------------------------------------------|-----------------------|-----------------------|
| <b>Net assets</b>                                          | 34,450                | 34,707                |
| <b>Less</b>                                                |                       |                       |
| Restricted funds                                           | (942)                 | (1,405)               |
| Designated funds                                           | (2,500)               | (700)                 |
| Investments held for defined benefit pension               | (6,500)               | (6,500)               |
| Amount represented by tangible and intangible fixed assets | (4,345)               | (3,146)               |
| <b>Free reserves of group</b>                              | <b>20,163</b>         | <b>22,956</b>         |
| Free reserves of charity                                   | 19,529                | 22,458                |

Free reserves include minimum retained free reserves of £18 million (£18 million in 2023) and available free reserves of £2.2 million (£5 million in 2023). In line with our reserves policy (pages 18 to 19).

## 23. Operating lease commitments

|                             | Land and<br>buildings | Land and<br>buildings | Vehicles<br>and<br>equipment | Vehicles<br>and<br>equipment |
|-----------------------------|-----------------------|-----------------------|------------------------------|------------------------------|
|                             | 2024<br>£000          | 2023<br>£000          | 2024<br>£000                 | 2023<br>£000                 |
| <b>Group</b>                |                       |                       |                              |                              |
| <b>Leases which expire:</b> |                       |                       |                              |                              |
| Within one year             | 3,333                 | 3,138                 | 1,054                        | 328                          |
| Within two to five years    | 8,860                 | 7,122                 | 2,596                        | –                            |
| After five years            | 4,520                 | 3,340                 | –                            | –                            |
|                             | <b>16,713</b>         | <b>13,600</b>         | <b>3,650</b>                 | <b>328</b>                   |

## 24. Taxation

As a registered charity, Scope is exempt from taxation under Part 11, Chapter 3 of the Corporation Tax Act 2010. Any taxation liabilities of the group are managed through the policy of the trading subsidiary company to gift all taxable profits to Scope. During the year ended 31 March 2024 no charge to tax has been incurred.

## 25. Members

The charity is incorporated as a company limited by guarantee having no share capital. In accordance with the Memorandum of Association, each one of the 2,240 Members, (compared to 1,040 in 2022/23), is liable to contribute £5 if the company is wound up.

## 26. Related party disclosures

During the year ended 31 March 2024, the group had the following related party transactions.

Scope has been a Charity Partner of Deloitte since 2019/20. Zeinab Chaudhury, Scope Trustee, is a consultant at Deloitte. The relationship is managed by a different Deloitte partner and Zeinab is not part of the team working with Scope. In 2023/24 we received donations of £62,000 and £154,000 as donations in kind through consultancy services and laptops from Deloitte (note 3).

We're contracted with BT plc as a strategic technology partner to provide Internet connectivity, telephony, and Wi-Fi access. Simon Godfrey, Scope trustee, is a Board member. During the year we completed most of the migration from our previous supplier. We recognised assets of £723,000 and costs of £131,000 for implementation and services received.

We bought £725 of goods to sell in our shops from Camphill Village Trust. Katie Stevens, trustee, is a trustee at this Trust.

During the year ended 31 March 2024, the following transactions occurred between the companies within the group:

- Gift Aid is to be paid to Scope from Scope Central Trading Limited (see note 8 subsidiaries' income and costs).

## 27. Ultimate parent undertaking and controlling party

There is no immediate or ultimate parent undertaking or controlling party.

Scope is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements. The consolidated financial statements of Scope are available from Here East Press Centre, 14 East Bay Lane, London, E15 2GW.

## 28. Pension scheme

Scope operates the following pension schemes.

- A single employer defined benefit pension scheme. The Scope pension scheme was closed to new members and new accruals in 2007. Current membership of the scheme is 950 pensioners and 627 deferred members (compared to 939 pensioners and 674 deferred members in 2022/23). The scheme is managed separately to Scope's finances by Scope Pension Scheme Trustee Limited, which delegates services to a variety of bodies. Contributions to cover expenses and to recover any deficit in the scheme are paid from time to time to the scheme. This is in accordance with the Schedule of Contributions agreed between the trustees and Scope.
- The defined contribution stakeholder pension scheme was opened on 1 October 2003, when the existing Scope pension scheme was closed to new members. The stakeholder scheme was closed to further contributions on 30 June 2013. On 1 July 2013, and to comply with Government legislation on auto enrolment, a defined contribution group personal pension plan was opened to replace the stakeholder pension scheme. Employees were able to join when it began, or after a deferred period of three months. There are currently 742 active members compared to 706 in 2022/23.

Additional details are provided for the primary schemes as follows:

### A. Scope pension scheme

We operate a defined benefit pension scheme, the Scope pension scheme. The scheme funds are administered by trustees and are independent of Scope's finances.

Contributions are paid to the scheme in line with the schedule of contributions agreed between the trustees and Scope.

The results of the actuarial valuation at 31 December 2023 were updated to the scheme's accounting date by an independent qualified actuary. The value of the defined benefit liabilities has been measured using the projected unit method.

Under FRS 102, any pension asset that can be recognised on the balance sheet is limited to nil as Scope does not have an unconditional right to a refund as per the Trust Deed and consultation with our actuaries. The impact of this limit on the balance sheet for the year ended 31 March 2023 is shown in the figures below. Also shown below are the actuarial gains and losses.

| <b>Assumptions</b>                                                    | <b>31 March<br/>2024</b> | <b>31 March<br/>2023</b> | <b>31 March<br/>2022</b> | <b>31 March<br/>2021</b> | <b>31 March<br/>2020</b> |
|-----------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| RPI inflation (per annum)                                             | 3.3%                     | 3.5%                     | 3.9%                     | 3.4%                     | 2.7%                     |
| CPI inflation (per annum)                                             | 2.4%                     | 2.5%                     | 2.9%                     | 2.4%                     | 1.9%                     |
| Discount rate (per annum)                                             | 4.8%                     | 4.8%                     | 2.8%                     | 2.0%                     | 2.5%                     |
| Pension increases (RPI 3% per annum minimum,<br>5% per annum maximum) | 3.7%                     | 3.8%                     | 3.9%                     | 3.7%                     | 3.5%                     |

Based on the assumptions used for life expectancy, a male pensioner currently aged 65 would be expected to live for a further 21.3 years (22 years 2022/23). A female pensioner aged 65 would be expected to live a further 23.9 years (24 years 2022/23). An allowance is made for future improvements in life expectancy.

Asset distribution and expected return:

|                              | <b>31 March<br/>2024<br/>Current<br/>allocation</b> | <b>31 March<br/>2024<br/>Fair value<br/>£000</b> | <b>31 March<br/>2023<br/>Current<br/>allocation</b> | <b>31 March<br/>2023<br/>Fair value<br/>£000</b> |
|------------------------------|-----------------------------------------------------|--------------------------------------------------|-----------------------------------------------------|--------------------------------------------------|
| Liability driven investments | 24%                                                 | 16,443                                           | 28%                                                 | 21,367                                           |
| Diversified growth funds     | 13%                                                 | 8,788                                            | 11%                                                 | 8,075                                            |
| Corporate bonds              | 18%                                                 | 12,701                                           | 18%                                                 | 13,191                                           |
| Multi-asset credit           | 4%                                                  | 3,029                                            | 7%                                                  | 5,083                                            |
| Cash                         | 5%                                                  | 3,622                                            | 1%                                                  | 832                                              |
| Insured pensions             | 36%                                                 | 25,240                                           | 35%                                                 | 26,002                                           |
| <b>Total</b>                 | <b>100%</b>                                         | <b>69,823</b>                                    | <b>100%</b>                                         | <b>74,550</b>                                    |

|                                     | <b>31 March<br/>2024<br/>£000</b> | <b>31 March<br/>2023<br/>£000</b> |
|-------------------------------------|-----------------------------------|-----------------------------------|
| <b>Balance sheet</b>                |                                   |                                   |
| Present value of Scheme liabilities | 70,399                            | 71,914                            |
| Total fair value of Scheme assets   | (69,823)                          | (74,550)                          |
| Loss/(surplus)                      | 576                               | (2,636)                           |
| Adjustment to reflect asset limit   | –                                 | 2,636                             |
| <b>Pension liability</b>            | <b>576</b>                        | <b>–</b>                          |

Under FRS 102, the scheme is represented on the balance sheet at 31 March 2024 as a £576,000 liability. In 2022/23 this was a £nil asset as the pension scheme was in surplus and Scope does not have an unconditional right to a refund as per the Trust Deed and consultation with our actuaries.

The following amounts have been included as resources expended under FRS 102.

|                                               | 31 March<br>2024<br>£000 | 31 March<br>2023<br>£000 |
|-----------------------------------------------|--------------------------|--------------------------|
| Running costs                                 | 404                      | 582                      |
| Past service cost                             | —                        | —                        |
| <b>Net return to charge to finance income</b> | <b>404</b>               | <b>582</b>               |

The following amounts have been recorded under the 'actuarial gains and losses on pension scheme assets and liabilities' heading within the statement of financial activities.

|                                            | At 31 March<br>2024<br>£000 | At 31 March<br>2023<br>£000 |
|--------------------------------------------|-----------------------------|-----------------------------|
| Remeasurements                             | 2,935                       | 8,504                       |
| Change in asset limit other than interest  | (2,763)                     | (9,086)                     |
| <b>Actuarial losses/(gains) recognised</b> | <b>172</b>                  | <b>(582)</b>                |

Changes in the present value of the scheme liabilities:

|                                                    | 31 March<br>2024<br>£000 | 31 March<br>2023<br>£000 |
|----------------------------------------------------|--------------------------|--------------------------|
| Opening present value of scheme liabilities        | 71,914                   | 95,928                   |
| Interest on scheme liabilities                     | 3,357                    | 2,631                    |
| Past service cost                                  | —                        | —                        |
| Actuarial (gain)/loss                              | (854)                    | (22,663)                 |
| Benefits paid                                      | (4,018)                  | (3,982)                  |
| <b>Closing present value of scheme liabilities</b> | <b>70,399</b>            | <b>71,914</b>            |

Changes in the fair value of the scheme assets:

|                                                               | At 31 March<br>2024<br>£000 | At 31 March<br>2023<br>£000 |
|---------------------------------------------------------------|-----------------------------|-----------------------------|
| Opening fair value of the scheme assets                       | 74,550                      | 107,331                     |
| Interest on scheme assets                                     | 3,483                       | 2,950                       |
| Actual return on scheme assets less interest on scheme assets | (3,783)                     | (31,167)                    |
| Contributions by the employer                                 | —                           | —                           |
| Running costs                                                 | (404)                       | (582)                       |
| Benefits paid                                                 | (4,018)                     | (3,982)                     |
| <b>Closing fair value of the scheme assets</b>                | <b>69,823</b>               | <b>74,550</b>               |

Changes in the net balance sheet position:

|                                     | 31 March<br>2024<br>£000 | 31 March<br>2023<br>£000 |
|-------------------------------------|--------------------------|--------------------------|
| Opening net asset                   | –                        | –                        |
| Return to charge to finance income  | 404                      | 582                      |
| Actuarial losses/(gains) recognised | 172                      | (582)                    |
| Employer contributions              | –                        | –                        |
| <b>Closing net liability</b>        | <b>576</b>               | <b>–</b>                 |

Changes in the impact of the asset ceiling:

|                                                  | 31 March<br>2024<br>£000 | 31 March<br>2023<br>£000 |
|--------------------------------------------------|--------------------------|--------------------------|
| Effect of asset ceiling at the start of the year | 2,636                    | 11,403                   |
| Interest on asset limit                          | 127                      | 319                      |
| Change in asset limit other than interest        | (2,763)                  | (9,086)                  |
| <b>Pension asset</b>                             | <b>–</b>                 | <b>2,636</b>             |

## B. Group personal pension plan

Members may contribute as much as they want to the group personal pension plan, subject to HMRC rules.

We provide employers' contributions to the group personal pension plan, in line with legislation and based on contributions matched by the employee. The following table illustrates the contribution rates payable. Employees can also receive enhanced contributions based on their length of service.

| Membership eligibility         | Scope contribution %      | Employee contribution %                         |
|--------------------------------|---------------------------|-------------------------------------------------|
| Basic                          | 3% of qualifying earnings | 5% of qualifying earnings                       |
| Upgrade after 2 years' service | 4% of total earnings      | Employee must match the employer % contribution |
| Upgrade after 4 years' service | 6% of total earnings      | Employee must match the employer % contribution |

We deduct employee contributions on a salary exchange basis approved by HMRC. Details of the pension plan are provided to employees under the rules of auto-enrolment, or on request.

Scope made payments to the group personal pension plan including salary sacrifice which amounted to £1,424,656. In 2022/23, this figure was £1,301,296.

# ARA YE 31.03.24 - FINAL

Final Audit Report

2024-07-31

|                 |                                              |
|-----------------|----------------------------------------------|
| Created:        | 2024-07-24                                   |
| By:             | Kate Harrison (kate.harrison@scope.org.uk)   |
| Status:         | Signed                                       |
| Transaction ID: | CBJCHBCAABAApCI6MSmSEEjFDwhgZdHQTnGxW8blACjl |

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**SCOPE**

England & Wales - Charity number 208231

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# Accounts

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# Annual report and consolidated accounts

For the year ended 31 March 2023

**SCOPE**



Equality for  
disabled people

# Our values

## Pioneering

We are ambitious and determined to drive change. We focus on how we can make the most impact. We innovate and strive for better, pushing ourselves and our boundaries.

## Courageous

We are single minded in our desire to achieve equality. We are bold, challenging the status quo, ourselves and each other. We are not afraid to fail fast and learn quickly.

## Connected

We connect and collaborate internally and externally, to create a fairer society. We listen and share, tapping into the expertise of others.

## Open

We are transparent about what we do and how we do things. Creating supportive, accessible environments, building trust with each other and our customers to achieve more.

## Fair

We make sure everyone has a fair chance. We value and respect each other's expertise and diversity. We take responsibility for what we do and support each other to succeed.

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## Trustees' report

The Board of Trustees presents the Trustees' report, including a Strategic report, and audited consolidated financial statements for the year ended 31 March 2023.

## Chair's report

As Chair, I am immensely proud of last year's achievements of Scope's 850 colleagues and 4,000 volunteers, working towards equality for every disabled person. Each and every one of them is committed to our vision, committed to improving society, and committed to making sure every disabled person is afforded equality and an even chance of success, better health and financial security.

2022 was an important year for Scope as we marked our 70th anniversary. It was a chance to celebrate and reflect on the tremendous amount that's changed for disabled people since we were founded. It was also an opportunity to look to the future and renew our focus on tackling the barriers to equality that disabled people still face.

As part of last year's programme, we held our first Scope Disability Equality Awards. Celebrating the achievements of individuals and organisations who are making a success of their lives, campaigning for equality and bringing about social change. We know their stories will empower and inspire others.

We also published significant and disturbing new research into public attitudes towards disability. Our research, into disabled people's experience of attitudes, found 72% of disabled people had often experienced negative attitudes and behaviours.

Such negative attitudes mean disabled people's ambitions, talent and potential are going untapped in all areas of life. This is why transforming attitudes is one of our biggest priorities.

We know that disability inclusion lags well behind all other minority groups in Britain's workplaces, with huge amounts of disabled talent going to waste and businesses missing out on greater profits from having diverse workforces. Scope launched Scope for Business, to address this problem and support businesses to be more accessible and inclusive for disabled people. We've supported workplaces through our dedicated advice and training programmes. We want every business to be inclusive inside and out.

This year has been a difficult one for many disabled households as energy prices rose. Our colleagues who run our vital helplines provided advice and support to thousands of disabled families and individuals who felt they had nowhere left to turn, offering support on grants, discounts and financial assistance. Over the year we identified £2 million in savings and bill reductions. A real achievement.

None of Scope's work would be possible without the support of our donors, the people who campaign with us, our volunteers who work tirelessly across the country, our corporate partners and our Ambassadors.

I want to thank every one of you for your continued support for our mission and for your commitment to disability equality.

It is the job of all of us, together, to make sure that disabled people are treated fairly, with respect and dignity, and recognised by society for all our talents.

As we look to the future, there is a big job to do, tackling negative attitudes and improving the world of work, things we have heard loud and clear when speaking to so many disabled people, colleagues and volunteers.

As a trained audio engineer I know that 'moving the needle' only happens when you shout at the microphone. Stop shouting and the needle goes back to zero.

Scope's new strategy, is all about achieving irreversible changes for the benefit of disabled people and the resulting benefit to all. We intend to deliver even greater impact, and we will do this by working with even more individuals, communities, and companies.

Our determination to achieve equality for Britain's 16 million disabled people has never been stronger. I am excited about Scope's future and the difference we can make.

*Robin Millar*

Sir Robin Millar CBE

## Chief Executive's report

Last year marked Scope's 70th anniversary a key milestone in our mission to achieve equality for disabled people. The year presented an opportunity to both celebrate the amount of positive change that's happened for disabled people, and to reflect on the inequalities that the UK's 16 million disabled people still face.

Throughout last year, we saw continuing disruption from the pandemic and the increasing cost of living. We rose to meet these challenges, reaching 3.7 million people with some of the essential support they needed, in the way they needed it, by delivering our services both online and in-person.

The cost of living crisis was a core focus of our policy and campaigning activity, and the services and support we offered. We know on average, disabled households need an additional £975 a month to have the same standard of living as non-disabled households. Government, companies and regulators have promised action, but are yet to deliver sustainable changes.

We sent an open letter to the Chancellor, supported by 58,000 people and nearly 100 organisations, calling for the introduction of a social energy tariff. Our call for a ban on forced prepayment meters amongst disabled households received widespread support from the charity sector, the regulator and the Secretary of State for Energy.

We know energy costs for disabled people remain higher throughout the year. That's why we'll continue to call on Government to tackle the extra costs faced by disabled people and their families.

Our focus on attitudes continued, with the publication of our Attitudes and Disability Report at the end of the year. The report found negative attitudes towards disabled people are still far too common in the UK today. Shifting attitudes requires action on many fronts. Organisations, institutions and individuals all have a role to play. And they all need to work together.

- Government to change its thinking about benefits and how disabled people interact with the welfare system.
- Individuals to understand the effect their words and actions can have.
- Disability organisations and campaigners working to raise awareness and improve understanding around employing disabled people, disabled consumers and disabled passengers.

We continued our Let's Play Fair campaign, as too many disabled children are still being denied fun and friendship because their local playgrounds are not designed for them. In November 2022, we delivered an open letter to Government departments in England and Wales, signed by over 30,000 supporters, calling for a multi-million-pound inclusive playgrounds fund.

Amongst a number of key recommendations in the Health and Disability White Paper, issued in March 2023, we saw a big win for Our Disability Benefits Without the Fight campaign. As the Government announced plans for a trial where disabled people are matched with a specialist benefits assessor who understands their primary health condition.

In retail, our team generated income of over £3.3 million by selling corporate donations of stock in our shops and online, making it a record-breaking year. Investing money in running our charity shops also helps us reach people in their communities, so we're continuing to prioritise planned investment in new shop openings, with 5 refurbishments completed and more planned for 2023 to 2024.

Community presence and support is a vital part of our work at Scope. We launched our new Youth Community Collective service, supported by Barclays in locations across the UK, which saw 1,020 young people and 141 professionals engage with us through a variety of events. And we allocated £1.5 million in grants through the Connecting Communities Grants programme, enabling 77 organisations to support 130,000 disabled people to reduce their isolation and improve their mental wellbeing.

Last year, we acted on plans to grow our membership and engage more with our members. This saw Scope's membership increase by 463 new Members, including 200 new young Members, whose experience and insight is supporting our work and increasing our impact.

Our people and volunteers remain essential to us delivering our messages and our work. We're committed to providing extensive safeguarding training and reporting, to make sure our people, volunteers and customers feel safe, supported and able to speak up too.

We aim for all our work to be guided by the experiences of the UK's 16 million disabled people. Our first Scope Disability Equality Awards was an opportunity for us to celebrate disabled people who've been tackling outdated attitudes and who are at the forefront of social change.

We remained committed to co-production, including through our work in communities, as well as through our Members' involvement in our activities. By co-producing our work with disabled people and families, we'll continue to further amplify the voices of disabled people.

As we collaborate with disabled people and allies across the UK, we value and respect each other's expertise and diversity. And we place equality, diversity and inclusion at the heart of everything we do. This year we established our first Equality, Diversity and Inclusion (EDI) team and appointed both a Head of Inclusion and an EDI Co-ordinator. We hosted employee and volunteer roundtables, to better understand the experiences of our colleagues. We set up colleague networks, including our Disabled Colleagues Network, Equality in Race Network, LGBTQ+ Network and Gender Equality Network. And we diversified the membership of our Board of Trustees, to include a broader range of lived experience.



Throughout last year, we continued with further planned investment in growing our income for the long term. We scaled up our individual giving fundraising and results exceeded expectations, both in the recruitment of new supporters and in the retention of our strong base of existing supporters.

Every pound we raise is extremely important to us. In 2022/23, for every £1 we spent, (excluding the cost of running our shops), 69% was spent on our charitable goals to help disabled people and their families (compared to 66% in 2021/22). The total amount spent on our charitable activities was £19.5 million, a 38% increase.

Finally, I want to take this opportunity to say thank you to every single one of you who's helped us in our goal to achieve everyday equality for disabled people.

This work is only possible thanks to our 850 colleagues and over 4,000 volunteers, alongside our many supporters, campaigners, fundraisers and shoppers. Special thanks are due to our Trustees and Independent Committee Members, patrons, ambassadors, corporate partners and funders.

Your support powers everything we do.

A handwritten signature in black ink, appearing to read 'Mark Hodgkinson', with a long horizontal line extending to the right.

Mark Hodgkinson

# **Our objects and public benefit**

## **Objects**

Scope is established for the public benefit and for general charitable purposes according to the laws of England and Wales. In particular, but not exclusively, for the promotion of the equality, diversity, independence and health of disabled people, especially those with Cerebral Palsy.

## **Public benefit aims**

In exercising relevant powers and duties, the Board of Trustees has considered the Charity Commission's guidance on public benefit. This report outlines how our performance during the year to 31 March 2023 has benefited the public.

# Strategic report

## Our vision

We won't stop until we achieve a society where all disabled people enjoy equality and fairness.

## Our mission

We're a strong community of disabled and non-disabled people with a shared vision of equality.

We provide practical advice and emotional support whenever people need them most. We do this through our Scope helpline, our online community, a range of employment and family services, community engagement programmes, and more. All of our services are developed to achieve our strategy, Everyday Equality.

We use our collective power to change attitudes and end injustice. We partner with others to increase our reach and impact. And we campaign relentlessly to create a fairer society.

## Our impact

Last year, we reached over 3.73 million people with some of the essential support they needed to make informed decisions and live more independent lives, while coping with the cost of living crisis, through our helpline, our online information and advice, and our online community.

That figure is 180,000 more people than the year before. We also launched a major new cost of living campaign and we grew the number of people campaigning with us to 70,000.

More details on all of our work will be available in our impact report 2022/23.

## Cerebral Palsy

We continued to provide specialist information and support on cerebral palsy (CP) through our online community, website and helpline. We also continued to grow our monthly meet-up for people with an interest in cerebral palsy and Scope's work.

We supported the National Bobath Cerebral Palsy Centre with the launch of annual reviews for those living with CP. Our lead on cerebral palsy supported the University of Nottingham in their project to explore the effects of growing older with CP. And we continued to make sure we're able to influence specific issues related to CP throughout the year.

We launched a Trustee-led task force to review our future approach to meeting those needs that are specific to cerebral palsy. The task force will make sure the views of those living with CP and their families are included in any outcome of the work. The task force will conclude in 2023 and its learnings will inform how we continue to meet the needs of those

living with CP within our strategy, as well as guiding our approach to the needs that can't be met within our strategic goals.

## **Independence**

If everyday equality is to be a reality for disabled people, we need to change attitudes and make physical and online spaces accessible. Disabled people need to have more influence over their lives, so they can live independently and fulfil personal aspirations.

### **Supporting disabled people to be more independent**

Last year, we provided 3,689,885 people with much of the essential support they needed to make informed decisions and meet the challenges they face, through our online information and advice, and our online community.

### **Putting disabled people at the heart of what we do**

Disabled people and their families' experiences are key to everything we do. We now have over 160 storytellers who share their stories publicly to make everyday equality a reality. In the last year, 91 of our storytellers lent their support to more than 200 Scope projects and were featured in over 50 regional and national media.

We've grown our Research Panel to include over 2,000 disabled people and parents and carers of disabled children. The Panel helps us gather insights and develop new products and services, making sure they meet disabled people's needs. Last year, utility companies, travel companies and health care providers worked with the Scope Research Panel to gain valuable insights from disabled people.

In 2022, we ran the first Scope Disability Equality Awards. The event was co-produced with a group of disabled people from the very beginning.

Co-production with disabled people is fundamentally important to us. It's an approach we're fully committed to, across everything Scope does.

## **Information and advice**

Our information and advice services have been a vital source of support for disabled people and their families. Unsurprisingly, much of our work has pivoted to the cost of living crisis, empowering disabled people who face rising bills to access support and receive the benefits they have a right to.

- Our Disability Energy Support and Helpline services supported a total of 42,275 customers and a further 9,122 Scope supporters, providing information and advice that was vital as the cost of living soared.
- Our Disability Energy Support with Water service provided information and advice that enabled disabled people to achieve an estimated saving of £1.9 million.

## Our family services

There are more than one million disabled children in the UK. We provide advice and support to parents and carers, and campaign for disabled families to be included. Our services worked with 3,000 families last year and our Let's Play Fair campaign raised the profile of disabled children.

At Scope, we believe every disabled child should be able to fulfil their potential and have the confidence to succeed as they grow up. So we're working to make sure every family gets the support they need to make this happen.

### Supporting disabled families

- Overall, we increased the number of people we supported through our family services by almost 1,000 from 2,058 in 2021/22 to 3,014 people in 2022/23. This figure increases by an estimated 130,000 people, when taking into account the Connected Community Grant fund of £1,500,000 we allocated to 77 organisations across the UK.
- Our Sleep Right service worked with 1,070 families to improve their disabled child's sleep, and parents' resilience and wellbeing.
- Navigate, our national mentoring service, provided practical and emotional support for 542 parents and carers of disabled children.
- Through our Parents Connect support programme, we worked with 152 parents and carers in scheduled groups.
- Our Activities for All inclusion service supported 95 families with information and advice. 23 disabled children were supported to access mainstream activities and 10 mainstream settings were supported to become more inclusive for disabled children.

Over the last year, we saw the ongoing impact of the pandemic and the cost of living crisis on families of disabled children. Through our grant programme, we've continued to provide disabled people's groups and organisations with vital support, much of it focused on the cost of living crisis.

### Community engagement

- We launched our new Youth Community Collective service, supported by Barclays, in Cardiff, Leeds, London, Manchester and Peterborough. In its first year a total of 1,020 young people and 141 professionals have engaged with us, through a variety of events.
- Our community engagement service operated across 5 regions, working with 112 disabled people and carers.
- Through the Connecting Communities Grants programme, we allocated £1.5 million in grants, which helped 77 organisations support 130,000 disabled people to reduce their isolation and improve their mental wellbeing post Covid.

- Last year, we set out plans to grow our membership and engage more with our Members. As a result, Scope's membership has increased by 463 Members. This includes 200 new young Members (18 to 25 years old), now representing 17% of our membership, compared to 3% in previous years.
- We continued to provide emergency support during the cost of living crisis, issuing 2,094 fuel vouchers with a total value of £136,918.

## Employment services

The disability employment gap is the difference between the employment rates of disabled people and non-disabled people. Right now it's stuck at around 30%. We're working to improve this. Our employment support programmes provide voluntary and tailored advice and guidance to disabled people who are looking for work, or a career, or who want to move closer to the jobs market. And our campaigning has sought to make sure Government, employers and the public recognise the benefits of closing the employment gap.

### Our employment support

We continue to deliver our services in the way that works for our customers, both online and in-person.

Our fully digital national employment service Support to Work reached 769 disabled people, enabling 269 to find paid work within 12 weeks.

We continued to offer support once our Support to Work customers find work, providing 156 disabled people with tailored in-work support. We're now looking to enhance this offer across our other employment services.

Through our one-to-one support programme Kickstart, we supported 312 disabled people, with 103 starting paid employment and a further 84 beginning training, education or volunteering.

And our pre-employment training programme, Starting Line, supported 362 disabled people at the start of their journey into work, with 46 gaining paid work and 190 starting training, education or volunteering.

2022/23 was the third full year that we delivered our Working on Wellbeing service, with 405 disabled people supported by both Scope and our expansion partners, Whitehead Ross, Disability Can Do and Resource Wales. We continue to deliver this service with our funding partner Legacy in the Community.

Advisers at our Career Pathways programme started delivering in London and Leeds, as well as virtually across England and Wales. They provided independent careers advice to 611 young disabled people, 153% over our yearly target.

Our pilot service delivering an individual pathway of support reached 71 customers, with 20 going on to find a job and a further 26 continuing with volunteering, training and education.

Following this success, we're expanding the pilot service across England from 1 April 2023, calling it Support to Work Extra.

Our internal Jobs Board, which is offered across all of our employment services, added 110 new employers, with 2,905 vacancies for our customers to apply for.

We also developed and launched our new customer eLearning platform, Learn at Scope. It hosted 221 users, who completed 303 online employment modules. This platform was developed and tested with our internal employment service teams and customers, but it's now been opened externally via our website.

## **Influencing and campaigning**

We launched our Let's Play Fair campaign, calling on Government to make playgrounds inclusive. Over 30,000 people backed our call and 500 campaigners phoned, met with, or spoke to their local MP about why playgrounds need to be inclusive. We asked disabled families what an inclusive playground could look like, and we commissioned three disabled artists to bring their ideas to life.

We also published ground-breaking new research into current attitudes towards disability and disabled people in this country. Our research, the largest of its kind globally, found that 3 in 4 disabled people have experienced negative attitudes or behaviour in the previous 5 years. We've used our findings to begin to influence media representation and portrayal of disability.

We launched a major new campaign to highlight the impact of the cost of living crisis on disabled families and households, and call for greater financial support. We successfully secured additional payments from Government for disabled households and we worked to challenge the energy supplier practice of forcibly installing pre-payment meters. Our campaign to secure a social energy tariff, in partnership with AgeUK, was backed by MPs from all political parties and over 55,000 members of the public and industry. Scope will keep pushing for the social energy tariff, this year.

With our Disability Benefits Without the Fight campaign, we successfully secured a commitment from Government to introduce specialist benefits assessors, as part of the Department of Work and Pensions White Paper in March 2023.

## **Working in partnership**

Spiralling energy costs have affected too many of us over the past 18 months.

Last year Scope expanded its Disability Energy Support service, providing information and advice to disabled people, as they're being disproportionately affected by this crisis. We also significantly scaled up our Disability Utilities Support helpline and online services. Our Scope Utilities Partners have worked with us to improve accessibility of services and help drive better outcomes for disabled people.

This was achieved with financial support for the services and pro-bono promotion from British Gas Energy Trust, Energy Savings Trust, Sainsbury's, The Post Office, ITV, Clear

Channel, SGN, Wales and West Utilities, Cadent, Northern Gas Networks, UK Power Networks, Anglian Water, Wessex Water, Bristol Water and Outfox the Market.

Energy prices are still double what they were 2 years ago, while rampant inflation means the cost of food and other essentials is rocketing, so we continue to seek utility sector support in asking the Government to provide a social tariff for the most vulnerable.

Last year Scope saw an 18% increase in people visiting our helplines and almost 38,000 disabled people saved close to £2 million on their bills.

Scope continues to work with organisations in the utilities sector to help them understand disabled customers' needs, alongside the barriers and the extra costs they face. This will lead to better outcomes for disabled people and their families.

We continued our partnership with Deloitte on a number of financial, pro bono and volunteering programmes of activity. And we co-created and launched a new online learning platform service (Learn at Scope) with the HSBC Social Inclusion Fund.

## **Extra costs**

Disabled households, on average, face a monthly price tag of £975<sup>1</sup>. These are costs that non-disabled people don't always experience, representing an unfair financial penalty for disabled people.

We're working with businesses and Government to tackle the Disability Price Tag.

## **A fairer energy market**

We know many disabled households have to use more energy, to power lifesaving equipment, for example, which means higher bills. The current cost of living crisis has led to disabled household energy bills increasing massively.

It's one of the reasons why we partner with utility suppliers and network companies, through our Scope Utilities Membership. We collaborate with suppliers and network companies, like SGN and UK Power Networks, to help them reduce extra costs and improve services for disabled people. This includes raising awareness of the issues disabled people face across the sector.

Last year our Disability Energy Support helpline supported disabled people to identify £1,929,868 of savings.

## **Looking ahead**

As we come to the end of our current strategy period for Everyday Equality, we'll continue our momentum with a new 10-year strategy. As ever, we'll make sure our work to campaign for equality is guided by the experiences of the UK's 16 million disabled people. And we'll

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<sup>1</sup> Scope – The disability price tag (2023)



stay committed to co-producing our work with disabled people and families, amplifying their voices and making a larger impact together.

# Financial review

## Overview

2022/23 was a year of significant investment for Scope:

- We planned to utilise funds to progress with strategic investment projects that had not been possible in the last few years.
- We also took the opportunity to invest further in our fundraising supporter base to build our income to fund future activities.
- Our financial plan for the year included an operating deficit funded from reserves to maintain our charitable services while we grow our income.

Like many others, we've had to respond to volatile economic conditions and increased costs, to continue operating in an environment where disabled people are facing unprecedented challenges.

We maintained all our online and in-person services to continue providing support to disabled people and families. Through our campaigning and social change activities, we stayed focused on representing the voices of all disabled people. We worked closely with businesses and Government, alongside our partners in the Disability Charities Consortium (DCC), to provide additional support to those who remain vulnerable to the ongoing effects of the pandemic and who are disproportionately impacted by the increasing cost of living.

We planned to grow our income over two years to cover the higher costs of operating and all of our ongoing income streams have increased in the year. While we move towards the point where our income covers our operating costs, we are using reserves to fund the operating deficit to enable us to make this transition, without reducing our charitable activities.

After several disrupted years, we were able to progress with planned strategic investment projects designed to increase our impact, increase our ability to grow future income and improve our operating efficiency. Our largest investments included:

- £2.7 million in addition to our usual level of face-to-face fundraising, to increase our income for the future.
- £0.9 million on expanding our Customer Relationship Management (CRM) system, to include both our supporters and the people who use our services.
- £0.5 million on expanding our eCommerce operations. We moved from a small operation to a fully equipped warehouse and distribution hub, significantly increasing our profit from this activity and establishing a base for future growth.

- £0.2 million on new tills for our shops, to improve efficiency, controls and customer service. We also invested £0.3 million on refurbishing several of our shops, including doing improvements to make sure they're fully accessible.
- £0.2 million on our first Scope Disability Equality Awards. This fantastic event celebrated the successes of individuals and organisations who are campaigning for equality and bringing about social change.

We have a further £0.7 million held in a designated reserve for strategic investment projects in the coming year.

## Income

In 2022/23, we raised a total of £44.1 million (£41.5 million in 2021/22, plus Covid related government grants of £2.7 million). This represents an increase in income (excluding the previous year's grants) of 6%.

Total income includes:

- £12.9 million from donated income including legacies (£12.8 million in 2021/22).
- £7.1 million from grants, fees and other income (£5.4 million in 2021/22).
- £23.3 million from trading activities, including our shops and online sales (£22.7 million in 2021/22).
- £0.8 million from our portfolio of investments (£0.6 million in 2021/22).
- £nil from Covid related grants available to organisations affected by the pandemic (£2.7 million in 2021/22).

## Expenditure

During the year, we spent £19.5 million (£14.1 million in 2021/22) on charitable activities supporting our mission for everyday equality, including our helpline, communities, employment and other programmes, as well as our research, influencing and campaigning work. Excluding our strategic spend on charitable activities of £1.2 million (£0.6 million in 2021/22), this represents a 35% increase on the previous year. The rest of our income goes towards running our organisation, operating our shops and generating funds.

Every pound we raise is extremely important to us and we carefully plan our use of resources to get the most impact. In 2022/23, for every £1 we spent, 69% was spent on our charitable activities to help disabled people and their families (66% in 2021/22). This increased compared to the previous year, as we continued to invest in our services, community projects, research, influencing and campaigning, as well as our colleagues. This percentage is likely to fluctuate over time, but we're committed to increasing it.

We invested £8.8 million (£1.5 million more than in 2021/22) to recruit and retain supporters. This investment will generate future income to fund an increase in our impact, through our influencing activities and the delivery of our services. In common with most

similar charities, our trading activities are not included in the calculation of the charitable spend percentage, as our shops operate like other retail businesses, raising net funds through selling merchandise.

£23.7 million including allocated support costs (£23.7 million in 2021/22) was spent on maintaining and operating our shops for the year, including investment in improvements to the efficiency, customer service and accessibility of our shops, to establish a base for future growth. This investment also helps us reach people in their community.

We're following a detailed performance plan to generate a net contribution to our charitable funds, which is expected to increase this year as our net income grows.

Our support costs increased by £0.8 million (11%), including salary increases. This was the result of some costs that we budgeted to increase again, as we reinvest in activities that had previously been put on hold. It includes investment in the People team for EDI, accessibility, reward and retention, as well as investment in continuing to improve our technology and the efficiency of our processes.

## **Net movement in funds**

Our net decrease in funds for the year of £8.9 million (increase of £0.1 million in 2021/22) is a result of:

- Managing our ongoing operations in the context of a year of high economic uncertainty, which generated an operating loss of £3.4 million (£2.7 million loss in 2021/22 offset by grants of £2.7 million).
- Investing £2.7 million in addition to our usual level of face-to-face fundraising, to increase our income for the future.
- Strategically investing £1.2 million (£0.6 million in 2021/22) in planned projects to improve our interactions with our supporters and the people who use our services, as well as expanding our online retail capability.
- Unrealised losses on investments of £1.6 million (gain of £0.7 million in 2021/22).

Alongside our planned investments, these operating costs were affected by inflation, including investing in our people. Despite inflationary cost increases, our full operating costs were kept in line with our budget. We're making progress with our plan to increase our income to cover all operating costs in the coming year.

## **Fundraising and Partnerships**

### **Income**

Scope's income from fundraising and partnerships is derived from legacies, donations from individuals, grants, fees, corporate partners and philanthropists, as well as income from community and events.

Overall, total fundraising and partnerships income increased by 10% compared to last year, across all categories.

Results from individual giving in 2022/23 exceeded expectations, enhanced by further investment in recruiting new supporters, as well as strong retention of our existing supporters. This will be vital in enabling us to continue our work.

As always, we're truly grateful to every single one of our supporters for their ongoing generosity, enabling us to work towards a society where all disabled people experience equality and fairness.

Our corporate partnership, philanthropy and grant income highlights of the year include:

- £1.5 million received and distributed in community grants from the Charities Aid Foundation.
- Continued partnership with Deloitte on a number of financial, pro bono and volunteering activities.
- Expansion of our Disability Energy Support service and Disability Utility Support service with funding contributions from British Gas, Energy Savings Trust and a number of private utilities companies. Last year 18% more people visited our helplines resulting in 38,000 disabled people saving almost £2 million on their energy bills.
- Co-creation of a new online learning platform service (Learn at Scope) with the HSBC Social Inclusion Fund.
- Working with ITV to create a campaign highlighting the impact of the cost of living crisis on disabled people, with the advertisements airing in May 2023.
- Launching Scope for Business, a website that supports businesses to be more accessible and inclusive for disabled people. We delivered 50 Workplace Disability sessions, while our Inclusion Programme reached over 1,400 people and supported multiple organisations.

## Retail

We continued to improve the quality of our retail portfolio in 2022/23, closing 10 of our less profitable shops, while refitting and refurbishing others. We're following a detailed performance plan for our shops, which is expected to increase in 2023/24 as our net income grows.

We're prioritising investment in new shop openings, with 6 planned in the coming year. And we intend to continue our refit programme. Our new shops and refits include new enhanced layouts and branding, to provide a fully accessible experience and to maximise sales.

In 2022/23, we also implemented our planned e-Commerce expansion, opening a dedicated warehouse and distribution hub as well as refreshing our product range. We invested £0.5 million on expanding our eCommerce operations, a key element in our income growth strategy.

And we continue to be supported by corporate donations from our amazing partners. Our retail corporate partners in 2022/23 included ASOS, Amazon, Boden, boohoo, DPD, Dune, LaundryRepublic and M&S.

## Reserves policy

Our reserves policy is set to make sure we have an appropriate level of financial cover to provide financial stability. We take a risk-based approach to determine the appropriate minimum level of unrestricted reserves for ongoing sustainability.

Scope holds three categories of reserves:

- Restricted fund reserves (£1.4 million). These can only be spent on activity specified by the funder. This is often a service or a project.
- Unrestricted funds:
  - Designated reserves. These are funds the Trustees have agreed to set aside for specific activity or to cover legal obligations. We hold two designated reserves, one for planned strategic investment (£0.7 million) and a pension reserve as part of an ongoing employer covenant for the defined benefit pension scheme (£6.5 million).
  - Undesignated reserves. This is the balance of reserves after excluding the above. This is broken down into three sub-sections:
    - Fixed asset reserve (£3.1 million). To cover the net book value of tangible and intangible assets.
    - Minimum retained free reserves (£18 million). This is the amount needed to cover operational costs should income fall and/or costs go up unexpectedly, to safeguard the financial stability of the charity. Estimated as 3-4 months of total expenses and a further 8-9 months of fixed costs.
    - Available free reserves (£5 million). This is the amount over and above minimum free reserves to spend or invest.

We review the appropriate level of our reserves annually, adjusting for changes in investment strategy, performance and external risk factors. Our new 10-year strategy will define how we'll use these reserves to benefit disabled people and their families.

## Going concern

The Trustees have considered the financial position of the charity including cash, reserves and investment values, as well as the impact of future trading forecasts on the activities and financial results of the charity. After reviewing this information and considering the risks and uncertainties, they concluded the charity is able to meet its liabilities as they fall due, for at least 12 months from the date of this report. It remains appropriate to prepare the financial statements on the going concern basis.

## Investment policy and performance

During the year to 31 March 2023 our investment objectives were to:

- Cover short-term financial risks, ensuring security and liquidity of funds held.
- Preserve the value of the funds held in real terms, to cover longer-term financial risks and funding for future development opportunities.
- Ensure low volatility in investment asset values.
- Provide certainty for our short to medium-term planning.
- Achieve a total return on investments greater than the UK Retail Price Index (measured over a rolling three-year period).

Royal London Asset Management (RLAM) was appointed as our investment manager to handle our investments in line with a mandate provided in May 2011 and amended in August 2019.

The Finance Committee intend to review the investment policy this year, considering the current economic environment and the charity's requirements going forward.

We've applied an ethical approach to our investments policy:

- Investments exclude companies with significant trading interests in armaments, tobacco, pornography, alcohol, gambling and animal testing (excluding medical research for the benefit of humans).
- We only invest in companies that Experts in Responsible Investment Solutions consider able to mitigate their environmental impact and exposure to regions that could represent a 'human rights risk'.
- The fund manager makes sure companies within our portfolio have appropriate policies regarding discrimination on the grounds of disability, age, religion, race, gender and sexual orientation.
- We hold no direct Russian-listed exposure and total indirect Russian exposure accounts for less than 0.1% of the total assets managed by our fund manager. They have controls in place to flag any trades in companies that generate a material proportion of their revenues from Russia, as well as using a cloud-based platform to check portfolio holdings, clients and third-party relations for compliance with national and international sanction and embargo directives.

The performance of the investment portfolio is formally assessed against the above criteria every year by the Finance Committee. Our investments were worth £30.6 million at 31 March 2023 (compared to £40.2 million at 31 March 2022). £1.6 million of the decrease arose due to unrealised valuation losses. The remainder represents use of funds for operational activities and planned strategic investments as described above.

The asset allocation at 31 March 2023 was 25% bonds, 32% equities and 43% cash and cash equivalents.

The portfolio includes a sub-fund created to provide security to the Scope Pension Scheme. The balance on this fund at 31 March 2023 was £6.5 million, all of which is secured for the Pension Scheme.

## Pensions

We operate the following pension schemes:

- A single employer defined benefit pension scheme. The ‘Scope Pension Scheme’, closed to further contributions on 30 June 2013.
- A defined contribution stakeholder pension plan, opened on 1 October 2003, when the above Scope Pension Scheme was closed to new members.

The year-end valuation of the Scope Pension Scheme shows a surplus of £2.6 million, based on Financial Reporting Standard (FRS) 102 assumptions (compared to a surplus of £11.4 million in 2021/22). The surplus decreased due to:

- Actual inflation being higher than previously assumed under FRS102.
- Reduction in the market value of assets, including the impact of losses on liability driven investments (LDIs) during the market volatility in September 2022.

Partially offset by:

- A material increase in the discount rate, reducing the value placed on the liability.

We haven’t included the pension scheme asset in the balance sheet. Under the Pension Trust Deed, we don’t have an unconditional right to any of the surplus. You can find out more in note 28 to the financial statements. The Scope Pension Scheme is now closed to new members and to future accrual.

## Review of Scope subsidiaries

During the year ended 31 March 2023, we had one active subsidiary:

- Scope Central Trading Limited

The activities of this subsidiary, its assets and liabilities are included in these financial statements on a line-by-line basis. Transactions between entities such as sales from one entity to another are taken out when consolidating the group accounts. Details of all our subsidiaries, including those which no longer trade, are given in notes 8 and 15.

The company’s main activities are buying and selling general merchandise, greeting cards, clothing and giftware in our retail and online shops.

The turnover for the year was £1.1 million (£1.2 million in 2021/22). Net operating profit before the Gift Aid payment to Scope was £0.5 million (£0.3 million in 2021/22).



## Promoting success

The Trustees, as company Directors of Scope, must act in accordance with a clearly defined set of duties which are enshrined in s172 of the Companies Act 2006. Namely “the directors of a company must act in a way they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole, and in doing so, the Directors must have regard, amongst other matters, to the:

- Likely consequences of any decision in the long term.
- Interests of the company's employees.
- Need to foster the company's business relationships with suppliers, customers and others.
- Impact of the company's operations on the community and the environment.
- Desirability of the company maintaining a reputation for high standards of business conduct.
- Need to act fairly between members of the company.”

As part of their induction, Directors are briefed on these duties and they can access professional advice on these as needed, either from the Company Secretary or independently. Our Directors fulfil their duties partly through a clearly defined governance framework, delegating day-to-day operations to the Executive Leadership Team and Committees of the Board in line with the terms of reference.

The following sections further detail how Scope’s Directors exercise their duties.

## Our colleagues

Our people are at the heart of everything we do. Our culture is based on our values, within which our people can flourish. We work together in an environment that aims to support creativity, passion and growth. We have a presence throughout England and Wales, with people based around the UK. We’re a community of around 850 colleagues and over 4,000 volunteers, all working together with a shared vision of equality for disabled people.

In our 2022 Employee Engagement Survey (November 2022), 86% of colleagues shared their views about what it was like working at Scope. Colleagues enjoy working at Scope, are committed to our vision, understand our values, know what is expected of them, like and respect their colleagues, and feel their manager cares for them. Our focus on development saw the biggest improvements in our scores, especially around gaining skills and being encouraged to develop.

The three key areas we’re working on this year 2023 to 2024 are communications, systems and processes, and wellbeing.

What we’ve been doing over the last year:

- After the success of the 2022 Pioneering Leaders Programme for Retail, we invited another 21 retail colleagues to join us for a second year.
- 63 aspiring leaders and managers joined our Scope to Lead sessions in 2022.
- 18 colleagues started an apprenticeship in 2022, with 3 colleagues completing theirs with merits and distinctions.
- Our e-learning platform has been refreshed. It now looks and feels easier for our colleagues to navigate, improving the onboarding experience.
- We implemented new ways of working with retail, changing working patterns and trading hours.
- We've run a full year of individual colleague recognition awards, with 100 colleagues winning awards.
- We've run our inaugural Team awards, with 18 entries across Scope of teams doing great work together.

Our focus on Equality, Diversity and Inclusion (EDI) has seen us:

- Launch our new disability support leave policy.
- Hold eight EDI roundtables, with 800 attendees.
- Deliver our EDI induction training to over 150 new colleagues, and accessible documents training to 200 colleagues.
- Launch our new guide to diversity monitoring.
- Launch an anonymous reporting tool for colleagues.
- Awarded at first time of entry a Bronze Award by the Employers Network of Equality and Inclusion (ENEI).

## **Equality, Diversity and Inclusion (EDI) strategy**

Last year we co-produced and launched our first EDI strategy. Over the next three years, we'll be working towards the following 4 goals:

1. We'll have a more diverse team of colleagues and volunteers, with more marginalised people in leadership roles.
2. EDI will be everyone's responsibility and all leaders will take responsibility for inclusive decision making.
3. We'll have a culture where inclusive ways of working are the default.
4. Our work will better meet the needs of people who face multiple marginalisation.

So that:

- The decisions we make as a charity better meet the needs of all groups in society.
- Everyone has the knowledge and confidence to embed EDI in their work.
- All colleagues have an equally good experience at Scope.
- Scope's work has a positive impact on more disabled people.

Over the next year, we'll focus on the following actions in the EDI strategy:

- Monitoring diversity at all stages of the colleague lifecycle.
- Carrying out an inclusive recruitment improvement plan.
- Taking active steps to reduce our gender pay gap.
- Introducing mandatory EDI training.
- Upskilling senior leaders on inclusive leadership practices.
- Rolling out disability equality training to more colleagues.
- Rolling out equality impact assessments.
- Carrying out a review of our colleague networks.
- Undertaking research and insight work to better understand the way that disability inequality affects multiply marginalised groups.
- Starting to talk about intersectional inequalities in our policy and campaigns.
- Monitoring the diversity of our customers in services.
- Launching a new adjustments and access to work policy.

## **Our People data**

### **Disability**

Our colleagues are an increasingly diverse group of people. At March 2023, 19.5% of our colleagues reported through our HR system that they are disabled, have a health condition or impairment, an increase of 23% on the previous year.

The number of colleagues who identified as being disabled or having a health condition or impairment in our anonymous colleague survey in 2022 was 28%. Our volunteer survey reported 35.2% recognising themselves as disabled or having a health condition or impairment.

Although not mandatory, we report our disability pay gap, for 2022/23 this is -5%.

## Gender

We continue to make progress in reducing our gender pay gap, although there is clearly more we need to do in this area. Our mean pay gap reported for 2022/23 is 15.5% (compared to 16.2% in 2021/22).

## Ethnicity

Our organisation remains predominantly white British in ethnic makeup, with 81.5% of all our employees being white. Our Black, Asian and minority ethnic population is 13.1%, and our ethnicity pay gap is -4.9%. In our volunteer survey, 87% of respondents stated that they were white. Our Board of Trustees is leading the way in improving our ethnic diversity with a third from Black, Asian and minority ethnic backgrounds.

## Sexual orientation and gender identity

In April 2023, 10.3% of colleagues shared that they're LGBTQ+ on iTrent. This compares with 15% of colleagues who shared that they're LGBTQ+ in the 2022 colleague engagement survey. The percentage of colleagues who shared that they are trans on iTrent is 0.34%.

## How senior pay is set

We set the pay and reward for senior colleagues by:

- Evaluating the role against others in Scope from different job families, to make our pay structure consistent.
- Using market data from sector pay surveys and reports.

To make sure we're doing everything possible to achieve our mission, there's some flexibility on pay and reward so we can work with the best people. Our overall policy on pay and reward is agreed by the EDIP Committee and approved by the Board of Trustees. This includes recommendations from the Chief Executive on the Executive Leadership Team's pay. The Committee also recommends to the Board of Trustees the Chief Executive's pay.

In April 2023, executive pay was reviewed, and increases were awarded in line with sector benchmarking. Salaries paid during the year to our current Executive Leadership Team were:

| Role                                                     | Gross salary for the year ended 31 March 2023 | Employer pension contributions in 2022/23 | Total financial reward |
|----------------------------------------------------------|-----------------------------------------------|-------------------------------------------|------------------------|
| Chief Executive                                          | £150,000                                      | £0                                        | £150,000               |
| Executive Director of People                             | £99,057                                       | £4,212                                    | £103,269               |
| Executive Director of Strategy, Impact and Social Change | £100,695                                      | £1,321                                    | £102,016               |
| Executive Director of Retail and Communities             | £143,500                                      | £0                                        | £143,500               |
| Executive Director of Finance and Technology Services    | £120,000                                      | £2,770                                    | £122,770               |
| Executive Director of Services                           | £104,937                                      | £6,296                                    | £111,233               |
| Executive Director of Partnerships                       | £93,417                                       | £1,321                                    | £94,738                |
| Interim Executive Director of Fundraising (part-year)    | £51,930                                       | £550                                      | £52,480                |

## Environmental impact

We continue to move ahead in considering and minimising the impact that we have on our world. As part of this work, we're sharing the measurements of our carbon footprint. We consider this across three main areas:

- Direct emissions from activities that we own or control, which release emissions into the atmosphere. Emissions are generated from natural gas and relate to vehicles that we own or lease.
- Indirect emissions released into the atmosphere associated with our consumption of purchased electricity.
- Other indirect emissions from our actions, including emissions related to business travel.

Total CO<sub>2</sub> emissions for the year were 957 tonnes (1,114.5 tonnes in 2021/22) of which: 64%, 614.3 tonnes, is from the use of purchased electricity (70% and 782.3 tonnes in 2020/21); 26%, 246.9 tonnes, company vehicles (20% and 218 tonnes in 2021/22); 1%, 13.1 tonnes, natural gas (2% and 21.8 tonnes in 2021/22) and 9%, 82.7 tonnes, other indirect emissions (8% and 92.4 tonnes in 2021/22). We offset 64% (68% in 2021/22) of these emissions through a green energy contract.

In 2019/20, we set a target to reduce our emissions of CO<sub>2</sub>e per unit of floor area (square meter) by 2% per annum. The intensity ratio of total emissions per square meter of retail floor area for 2022/23 was 0.037 (0.042 in 2021/22), a decrease of 12% compared to the previous year and a decrease of 22% compared to 2019/20. The main reason for this decrease is the closure of 10 of our shops.

Our target for 2023/24 is to reduce emissions by a further 2% compared to 2022/23.

# Principal risks and uncertainties

## Overview

During the past year, we continued to use our risk management framework. We also added a statement of risk appetite. The framework is embedded within all our departments. It sets out the roles and responsibilities for risk management at Scope and the approach to identify, manage, monitor and review risk, as well as communicating and learning from risk management activities.

The overall responsibility for the management and control of risk rests with the Board of Trustees. Elements of the risk management process are also delegated to the Audit and Risk Committee, Executive Leadership Team, the Leadership Team and other colleagues.

The Audit and Risk Committee oversees the corporate assurance framework, the external audit and the annual programme of internal audit. The Committee takes the lead role on risk management oversight, regularly reviewing our corporate risk register and making sure the risk management framework works, as well as feeding back recommendations to the Board.

Certain external environmental factors are outside our control, for example:

- Government policy and other changes that may affect the lives and experiences of disabled people.
- Changes in market conditions that can affect our net income, such as ongoing effects of the pandemic, general economic conditions and inflationary pressure on operating costs.
- The value of investments we hold that can go up or down, in line with general market trends.

The impact of these environmental factors is monitored quarterly at a minimum (and more actively, in times of significant impact). This will allow us to make a quick and agile response, mitigating impact and ensuring continuity.

We use a set of control systems within our corporate assurance framework, so everyone can feel confident we're running our organisation and services effectively. Our internal auditors also systematically review our key activities and systems, prioritising areas of strategic risks, as well as following up on areas for improvement identified in previous years. This year, our internal audit programme included a review of risk management. Our auditors reported an improvement in the strength of the internal control environment last year. No significant control issues that would have a material adverse impact on the delivery of Scope's strategy or financial position were identified, in the year ended 31 March 2023.

## Our corporate risks

Our principal corporate risks are outlined below, with management actions to mitigate either the likelihood of the risk occurring or its possible impact.

### Strategic and environmental risks

1. Failure to adapt quickly and strategically to external changes, making us less able to continue to make a meaningful difference to disabled people.
2. Failure to stay relevant to our beneficiaries' changing needs and deliver the desired outcomes in an accessible way, that achieves the greatest impact.

Mitigation for risk 1 and 2:

- Starting the development of a new 10-year strategy, fully co-produced by disabled people and informed by extensive literature reviews and over 20 individual pieces of extensive Scope research with disabled people.
  - Making routine reports and taking regular action on feedback from customers, when using our services or accessing our support.
  - Using our co-production model to embed the experiences and voices of disabled people in all our work.
  - Embedding an insight driven approach to our communications, our campaigning and our interactions with Scope supporters and customers.
  - Making sure our services and programmes are continuously monitored, with co-produced and in-depth evaluations.
  - Maintaining a strong 'critical' friend relationship with key Government departments.
  - Tracking a consistent set of outcomes across our services and campaigns using the same measures and indicators, and reporting on these regularly to the Board of Trustees.
  - Continually assessing new and existing activity, against our impact framework.
  - Making sure our KPIs and plans are linked directly to our new 10-year strategy to focus all our work on our 3 goals, with impact reported to the Board quarterly.
3. Failure to realise the potential of digital technologies and channels to connect with our audiences, weakening our impact, our engagement with audiences and our income generation, as well as reducing outcomes for disabled people.

Mitigation

- We have a specialist digital team in place to support colleagues, with expertise in product management, user experience, front-end development and accessibility. The team is led by our Executive Director of Digital and Marketing, who specialises in

emerging technology.

- We have external agency support that gives us access to a wider range of platform and development expertise than we have in-house.
  - We trial new digital opportunities and ways of working through standalone digital initiatives.
4. Failure to generate the required net income to deliver our objectives efficiently and effectively. The impact of inflation and high cost of living on future years and/or external economic conditions could prevent us from delivering plans to develop income opportunities in retail, fundraising and partnerships. This could be the result of a delay in recruitment of key team members, lack of focus, lack of investment, increasing costs or other reasons.

Mitigation

- We have a detailed business plan and budget, including strategic investment to grow and diversify income streams.
- We use our daily, weekly and monthly reports to monitor income, costs and leading indicators in detail, enabling us to take corrective action where needed.

## Operational risks

1. Safeguarding arrangements fail to promote wellbeing, protect beneficiaries, volunteers and colleagues from adverse incidents, or fail to enable effective handling and responses to current or historical allegations that may come to light, causing reputational damage.

Mitigation

- We prioritise the safeguarding of all people who interact with Scope in everything we do. Our safeguarding policy is clearly embedded in operational processes and led by a team of three people in specialist safeguarding roles.
- The Board of Trustees has responsibility for oversight of safeguarding activity and is committed to promoting the welfare and wellbeing of children and adults at risk. It also ensures the right level of protection and safeguarding response is in place for anyone who connects with Scope and that incidents and allegations are handled with speed, efficiency and rigour.
- An Independent Member with specialist safeguarding expertise and experience attends the Audit and Risk Committee and provides expert advice to the Board and Safeguarding Team to drive forward best practice. Safeguarding is on the agenda at every quarterly meeting of the Audit and Risk Committee.
- At Executive level, the Chief Executive has responsibility for safeguarding. Additionally, all leaders are responsible for setting the standard and behaving in a way that reflects our values, complies with our safeguarding policy and procedures, and protects customers, colleagues and members of the public.



- Scope has a cross-organisation Safeguarding Steering Group with designated safeguarding leads and an external expert that meets 4 times per year. The group supports and reviews the progress and implementation of Scope's safeguarding strategy and safeguarding plan. It also provides oversight of safeguarding reporting, policies, procedures and resourcing, as well as reporting to the Board. The group monitors concerns and extracts learning through the Retail Case Management Group.
  - There are three full-time equivalent safeguarding professionals who make sure safeguarding responses are appropriate and consistent, and that the individual's wishes and rights are upheld. The team reviews all concerns via a centralised reporting system.
  - They're also responsible for providing Scope colleagues and volunteers with an appropriate level of mandatory safeguarding training.
  - Alongside other serious incident reporting, we report serious safeguarding incidents to the Charity Commission and other relevant regulators, in line with our Reporting Serious Incidents Guidance.
2. The effective delivery of Scope's objectives and strategy is not supported by our governance and oversight arrangements, with misaligned governance structures, for example, or gaps in skills and inadequate management information. As a result, when Scope is not delivering desired outcomes or value for money, the issues cannot be identified and addressed.

#### Mitigation

- We conduct regular skills audits and carry out continuous succession planning, using specialist agencies and internal recruitment campaigns to help improve our reach and diversity.
  - Independent Committee Members fill specific skills gaps.
  - Trustees serve a maximum of two three-year terms. A robust induction process includes specific training and development as needed.
  - Trustees receive feedback and appraisal.
  - We self-monitor against the Charity Governance Code.
  - We have robust financial and internal audit processes, including reporting against an agreed suite of KPIs and corporate risk register.
  - We regularly communicate and have meetings with our Members.
3. Given the challenging labour market as a result of Brexit, the pandemic and the invasion of Ukraine, Scope does not attract and retain sufficiently skilled, experienced and diverse colleagues to deliver its ambitions, particularly from the retail, marketing and fundraising sectors.

#### Mitigation

- We work with specialist recruitment agencies where appropriate and review applicant data to improve our attraction processes. We also plan to increase our use of co-production in this area.
  - Our development and training programmes for colleagues are in place and constantly reviewed, as a priority to enable career progression.
  - We've reviewed our adjustment processes, to positively support all colleagues to do their best work.
  - We'll use colleague inclusivity networks and engagement surveys, to help us identify areas for improvement.
4. Our technology may be vulnerable to attack and our Business Continuity Plan may not be responsive enough.

#### Mitigation

- We have an information and data security management framework to cover our security culture, security processes and IT security tools.
- Our technology is constantly reassessed, reflecting the ever-changing environment. All colleagues receive information security and GDPR training. Other controls include strong password policies, firewall and secure back-up infrastructure, restricted access, multi-factor authentication, mobile device controls and patch and change management policies.
- Our Business Continuity Plan has been refreshed and aligned to make sure it's fit for purpose alongside our current strategy, structure and technology environment.

### Legal and regulatory risks

2. We fail to comply with relevant regulation or legislation, especially in relation to Disability legislation, Safeguarding, Health and Safety, General Data Protection Regulation (GDPR), Employment Company law and Fiscal regulations.

#### Mitigation

- Our approach to safeguarding is noted in detail above.
- We make sure all new spaces and environments are completely accessible to disabled people and continue to review existing space, to maintain access requirements.
- We've adapted our services to the specific needs of those attending, by providing signed sessions, for example, and offering information in various accessible formats.
- We have clear guidance in place on our online community to make sure action can be taken to improve or remove inappropriate behaviours. We also take clear action where individuals fail to uphold acceptable standards of behaviour.

- We have specialist Disability legislation, Safeguarding, Data, and Health and Safety leads in place. We conduct regular horizon scanning against new legislation and seek independent advice where needed. We've improved our information security and data protection controls and we continue to work towards achieving Cyber Essentials status. We obtain professional advice on specific issues when appropriate.

## **Financial risk management**

During our day-to-day operations, we need to manage a variety of financial factors, such as credit and liquidity risks. We also need to manage the risk of the financial impact of any shortfall in net income compared to budget (see strategic risk 4). We use different control mechanisms to manage these.

## **Safeguarding of assets**

Credit risk relates to the risk that another party fails to honour its financial obligations to us and, consequently, we suffer a monetary loss.

The value of our investment assets is exposed to the risk from volatility in global markets. Our investments of £30.6 million are managed by RLAM, an A-credit-rated organisation. RLAM's investment performance and credit rating are overseen by our Finance Committee. Our main cash balances of £0.3 million are held in accounts managed by the NatWest Group. Smaller cash management arrangements are also held with other UK-based clearing banks. The credit rating of all these banks is considered when reviewing credit risk. We don't engage in any transactions involving derivatives or working capital.

Liquidity risk is being unable to raise enough cash to meet our obligations when they fall due. We manage our liquidity risk by making sure we manage our cash flow effectively, tracking working capital and net current assets. We keep sufficient cash balances to cover our predicted obligations.

Fraud is an inherent risk to all organisations and the risk of cyber fraud in the environment is increasing. We have controls in place to prevent and detect internal and external fraud as far as possible. During the last year, we have also strengthened our cyber security environment further.

# **Our structure, governance and management**

## **How Scope is constituted**

Scope is led by our Board of Trustees, who serve as Directors under company law.

The Standing Orders of the Board of Scope set out the regulations for the conduct of the Board of Trustees and its Committees. The Memorandum and Articles of Association is the governing and prevailing document of the charity. In the case of any conflict between the provisions of the Standing Orders and the Articles of Association, the latter will prevail.

Scope is a registered charity (Charity Commission number 208231) and a private company limited by guarantee without share capital (Companies House number 520866). It operates throughout England and Wales and it was incorporated on 20 June 1953.

Scope and all its subsidiaries are registered at: Scope, 2nd Floor, Here East Press Centre, 14 East Bay Lane, London, England, E15 2GW.

## **Methods used to recruit and appoint new charity Trustees**

The key constitutional provisions for appointment are Articles 32 to 36, as follows:

32. The number of Trustees shall not be less than 7 nor more than 10 (which shall include the Chair).

33. Apart from the Chair of the Board, who shall be appointed in accordance with Article 34, Trustees shall be elected by the Members at the Annual General Meeting, from people nominated for election by a Committee. That Committee is established by the Board, with delegated authority to make such nominations.

34. The Chair of the Board shall be appointed by the Board at its first meeting following the Annual General Meeting in each year, after being nominated by a Committee. That Committee is established by the Board, with delegated authority to make such nominations. The Board may refuse any person so nominated, in which case that Committee shall nominate another individual to act as Chair. When they're appointed, the Chair shall (if they are not already a Trustee) automatically become a Trustee.

35. The Board shall have power to co-opt any person to be a Trustee, but the total number of Trustees shall not exceed the number determined under Article 32. Any person so co-opted shall only serve in office until the next Annual General Meeting. Then they may be re-appointed by the Members, if they've been nominated for election in accordance with Article 33.

36. When they're appointed as a Trustee, a person shall automatically become a Member and they shall sign the Register accordingly.

## **Nominations and Governance Committee**

The Nominations and Governance Committee makes sure people who join the Board and its committees have the right skills, experience, values, and expertise to govern to the high standards demanded by our beneficiaries, customers, partners and supporters. The Committee oversees the search for, and recruitment of, Trustees and Independent Committee Members. The Nominations and Governance Committee is a standing committee and reports to the Board.

The formation of the Committee was approved by the Board in February 2023 to absorb the duties of the previously titled 'Nominations Panel' and extend its responsibilities to include governance.

The Committee has delegated authority to make nominations for the election of the Chair, Trustees and Independent Committee Members.

Once a Trustee is elected by the Members, they can serve a three-year term. They can then serve a maximum of a further three years if they and the Members agree.

Our Trustees volunteer their time and do not receive any rewards or benefits. Any expenses reclaimed by Trustees are in our financial statements.

## **Recruitment of Trustees and Independent Committee Members**

We recognise the value of a diverse Board and Committees, composed of people with the relevant blend of skills, experience and characteristics. To achieve this, we engage the services of recruitment consultants specialising in diverse Boards. We also use specialist advertising platforms and harness the power of our networks.

By using wider and more inclusive methods of searching for new Trustees and Committee Members, we can access a wider pool of applicants from a broad range of different social, economic and ethnic backgrounds. This leads to a greater diversity of perspectives.

Recruitment proposals consider the skills of the Trustees and Independent Committee Members, while seeking to address any gaps in existing skills, experience and diversity. Appointments are made subject to receipt of satisfactory references. Trustees are asked to sign an automatic disqualification declaration and both Trustees and Independent Committee Members will be required to complete declarations of interest forms and undergo enhanced Disclosure and Barring Service checks.

## **How we make decisions**

Article 39 of our Memorandum and Articles of Association says the Board “may make rules with respect to the carrying into effect of all or any of the purposes of the Company or all or any of the provisions of these Articles”.

The Board uses different governing documents to help it make the rules, including the following:

- The Standing Orders of the Board of Scope set out the regulations for the Board of

Trustees, its committees and people working for and with us. It shows how the Board can delegate authority to individuals, the Executive, Committees and working groups.

- The Scheme of Delegation sets out which powers are delegated to colleagues through the Chief Executive, and which stay with the Board. The Scheme is a tool for decision making and giving guidance to colleagues, so decisions are made by the right person or group to make sure the charity operates most efficiently and effectively.

The Chief Executive is responsible for the operational management of Scope, regularly reporting important issues and updates to the Board of Trustees.

## **Induction and training of Trustees**

The Standing Orders set out the policy on how to train Trustees, analyse their skills and evaluate the Board. This includes conducting appraisals and induction training, as well as identifying ongoing training needs.

We provide all Trustees with a full induction once they start. The induction includes a detailed briefing on the legal roles of Trustees and Directors, as well as our history, structure, mission and purpose. We support our Trustees throughout their terms in office to make them feel welcomed, as well as helping them fulfil their roles and deliver impact.

As part of the role, Trustees usually visit our shops and services. They get time to meet colleagues and volunteers, gaining first-hand experience of what we do and how we do it.

New Trustees will have an informal one-to-one meeting with the Chair, or Deputy Chair of the Board six months after being appointed. This will be an opportunity to encourage further contribution and identify any additional support needed to fulfil their roles.

## **The Board of Trustees and its Committees**

Charities exist to fulfil their charitable purposes. Scope is governed by our Board of Trustees, who have a responsibility to understand the environment in which Scope operates and lead us in fulfilling our purposes as effectively as possible, with the resources available. The Board's core role is to focus on strategy, performance and assurance.

As well as the main Board, 5 standing Committees report on specific issues:

- Audit and Risk
- Finance
- Equality, Diversity, Inclusion and People (EDIP)
- External Audiences
- Nominations and Governance

Each Committee has agreed terms of reference. Membership of all Committees includes both members of the Board of Trustees and Independent Committee Members.

Independent Committee Members play an important governance role. Their contribution

helps make sure advice and assurance through the Committee structure is informed by the relevant expertise and experience. The role is also designed to provide Independent Committee Members with the opportunity to develop leadership skills, so they can be considered for a Trustee role in the future.

Our Committee Members undergo the same comprehensive induction as our Trustees. They're given the same level of support to help them fulfil their role and feel welcomed.

The Chair of each Committee reports to the Board of Trustees at every Board meeting, presenting the most important activities they've undertaken and decisions they've made. The Committees also give the Board their support and advice in their specific areas of expertise, making sure the Board is fully equipped with knowledge, expertise and experience, whatever the subject.

The Audit and Risk Committee oversees the corporate assurance framework, internal and external auditing and risk management. The Finance Committee makes sure we use our financial resources and assets appropriately and reviews Scope's financial position.

The EDIP Committee oversees, reviews and connects all policy and strategic matters relating to Equality, Diversity and Inclusion (EDI) and People issues across the organisation, so Scope can become an exemplar of social change.

The External Audiences Committee oversees how well our services, fundraising, campaigning, influencing, retail, community activities, and partnerships are engaging with and meeting the needs of our external audiences.

The Nominations and Governance Committee makes sure the Board and Committees have the right skills to govern Scope, as well as overseeing the diversity of the Board. It also assists the Board in overseeing the quality of governance and supports it to maintain alignment with legal and regulatory requirements, in regard to charity law and Charity Commission guidance.

## **Scope Assembly**

The Scope Assembly is elected by the Membership to take Members' views to Trustees and the Executive Leadership Team. The Assembly gives Members the opportunity to hear news and updates, as well as giving feedback on decisions and initiatives.

Last year, we set out plans to grow our membership, as well as engaging Members and attracting young Members to help shape our future plans. As a result, our membership increased overall from 577 in 2022 to 1,040 Members in 2023. We recruited 200 young Members (18 to 25 year olds), who now represent 17% of our membership, compared to 3% previously.



## Our governance

We understand the importance of being accountable and transparent about our internal approach and governance processes. We're committed to establishing and embedding best practice governance throughout Scope.

The Nominations and Governance Committee will monitor delivery against the governance workplan and oversee the next skills and diversity audit, as well as a full Board performance review undertaken by an external consultant.

There are clear processes in place around annual and longer-term planning, supported by the Finance Committee, investment review panel held by the Executive Leadership Team and the scheme of delegation.

The Executive Leadership Team monitors key supplier and contractual relationships, to ensure the effective management of both value for money and risks. Scope's key supplier relationships are with our fundraising partners, technology service providers, property landlords, utility providers and waste collectors.

## Fundraising governance

We fundraise to deliver everyday equality for disabled people. We do this by providing direct services and by campaigning to change society. Our supporters volunteer their time, donate money, fundraise on our behalf, take part in events, campaign, raise awareness and give us their expertise, to make us even more effective.

Support from corporate partnerships, charitable trusts and high net worth individuals funds our innovative and evidence-based services. Financial investment and pro-bono support mean that we can increase our reach, amplify our voice and make even more of an impact on the lives of disabled people.

We have the highest standards of professional fundraising and we encourage our colleagues to join the Chartered Institute of Fundraising's training courses and specialist interest groups. We subscribe to the Fundraising Regulator to make sure we're respectful, open, honest and accountable in line with our organisational values. We're open about how we raise and use public donations, and we're transparent about the impact of these donations on the lives of disabled people and their families.

We take great care in choosing third party suppliers, making sure our contracts specify they follow fundraising best practice and closely monitoring how they fundraise on our behalf. We mystery shop and shadow our agencies very regularly, so we're confident they're displaying the standards we expect of them.

We work hard to give our supporters the best possible experience of Scope. But we understand things can go wrong and we take all concerns and complaints seriously. We provide a complaints procedure through our website.

The number of complaints received in relation to fundraising activities in 2022/23 was 691 complaints (226 in 2021/22). All complaints were resolved satisfactorily through our internal



processes, and none were escalated to the Fundraising Regulator. The increase in complaints can be attributed to two campaigns run by two third-party agencies working on behalf of Scope. We've terminated our partnerships with these agencies.

Our fundraising compliance and procedures are a priority. We're reviewing and updating fundraising procedures in line with the Code of Practice and the requirements of Scope's Gambling Commission license. By 2024/25, we plan to undertake a full CC20 review for our Trustees.

## **Directors' and Trustees' indemnity**

During last year, we had in place an indemnity insurance policy in favour of our Directors and Trustees against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. This third-party indemnity provision remains in force as at the date of approving the Trustees' report.

## **Our Directors and Trustees**

The Trustees in office during the year and up to the date of signing the financial statements are:

- Alexander Massey (resigned 23 November 2022)
- Donna Glover (resigned 23 November 2022)
- Joanne Hall
- Katie Stevens (appointed 31 October 2022)
- Mark Johnstone, Deputy Chair and Hon. Treasurer
- Matthew Johnston
- Mina Jesa (appointed 31 October 2022)
- Reece Jackson (appointed 5 April 2023)
- Sir Robin Millar CBE, Chair
- Simon Godfrey
- Tariq Khan
- Zeinab Chaudhary

## **Chief Executive**

Mark Hodgkinson

## **Legal and administrative details**

### **Independent auditors**

Moore Kingston Smith LLP, 9 Appold Street, London, EC2A 2AP

### **Solicitors**

Anthony Collins Solicitors, 76 King Street, Manchester, M2 4NH

### **Bankers**

National Westminster Bank plc, City of London Office, Corporate Business Centre, PO Box 12263, 1 Princes Street, London, EC2R 8PH

### **Investment advisers**

Royal London Asset Management, 55 Gracechurch Street, London, EC3V 0RL

### **Company secretary**

Angela Archbold

### **Registered office**

Scope and all subsidiaries are registered at Here East Press Centre, 14 East Bay Lane, London, E15 2GW

# Statement of Trustees' responsibilities

The Trustees (who are also Directors of Scope for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Board of Trustees to prepare financial statements for each financial year. Under that same Law, the Board of Trustees has prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable Law (United Kingdom Generally Accepted Accounting Practice).

Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group, and the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the 'Accounting and Reporting by Charities: Statement of Recommended Practice 2019' ('Charities SORP').
- Make judgements and estimates that are reasonable and prudent.
- State whether FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' has been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Board of Trustees is responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and the group, and enable them to make sure that the financial statements comply with the Companies Act 2006.

They're also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Board of Trustees is aware:

- There's no relevant audit information of which the company's auditors are unaware.
- They've taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and establish the company's auditors are aware of that information.

The Board of Trustees is responsible for the maintenance and integrity of the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may be different from legislation in other jurisdictions.

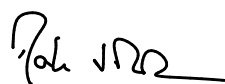
The Trustees' report and Strategic report were signed on behalf of the Trustees by:



Sir Robin Millar CBE

Trustee

Date: 26 July 2023



Mark Johnstone

Trustee

# Independent Auditor's report to the Members of Scope

## Opinion

We have audited the financial statements of Scope ('the parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement 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 group's and the parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

## **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 Trustees are responsible for the other information contained in the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the strategic report and the Trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Trustees' annual report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement set out on pages 41-42, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's responsibilities for the audit of the financial statements**

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act



2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

## 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. Our audit work has been undertaken so that we might state to the charitable company's members those matters which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Moore Kingston Smith LLP*

Andrew Stickland (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

9 Appold Street

London, EC2A 2AP

Date: 27 July 2023

# Group statement of financial activities

(Incorporating an income and expenditure account)

For the year ended 31 March 2023

|                                                   |          | Unrestricted<br>funds 2023 | Restricted<br>funds 2023 | Total funds<br>2023 | Unrestricted<br>funds 2022 | Restricted<br>funds 2022 | Total funds<br>2022 |
|---------------------------------------------------|----------|----------------------------|--------------------------|---------------------|----------------------------|--------------------------|---------------------|
|                                                   | Note     | £000                       | £000                     | £000                | £000                       | £000                     | £000                |
| <b>Income and endowments from:</b>                |          |                            |                          |                     |                            |                          |                     |
| Donations and legacies                            | 3        | 12,021                     | 833                      | 12,854              | 11,651                     | 1,138                    | 12,789              |
| Other trading activities                          | 4        | 23,286                     | –                        | 23,286              | 25,383                     | –                        | 25,383              |
| Investments                                       | 5        | 825                        | –                        | 825                 | 596                        | –                        | 596                 |
| Charitable activities:                            |          |                            |                          |                     |                            |                          |                     |
| Fees                                              |          | 760                        | 300                      | 1,060               | 790                        | –                        | 790                 |
| Grants                                            | 6        | 14                         | 2,472                    | 2,486               | 167                        | 1,562                    | 1,729               |
| Other income                                      | 7        | 3,546                      | –                        | 3,546               | 2,878                      | –                        | 2,878               |
| <b>Total income and endowments</b>                |          | <b>40,452</b>              | <b>3,605</b>             | <b>44,057</b>       | <b>41,465</b>              | <b>2,700</b>             | <b>44,165</b>       |
| <b>Expenditure on:</b>                            |          |                            |                          |                     |                            |                          |                     |
| Raising funds                                     | 9        | 32,527                     | –                        | 32,527              | 31,023                     | –                        | 31,023              |
| Charitable activities:                            |          |                            |                          |                     |                            |                          |                     |
| Community engagement                              | 9        | 1,531                      | 2,103                    | 3,634               | 956                        | 434                      | 1,390               |
| Employment services                               | 9        | 1,549                      | 1,305                    | 2,854               | 1,407                      | 1,269                    | 2,676               |
| Family services                                   | 9        | 2,127                      | 218                      | 2,345               | 1,780                      | 226                      | 2,006               |
| Information and advice                            | 9        | 2,749                      | –                        | 2,749               | 2,391                      | –                        | 2,391               |
| Influencing and campaigning                       | 9        | 6,563                      | –                        | 6,563               | 4,915                      | –                        | 4,915               |
| Strategic spend                                   | 9        | 1,174                      | –                        | 1,174               | 581                        | –                        | 581                 |
| Governance                                        | 9        | 139                        | –                        | 139                 | 136                        | –                        | 136                 |
| <b>Total expenditure</b>                          | <b>9</b> | <b>48,359</b>              | <b>3,626</b>             | <b>51,985</b>       | <b>43,189</b>              | <b>1,929</b>             | <b>45,118</b>       |
| Net (losses)/gains on investments                 | 14       | (1,558)                    | –                        | (1,558)             | 704                        | –                        | 704                 |
| <b>Net income/(expenditure)</b>                   |          | <b>(9,465)</b>             | <b>(21)</b>              | <b>(9,486)</b>      | <b>(1,020)</b>             | <b>771</b>               | <b>(249)</b>        |
| Transfers between funds                           | 20       | 86                         | (86)                     | –                   | 488                        | (488)                    | –                   |
| Actuarial gain on defined benefit pension schemes | 28       | 582                        | –                        | 582                 | 349                        | –                        | 349                 |
| <b>Net movement in funds</b>                      |          | <b>(8,797)</b>             | <b>(107)</b>             | <b>(8,904)</b>      | <b>(183)</b>               | <b>283</b>               | <b>100</b>          |
| <b>Fund balances brought forward at 1 April</b>   |          | <b>42,099</b>              | <b>1,512</b>             | <b>43,611</b>       | <b>42,282</b>              | <b>1,229</b>             | <b>43,511</b>       |
| <b>Fund balances carried forward at 31 March</b>  |          | <b>33,302</b>              | <b>1,405</b>             | <b>34,707</b>       | <b>42,099</b>              | <b>1,512</b>             | <b>43,611</b>       |

There were no gains or losses during the year other than those included in the statement of financial activities.

# Group and parent charitable company balance sheets

As at 31 March 2023

|                                                |      | Group         | Group         | Charity       | Charity       |
|------------------------------------------------|------|---------------|---------------|---------------|---------------|
|                                                |      | 2023          | 2022          | 2023          | 2022          |
|                                                | Note | £000          | £000          | £000          | £000          |
| <b>Fixed assets</b>                            |      |               |               |               |               |
| Intangible assets                              | 12   | 857           | 365           | 857           | 365           |
| Tangible assets                                | 13   | 2,289         | 1,795         | 2,289         | 1,795         |
| Investments                                    | 14   | 30,570        | 40,185        | 30,570        | 40,185        |
| <b>Total fixed assets</b>                      |      | <b>33,716</b> | <b>42,345</b> | <b>33,716</b> | <b>42,345</b> |
| <b>Current assets</b>                          |      |               |               |               |               |
| Stocks                                         |      | 381           | 177           | —             | —             |
| Debtors                                        | 16   | 6,814         | 6,327         | 6,800         | 6,362         |
| Cash at bank and in hand                       |      | 290           | 1,553         | 176           | 1,497         |
| <b>Total current assets</b>                    |      | <b>7,485</b>  | <b>8,057</b>  | <b>6,976</b>  | <b>7,859</b>  |
| Creditors: amounts falling due within one year | 17   | (3,588)       | (3,630)       | (3,577)       | (3,735)       |
| <b>Net current assets</b>                      |      | <b>3,897</b>  | <b>4,427</b>  | <b>3,399</b>  | <b>4,124</b>  |
| <b>Total assets less current liabilities</b>   |      | <b>37,613</b> | <b>46,772</b> | <b>37,115</b> | <b>46,469</b> |
| Provision for liabilities and charges          | 19   | (2,906)       | (3,161)       | (2,906)       | (3,161)       |
| <b>Net assets</b>                              |      | <b>34,707</b> | <b>43,611</b> | <b>34,209</b> | <b>43,308</b> |
| <b>Funds</b>                                   |      |               |               |               |               |
| Restricted funds                               | 20   | 1,405         | 1,512         | 1,405         | 1,512         |
| Unrestricted funds                             | 20   | 26,102        | 33,099        | 25,604        | 32,796        |
| Designated funds, strategic investment         | 20   | 700           | 2,500         | 700           | 2,500         |
| Designated funds, pension                      | 20   | 6,500         | 6,500         | 6,500         | 6,500         |
| <b>Total funds</b>                             |      | <b>34,707</b> | <b>43,611</b> | <b>34,209</b> | <b>43,308</b> |

We have a defined benefit pension scheme which is closed and in surplus. See note 28 for details.

As permitted by section 408 of the Companies Act 2006, and FRS 102, no separate statement of financial activities is presented in respect of the parent charity.

The notes on pages 51 to 74 form part of these financial statements.

The financial statements on pages 48 to 74 were approved by the Board of Trustees on 26 July 2023 and signed on its behalf by:

*Robin Millar*

*Mark Johnstone*

Sir Robin Millar CBE  
Trustee

Mark Johnstone  
Trustee

Company number: 520866

# Group cash flow statement

For the year ended 31 March 2023

|                                                  | Group<br>2023<br>£000 | Group<br>2022<br>£000 |
|--------------------------------------------------|-----------------------|-----------------------|
| <b>Cash flows from operating activities:</b>     |                       |                       |
| Net cash used in operating activities            | (8,487)               | (409)                 |
| <b>Cash flows from investing activities:</b>     |                       |                       |
| Investment income received                       | 825                   | 596                   |
| Purchase of tangible and intangible fixed assets | (1,658)               | (820)                 |
| Purchase of fixed asset investments              | –                     | (1,350)               |
| Sale of fixed asset investments                  | 8,057                 | 1,900                 |
| Net cash from investing activities               | 7,224                 | 326                   |
| <b>Change in cash and cash equivalents</b>       | <b>(1,263)</b>        | <b>(83)</b>           |
| Cash brought forward at 1 April                  | 1,553                 | 1,636                 |
| <b>Cash carried forward at 31 March</b>          | <b>290</b>            | <b>1,553</b>          |

## Note to group cash flow statement

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

|                                                               | Group<br>2023<br>£000 | Group<br>2022<br>£000 |
|---------------------------------------------------------------|-----------------------|-----------------------|
| Net movement in funds for the reporting period                | (8,904)               | 100                   |
| <b>Adjustments for:</b>                                       |                       |                       |
| Net losses/(gains) on investments                             | 1,558                 | (704)                 |
| Investment income received                                    | (825)                 | (596)                 |
| Depreciation and amortisation charges                         | 638                   | 575                   |
| Loss on sale of tangible fixed assets                         | 34                    | –                     |
| (Increase)/decrease in stock                                  | (204)                 | 336                   |
| (Increase)/decrease in debtors                                | (487)                 | 1,143                 |
| Decrease in creditors                                         | (42)                  | (1,547)               |
| (Decrease)/increase in provisions for liabilities and charges | (255)                 | 284                   |
| <b>Net cash used in operating activities</b>                  | <b>(8,487)</b>        | <b>(409)</b>          |

# Notes to the financial statements

## 1. Accounting policies

### Basis of preparation

The financial statements are prepared in accordance with:

- The Charities Act 2011.
- The 'Accounting and Reporting by Charities: Statement of Recommended Practice 2019' ('Charities SORP').
- Applicable accounting and reporting standards in the United Kingdom. Including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102').
- The Companies Act 2006.

The accounting policies adopted by the Board of Trustees are applied consistently year on year across the Group and are described below.

The financial statements are prepared on a going concern basis, under the historical cost convention as modified by the revaluation of investments.

The Trustees have considered the financial position of the charity including cash, reserves and investment levels, as well as future trading forecasts, in particular the ongoing impact of cost inflation, on the activities and financial results of the charity. After reviewing this information and considering the risks and uncertainties, they concluded the charity is able to meet its liabilities as they fall due for at least 12 months from the date of this report. It remains appropriate to prepare the financial statements on the going concern basis.

The charity has taken advantage of the exemption from preparing a cash flow statement under FRS 102. The cash flows of the charity are included in the consolidated financial statements. The charity is a public benefit entity.

### Basis of consolidation

The consolidated financial statements of the group incorporate the financial statements of Scope and its subsidiary undertakings on a line-by-line basis. The charity's total incoming resources were £43.1 million (£43 million in 2021/22). The charity's net movement in funds include:

- Pension scheme actuarial gains of £582,000 (compared to £349,000 in 2021/22).
- Investment losses of £1,558,000 (compared to gains of £704,000 in 2021/22).

There were no other recognised gains or losses attributable to the charity.

As allowed by section 408 of the Companies Act 2006, and FRS 102, no statement of financial activities is presented in respect of the parent charity.

## **Incoming resources**

We recognise all income in the statement of financial activities when:

- The conditions for receipt have been met (that is, there is entitlement to the funds).
- It is at least probable that the funds will be received.
- The funds can be reliably measured.

The following accounting policies are applied to income:

## **Donations including events and individual giving**

As a public benefit entity, Scope receives various donations as non-exchange transactions.

We include general donations and donations from fundraising events in income on receipt. Gift Aid to which Scope is entitled, but is not yet received at the year end, is included in incoming resources and shown as a debtor in the balance sheet.

We recognise other income from fundraising events on delivery of the event.

## **Individual giving, face to face fundraising**

We recognise regular donations from individuals on receipt. Income is recognised gross. We record any fees charged for fundraising, including by a third party, as a fundraising expense.

## **Legacies**

We recognise legacy income when we can reliably measure the amount receivable and it's probable we'll receive it. Receipt is typically probable when:

- There has been grant of probate.
- The executors have established that there are sufficient assets in the estate to pay the legacy. After settling any liabilities.
- Any conditions attached to the legacy are either within our control or have been met.

When the legacy amount due to Scope is uncertain, we disclose the legacy as a contingent asset. For example, if the interest of the charity in a pecuniary or residuary legacy cannot be measured reliably.

## **Restricted donations including corporate donations**

Donations are restricted when donors apply specific conditions on how we can use the funds. We recognise restricted donations when the conditions for entitlement are within our control or have been met.

## **Donations in kind**

Donations in kind (including pro-bono work) are recognised at their value to Scope when received. We include an equal amount in the appropriate category of expenditure.

The financial statements don't include volunteer time as this cannot be reliably estimated.

## **Retail income**

We recognise retail income, including sales of donated goods in our shops, when the sale takes place. We accrue estimated associated Gift Aid at the point of sale. Once we have consent, we recognise the income claimed from HM Revenue & Customs and reverse the accrual.

## **Bought-in goods income**

We recognise bought-in goods income at the point of sale.

## **Investment income**

We recognise investment income when receivable.

## **Fees for services**

We recognise fees once we've provided the services. We defer income received in advance until we provide the service.

## **Grants receivable including Government grants**

We recognise grants when the conditions for entitlement are met. Evidence of entitlement typically exists when we receive the formal offer of funding. Where terms or conditions must be met before we have entitlement to the resources, the income is deferred and included in creditors.

Grant funding agreements may contain performance conditions. For example, payments are linked to the achievement of a particular level of service or units of output delivered. In these circumstances, we recognise income when the performance-related conditions are within our control and there is evidence that they've been or will be met.

Conditions may specify the period over which the expenditure of resources can take place. This may limit our ability to spend the grant until we perform the activity related to the specified period. In these circumstances, we recognise income over the time period specified.

## **Sales from other charitable activities**

Sales income comprises income for rent receivable, sponsorship and other incoming resources from charitable activities. We recognise sales and ancillary income on the date of sale. We recognise rent receivable over the rental period.

## **Profit and loss on sale of asset**

The net book value of the asset being disposed is allocated to the associated receipt. If the receipt is more than the net book value, we recognise the profit as income. If the net book value is more than the receipt, we recognise the loss as reduced income.

## **Intellectual property licencing**

Royalties are payments made by one company (the licensee) to Scope (the licensor) in exchange for the right to use intellectual property or physical assets owned by Scope.

We recognise royalty income on the date of the related sale.

## **Resources expended**

All resources expended have been accounted for on an accruals basis. Irrecoverable VAT is included with the expense item to which it relates.

## **Charitable expenditure**

This includes all expenditure directly related to the delivery of our mission.

## **Support costs**

Our support costs include the costs of colleagues, rent and other operational costs. All costs are allocated between the costs of raising income, activities in furtherance of the charity's objects and other costs. Most costs incurred by Scope are directly attributable to individual activities. Where costs are not directly attributable to particular activities, they are apportioned on an appropriate basis (note 9).

## **Grants payable**

Grants payable are recognised in the statement of financial activities when the conditions within Scope's control for disbursement have been met. Grants paid before the conditions have been met are deferred and included in debtors at year end.



## Intangible fixed assets

Intangible assets are stated in the balance sheet at cost less accumulated amortisation. Amortisation is charged evenly over the estimated useful lives of the assets at the following rates:

- Software development, 25% or 33.3%

## Tangible fixed assets

Freehold properties and other tangible assets are stated in the balance sheet at cost or the fair value at the date of receipt (if donated) less accumulated depreciation. Depreciation is charged evenly over the estimated useful lives of the assets at the following rates:

- Freehold land, no depreciation
- Freehold property, 2%
- Leasehold property and improvements to leasehold property, 2% or over the term of the lease if less than 50 years
- Improvements to property, 6.66%
- Motor vehicles, 20%
- Fixtures and equipment, 20%
- Computer equipment and software, 25% or 33.33%
- Gains or losses from the disposal of tangible fixed assets are recognised in other income.

## Asset impairment

At each reporting date, fixed assets are reviewed to assess whether they have suffered impairment. The recoverable amount of any affected asset is estimated and compared with its carrying amount.

If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the statement of financial activities.

## Funds

Scope maintains various funds as follows:

### Restricted funds

Restricted funds are the unspent balances on grants, donations and legacies received from donors who stipulated they be used for specific purposes.

## Unrestricted funds

Funds that can be spent at the discretion of the Board of Trustees to help fulfil our objectives. Such funds may be held to finance working capital and strategic investment.

## Designated funds

Funds that have been set aside at the discretion of the Board of Trustees for specific purposes. They would otherwise form part of the general unrestricted funds.

## Financial assets and liabilities

Investments are stated at fair value. Net gains and losses that have resulted from both changes in holdings and in their fair value are shown in the appropriate section of the statement of financial activities.

Debtors and creditors treated as financial assets and liabilities (notes 16 to 19) are measured at transaction price, less any impairment. Cash balances are stated at present value.

## Leases

Assets held under finance leases are capitalised at their fair value at the start of their term. They are depreciated over their useful lives or lease term if shorter. The finance charges are allocated over the periods of the leases in proportion to the outstanding capital amount. Operating lease costs are charged directly in the period to which they relate.

## Stocks

Stocks are stated at the lower of cost and net realisable value. They are valued using the weighted-average method. Stock is reviewed regularly throughout the year with a provision made for stock that is unlikely to be sold. Stocks of unsold donated goods are not valued for balance sheet purposes, since their cost is nil, and their value is uncertain until sold.

## Pension costs

The statement of financial activities includes:

- The cost of benefits accruing during the year in respect of current and past service (charged against net outgoing resources).
- The expected return on the pension scheme's assets and the increase in the present value of the scheme's liabilities, shown as pensions finance charge.
- Actuarial gain recognised in the pension scheme (shown within net movement of funds).
- In accordance with FRS 102, the scheme value is calculated taking assets at their year-end fair values and liabilities at their actuarially calculated values discounted at year-end AA-rated corporate bond interest rates. The scheme surplus is disclosed as nil value in

accordance with the FRS 102 balance sheet limitation. Further details regarding all pension schemes are disclosed in note 28.

We participate in a defined contribution scheme. Contributions to the scheme are recognised in the period in which they become payable.

Pension costs other than finance charges and actuarial gains or losses, disclosed in note 28, are allocated to expenditure by charitable activity, in line with other salary costs.

## **Irrecoverable Value Added Tax (VAT)**

Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

## **2. Critical accounting judgements and estimation**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events.

Provision is made for retirement obligations, stock obsolescence, doubtful debts and dilapidations on leased properties. These provisions require management's best estimate of the costs that will be incurred, based on legislative and contractual requirements.

Management considers whether fixed assets are impaired. Where an indication of impairment is identified, the recoverable value of those assets requires the estimation of the future cash contribution that can be realised from those assets.

### **Contingent assets**

Legacy income for which confirmation of the amount has not been received as at the balance sheet date has not been included in the incoming resources. The value of these legacies is estimated as £1,061,000 (compared to £1,692,000 in 2021/22).

### **Contingent liabilities**

An enquiry has been received about historical policies and procedures in connection with employment legislation. The charity believes that it complies with the legislation, has submitted a full response to initial enquiries and will provide further information requested. However, while the enquiry progresses there is a possibility that a liability may arise. At this stage it is impracticable to give any indication of the amount or timing of any possible outflow.

### 3. Donations and legacies

|                                         | Group<br>2023<br>£000 | Group<br>2022<br>£000 |
|-----------------------------------------|-----------------------|-----------------------|
| <b>Donations and gifts:</b>             |                       |                       |
| Retail                                  | 278                   | 228                   |
| Individual giving                       | 7,657                 | 7,052                 |
| Events fundraising                      | 420                   | 301                   |
| Philanthropy and corporate partnerships | 547                   | 1,346                 |
| Trusts                                  | 162                   | 193                   |
| Donations in kind*                      | 129                   | 178                   |
|                                         | <b>9,193</b>          | <b>9,298</b>          |
| <b>Legacies</b>                         | <b>3,661</b>          | <b>3,491</b>          |
|                                         | <b>12,854</b>         | <b>12,789</b>         |

\*Donations in kind are for professional services, advice and assets received by Scope supporting charitable and strategic activities.

### 4. Other trading activities

|                                                            | Group<br>2023<br>£000 | Group<br>2022<br>£000 |
|------------------------------------------------------------|-----------------------|-----------------------|
| Gift Aid                                                   | 1,267                 | 1,131                 |
| Sale of donated and bought-in goods                        | 21,813                | 21,295                |
| Raffles in shops                                           | 145                   | 146                   |
| Other income                                               | 61                    | 118                   |
| Government grants (Job retention scheme and shop closures) | —                     | 2,693                 |
|                                                            | <b>23,286</b>         | <b>25,383</b>         |

### 5. Income from investments

|                                       | Group<br>2023<br>£000 | Group<br>2022<br>£000 |
|---------------------------------------|-----------------------|-----------------------|
| <b>Income from listed investments</b> | <b>825</b>            | <b>596</b>            |

## 6. Grants receivable (excluding job retention scheme and shop closures)

|                                                 | Unrestricted<br>funds<br>£000 | Restricted<br>funds<br>£000 | 2023<br>total<br>£000 | 2022<br>total<br>£000 |
|-------------------------------------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| <b>Government grants:</b>                       |                               |                             |                       |                       |
| Department for Work and Pensions                | –                             | –                           | –                     | 153                   |
| Working on Wellbeing                            | –                             | 662                         | 662                   | 660                   |
| <b>Total Government grants</b>                  | –                             | 662                         | 662                   | 813                   |
| <b>Local authority grants:</b>                  |                               |                             |                       |                       |
| Leeds Activities                                | –                             | –                           | –                     | (89)                  |
| <b>Total local authority grants</b>             | –                             | –                           | –                     | (89)                  |
| <b>Other grants:</b>                            |                               |                             |                       |                       |
| Fidelity                                        | –                             | –                           | –                     | 400                   |
| People's Health Trust, Local People's Programme | –                             | –                           | –                     | 211                   |
| Energy Saving Trust                             | –                             | 117                         | 117                   | 246                   |
| Charities Aid Foundation                        | –                             | 1,500                       | 1,500                 | –                     |
| Other grants < £50,000                          | 14                            | 193                         | 207                   | 148                   |
| <b>Total other grants</b>                       | 14                            | 1,810                       | 1,824                 | 1,005                 |
| <b>Total grants receivable</b>                  | 14                            | 2,472                       | 2,486                 | 1,729                 |

As at the balance sheet date, there were no unfulfilled conditions for any of the Government grants detailed above. Grants received in relation to the job retention scheme and shop closures in 2021/22 are presented to note 4.

## 7. Other income

|                                       | Group<br>2023<br>£000 | Group<br>2022<br>£000 |
|---------------------------------------|-----------------------|-----------------------|
| Lottery, raffles and other income     | 3,580                 | 2,878                 |
| Loss on sale of tangible fixed assets | (34)                  | –                     |
|                                       | <b>3,546</b>          | <b>2,878</b>          |

## 8. Subsidiaries' income and costs

The income and costs of Scope Central Trading Limited:

|                                | 2023<br>total<br>£000 | 2022<br>total<br>£000 |
|--------------------------------|-----------------------|-----------------------|
| <b>Turnover</b>                | <b>1,061</b>          | <b>1,182</b>          |
| Cost of sales                  | (563)                 | (874)                 |
| <b>Gross profit</b>            | <b>498</b>            | <b>308</b>            |
| Administration and other costs | –                     | (4)                   |
| Other operating income         | –                     | –                     |
| <b>Operating profit/(loss)</b> | <b>498</b>            | <b>304</b>            |
| Taxation                       | –                     | –                     |
| <b>Net income</b>              | <b>498</b>            | <b>304</b>            |

Income and expenditure reported by the subsidiaries has been incorporated into the appropriate sections in the statement of financial activities, under the relevant department.

At 31 March 2023 Scope Central Trading Limited had £497,591 net assets (compared to £304,066 in 2021/22). This comprised assets of £532,541 (compared to £348,255 in 2021/22) and liabilities of £34,950 (compared to £44,189 in 2021/22).

Scope holds 100% of the share capital of Scope Central Trading Limited (see note 15).

## 9. Analysis of total expenditure and support costs

| The Group                                  | Activities undertaken directly<br>£000 | Support costs<br>£000 | 2023 total<br>£000 | 2022 total<br>£000 |
|--------------------------------------------|----------------------------------------|-----------------------|--------------------|--------------------|
| <b>Cost of raising funds:</b>              |                                        |                       |                    |                    |
| Cost of raising donations and legacies     | 6,888                                  | 1,934                 | 8,822              | 7,274              |
| Cost of trading activities                 | 20,225                                 | 3,480                 | 23,705             | 23,749             |
| <b>Total cost of raising funds</b>         | <b>27,113</b>                          | <b>5,414</b>          | <b>32,527</b>      | <b>31,023</b>      |
| <b>Charitable activities</b>               |                                        |                       |                    |                    |
| Community engagement                       | 3,342                                  | 292                   | 3,634              | 1,390              |
| Employment services                        | 2,299                                  | 555                   | 2,854              | 2,676              |
| Family services                            | 1,674                                  | 671                   | 2,345              | 2,006              |
| Information and advice                     | 2,266                                  | 483                   | 2,749              | 2,391              |
| Influencing and campaigning                | 5,970                                  | 593                   | 6,563              | 4,915              |
| Strategic spend                            | 1,077                                  | 97                    | 1,174              | 581                |
| Governance                                 | 139                                    | –                     | 139                | 136                |
| <b>Total cost of charitable activities</b> | <b>16,767</b>                          | <b>2,691</b>          | <b>19,458</b>      | <b>14,095</b>      |
| <b>Total expenditure</b>                   | <b>43,880</b>                          | <b>8,105</b>          | <b>51,985</b>      | <b>45,118</b>      |

|                                                               |               |              |               |               |
|---------------------------------------------------------------|---------------|--------------|---------------|---------------|
| <b>Total expenditure excluding cost of trading activities</b> | <b>23,655</b> | <b>4,625</b> | <b>28,280</b> | <b>21,369</b> |
|---------------------------------------------------------------|---------------|--------------|---------------|---------------|

|                                                    | Management, HR and communications<br>£000 | Finance and purchasing<br>£000 | Technology services<br>£000 | Property and facilities<br>£000 | 2023 total<br>£000 | 2022 total<br>£000 |
|----------------------------------------------------|-------------------------------------------|--------------------------------|-----------------------------|---------------------------------|--------------------|--------------------|
| <b>Support costs</b>                               |                                           |                                |                             |                                 |                    |                    |
| <b>Cost of raising funds:</b>                      |                                           |                                |                             |                                 |                    |                    |
| Cost of raising donations and legacies             | 655                                       | 489                            | 375                         | 415                             | 1,934              | 1,326              |
| Cost of trading activities                         | 1,179                                     | 879                            | 676                         | 746                             | 3,480              | 3,732              |
|                                                    | <b>1,834</b>                              | <b>1,368</b>                   | <b>1,051</b>                | <b>1,161</b>                    | <b>5,414</b>       | <b>5,058</b>       |
| <b>Charitable activities:</b>                      |                                           |                                |                             |                                 |                    |                    |
| Community engagement                               | 98                                        | 74                             | 57                          | 63                              | 292                | 180                |
| Employment services                                | 188                                       | 140                            | 108                         | 119                             | 555                | 487                |
| Family services                                    | 228                                       | 169                            | 130                         | 144                             | 671                | 611                |
| Information and advice                             | 163                                       | 122                            | 94                          | 104                             | 483                | 442                |
| Influencing and campaigning                        | 201                                       | 150                            | 115                         | 127                             | 593                | 484                |
| Strategic spend                                    | 33                                        | 24                             | 19                          | 21                              | 97                 | 26                 |
| <b>Total support costs, charitable activities:</b> | <b>911</b>                                | <b>679</b>                     | <b>523</b>                  | <b>578</b>                      | <b>2,691</b>       | <b>2,230</b>       |
| <b>Total support costs for 2023</b>                | <b>2,745</b>                              | <b>2,047</b>                   | <b>1,574</b>                | <b>1,739</b>                    | <b>8,105</b>       | <b>7,288</b>       |
| Total support costs for 2022                       | 2,429                                     | 1,990                          | 1,364                       | 1,505                           |                    |                    |

We review the basis of support cost allocation every year to make sure it's reasonable and fairly reflects the nature of the costs and how they're incurred. The basis for allocation of support costs is as follows:

- According to usage or transactional data where this is relevant and available.
- Departmental headcount where the cost is related to the number of colleagues.
- In proportion to the size of the cost base where the size of the departmental activity is more relevant.
- Evenly allocated across departments where this is considered a more appropriate indicator for corporate costs.

## 10. Net income/expenditure

|                                                                      | Group<br>2023<br>£000 | Group<br>2022<br>£000 |
|----------------------------------------------------------------------|-----------------------|-----------------------|
| <b>Net income/expenditure for the year is stated after charging:</b> |                       |                       |
| <b>Auditors' remuneration:</b>                                       |                       |                       |
| Audit of these financial statements                                  | 49                    | 47                    |
| Audit of the charity's subsidiaries                                  | 4                     | 6                     |
| Non-audit fees*                                                      | 3                     | 4                     |
| <b>Loss on sale of tangible assets:</b>                              |                       |                       |
| Loss on the sale of fixed assets                                     | 34                    | –                     |
| <b>Depreciation of intangible and tangible fixed assets:</b>         |                       |                       |
| Owned assets                                                         | 638                   | 575                   |
| <b>Net pension finance cost</b>                                      | <b>582</b>            | <b>349</b>            |
| <b>Operating lease rentals:</b>                                      |                       |                       |
| Equipment                                                            | 201                   | 118                   |
| Property                                                             | 4,561                 | 4,340                 |
| Motor vehicles                                                       | 204                   | 194                   |

\* Non-audit fees relate to Gambling Commission reporting

## 11. Information regarding employees and Trustees

|                                                                       | Group<br>2023<br>£000 | Group<br>2022<br>£000 |
|-----------------------------------------------------------------------|-----------------------|-----------------------|
| <b>Staff costs comprise:</b>                                          |                       |                       |
| Wages and salaries                                                    | 21,607                | 19,120                |
| Social security costs                                                 | 1,911                 | 1,582                 |
| Other pension costs                                                   | 510                   | 610                   |
|                                                                       | 24,028                | 21,312                |
| Payments made to independent third parties for the provision of staff | 405                   | 338                   |
| <b>Total payroll and staff related costs</b>                          | <b>24,433</b>         | <b>21,650</b>         |

In addition to the payroll and staff costs set out in the table, there were redundancy payments of £50,864 (compared to £52,772 in 2021/22) and ex-gratia (goodwill) payments of £49,042 (compared to £33,978 in 2021/22). Ex-gratia payments were made as part of settlement agreements with ex-employees at the time of leaving and were fully paid in the year. These payments are managed through the People Team in line with approved policy and procedure and authorised in accordance with the Scheme of Delegation based on the size of payment.

Payments made to independent third parties for the provision of staff are costs to cover vacancies pending recruitment, short-term sickness cover and certain projects.



| <b>Average number of employees during the year:</b> | <b>2023</b> | <b>2022</b> |
|-----------------------------------------------------|-------------|-------------|
| Cost of raising donations and legacies              | 40          | 33          |
| Cost of trading activities                          | 486         | 512         |
| Community engagement                                | 14          | 13          |
| Employment services                                 | 47          | 40          |
| Family services                                     | 79          | 73          |
| Information and advice                              | 39          | 39          |
| Influencing and campaigning                         | 50          | 47          |
| Strategic spend                                     | 5           | 1           |
| Support costs                                       | 69          | 66          |
| Governance                                          | 3           | 1           |
|                                                     | <b>832</b>  | <b>825</b>  |

The average full-time equivalent headcount for the year was 710 (compared to 718 in 2021/22). The full-time equivalent excludes hourly paid casual workers due to the variable nature of the hours worked.

The number of senior colleagues whose salary for the year (including taxable benefits in kind and redundancy payments, but not employer pension costs) exceeded £60,000 was:

|                     | <b>2023<br/>Number</b> | <b>2022<br/>Number</b> |
|---------------------|------------------------|------------------------|
| £60,000 – £70,000   | 11                     | 9                      |
| £70,001 – £80,000   | 6                      | 2                      |
| £80,001 – £90,000   | 1                      | 4                      |
| £90,001 – £100,000  | 3                      | 1                      |
| £100,001 – £110,000 | 2                      | –                      |
| £110,001 – £120,000 | 1                      | 2                      |
| £120,001 – £130,000 | –                      | –                      |
| £130,001 – £140,000 | –                      | –                      |
| £140,001 – £150,000 | 2                      | 2                      |
|                     | <b>26</b>              | <b>20</b>              |

We operate an auto enrolment defined contribution scheme as our main pension plan.

23 senior colleagues are accruing retirement benefits from the defined contribution scheme (compared to 18 in 2021/22). Contributions paid for the year, including salary sacrifice amounts, in respect of senior colleagues included in the table above for all schemes amounted to £151,578 (compared to £90,569 in 2021/22).

All of the Executive Leadership Team who have authority and responsibility for planning, directing and controlling the activities of the Group are considered to be key management personnel. Total remuneration paid in respect of these individuals was £991,555 including salary £863,536, employer's national insurance contributions £111,548 and employer's pension contributions £16,471 (compared to total remuneration of £998,829 in 2021/22 including salary £876,437, employer's national insurance contributions £107,136 and employer's pension contributions £15,256).

In 2022/23, no Trustee or person closely related or connected to them has received any remuneration or other benefit from Scope. Other than as a beneficiary on non-preferential terms (same as 2021/22). During the year, we reimbursed £852 for travel, subsistence and accommodation expenses to 4 Trustees (none in 2021/22).

## 12. Intangible fixed assets for use by the group and charity

| Group and charity               | Software development<br>£000 | Total<br>£000 |
|---------------------------------|------------------------------|---------------|
| <b>Cost</b>                     |                              |               |
| At 1 April 2022                 | 407                          | 407           |
| Additions                       | 579                          | 579           |
| Disposals                       | —                            | —             |
| <b>At 31 March 2023</b>         | <b>986</b>                   | <b>986</b>    |
| <b>Accumulated amortisation</b> |                              |               |
| At 1 April 2022                 | 42                           | 42            |
| Charge for the year             | 87                           | 87            |
| Disposals                       | —                            | —             |
| <b>At 31 March 2023</b>         | <b>129</b>                   | <b>129</b>    |
| <b>Net book value</b>           |                              |               |
| At 1 April 2022                 | 365                          | 365           |
| <b>At 31 March 2023</b>         | <b>857</b>                   | <b>857</b>    |

## 13. Tangible fixed assets for use by the group and charity

| Group and charity               | Freehold and<br>leasehold<br>property<br>£000 | Motor vehicles<br>£000 | Fixtures,<br>equipment and<br>computers<br>£000 | Total<br>£000 |
|---------------------------------|-----------------------------------------------|------------------------|-------------------------------------------------|---------------|
| <b>Cost</b>                     |                                               |                        |                                                 |               |
| At 1 April 2022                 | 5,245                                         | 15                     | 9,158                                           | 14,418        |
| Additions                       | 664                                           | —                      | 415                                             | 1,079         |
| Disposals                       | (458)                                         | (15)                   | (714)                                           | (1,187)       |
| <b>At 31 March 2023</b>         | <b>5,451</b>                                  | <b>—</b>               | <b>8,859</b>                                    | <b>14,310</b> |
| <b>Accumulated depreciation</b> |                                               |                        |                                                 |               |
| At 1 April 2022                 | 5,241                                         | 15                     | 7,367                                           | 12,623        |
| Charge for the year             | 39                                            | —                      | 512                                             | 551           |
| Disposals                       | (458)                                         | (15)                   | (680)                                           | (1,153)       |
| <b>At 31 March 2023</b>         | <b>4,822</b>                                  | <b>—</b>               | <b>7,199</b>                                    | <b>12,021</b> |
| <b>Net book value</b>           |                                               |                        |                                                 |               |
| At 1 April 2022                 | 4                                             | —                      | 1,791                                           | 1,795         |
| <b>At 31 March 2023</b>         | <b>629</b>                                    | <b>—</b>               | <b>1,660</b>                                    | <b>2,289</b>  |

We have not adopted a policy of revaluing our properties. The carrying amount of our tangible fixed assets is held at depreciated cost.

## 14. Investments

|                           | Group<br>2023<br>£000 | Group<br>2022<br>£000 | Charity<br>2023<br>£000 | Charity<br>2022<br>£000 |
|---------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| <b>Total investments:</b> |                       |                       |                         |                         |
| Financial investments     | 30,570                | 40,185                | 30,570                  | 40,185                  |
|                           | <b>30,570</b>         | <b>40,185</b>         | <b>30,570</b>           | <b>40,185</b>           |

|                                                     | Group and<br>charity<br>2023<br>£000 | Group and<br>charity<br>2022<br>£000 |
|-----------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Total financial investments:</b>                 |                                      |                                      |
| Market value at 1 April                             | 40,185                               | 40,031                               |
| Additions at cost                                   | –                                    | 1,350                                |
| Sale of fixed asset investments                     | (8,057)                              | (1,900)                              |
| Net investment unrealised gains/(losses)            | (1,558)                              | 704                                  |
| <b>Market value at 31 March</b>                     | <b>30,570</b>                        | <b>40,185</b>                        |
| <b>Investments comprise the following:</b>          |                                      |                                      |
| <b>Investments listed on a UK stock exchange</b>    |                                      |                                      |
| Fixed interest                                      | 7,648                                | 8,019                                |
| Equities                                            | 9,625                                | 10,620                               |
| Cash deposits held as part of investment portfolio  | 13,297                               | 15,324                               |
| Cash deposits held separate to investment portfolio | –                                    | 6,222                                |
| <b>Market value at 31 March</b>                     | <b>30,570</b>                        | <b>40,185</b>                        |
| <b>Being at market value:</b>                       |                                      |                                      |
| <b>Investment assets in the United Kingdom</b>      | <b>30,570</b>                        | <b>40,185</b>                        |
| Historical cost at 31 March                         | 28,748                               | 37,051                               |

Financial investments are measured at fair value through income and expenditure.

The equity holdings are held as a proportion of a fund, rather than direct share holdings. No single equity investment exceeds 5%. The Trustees consider the value of the investments to be supported by their underlying assets.

There is no difference between fair value and market value as the investments are either fixed interest, equities or cash deposits. Market valuation shows the fair value for these assets.

## 15. Subsidiaries

Results for the subsidiaries listed below are included in the group balances of these accounts:

| <b>Subsidiary undertaking</b>                                                          | <b>Country of registration and/or operation</b> | <b>Principal activities</b>                                                                                  | <b>Authorised and issued share capital</b> |
|----------------------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| Scope Central Trading Limited<br>100% direct holding<br>(Company no. 1108300)          | England and Wales                               | Purchase of general merchandise, the distribution and sale of clothing and gifts and sales of greeting cards | £100                                       |
| Scope Pension Scheme Trustee Limited*<br>100% direct holding<br>(Company no. 01814430) | England and Wales                               | Dormant                                                                                                      | £100. £2 issued and fully paid             |
| Scope (IP) Limited<br>(Company no. 11774613)                                           | England and Wales                               | Dormant                                                                                                      | £1                                         |

\*Entitled to audit exemption by virtue of section 480 of the Companies Act 2006, as dormant companies.

## 16. Debtors

|                       | <b>Group<br/>2023<br/>£000</b> | <b>Group<br/>2022<br/>£000</b> | <b>Charity<br/>2023<br/>£000</b> | <b>Charity<br/>2022<br/>£000</b> |
|-----------------------|--------------------------------|--------------------------------|----------------------------------|----------------------------------|
| Trade debtors*        | 172                            | 264                            | 172                              | 264                              |
| Gift Aid recoverable* | 637                            | 672                            | 637                              | 672                              |
| Staff loans*          | 1                              | 1                              | 1                                | 1                                |
| Other debtors*        | 1,325                          | 986                            | 1,311                            | 1,021                            |
| Accrued income        | 2,978                          | 2,655                          | 2,978                            | 2,655                            |
| Prepayments           | 1,701                          | 1,749                          | 1,701                            | 1,749                            |
|                       | <b>6,814</b>                   | <b>6,327</b>                   | <b>6,800</b>                     | <b>6,362</b>                     |

\*Financial assets measured at amortised cost.

Trade debtors are shown net of a £nil provision (same as 2021/22).

Staff loans are imprests of £1,100 (same as 2021/22) to be repaid on leaving Scope or when the individual's employment changes.

## 17. Creditors: amounts falling due within one year

|                                     | Group<br>2023<br>£000 | Group<br>2022<br>£000 | Charity<br>2023<br>£000 | Charity<br>2022<br>£000 |
|-------------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Trade creditors*                    | 824                   | 765                   | 817                     | 763                     |
| Taxation and social security*       | 460                   | 423                   | 460                     | 423                     |
| Amounts owed to group undertakings* | –                     | –                     | 7                       | 82                      |
| Other creditors*                    | 161                   | 751                   | 161                     | 784                     |
| Accruals                            | 2,072                 | 1,597                 | 2,061                   | 1,589                   |
| Deferred income (note 18)           | 71                    | 94                    | 71                      | 94                      |
|                                     | <b>3,588</b>          | <b>3,630</b>          | <b>3,577</b>            | <b>3,735</b>            |

\*Financial liabilities measured at amortised cost.

Amounts owing in respect of pension schemes at 31 March 2023 included above are £110,419 (compared to £95,897 in 2021/22).

## 18. Deferred income

|                                       | Balance 31<br>March<br>2022<br>£000 | Release to<br>income<br>£000 | Deferred in<br>current year<br>£000 | Balance 31<br>March<br>2023<br>£000 |
|---------------------------------------|-------------------------------------|------------------------------|-------------------------------------|-------------------------------------|
| <b>Group and charity:</b>             |                                     |                              |                                     |                                     |
| Income in advance of service delivery | 94                                  | (94)                         | 71                                  | 71                                  |
|                                       | <b>94</b>                           | <b>(94)</b>                  | <b>71</b>                           | <b>71</b>                           |

## 19. Provisions for liabilities and charges

|                                                         | Balance 31<br>March<br>2022<br>£000 | Charged to<br>income and<br>expenditure<br>£000 | Utilised<br>£000 | Balance 31<br>March<br>2023<br>£000 |
|---------------------------------------------------------|-------------------------------------|-------------------------------------------------|------------------|-------------------------------------|
| <b>Group and charity:</b>                               |                                     |                                                 |                  |                                     |
| Provisions for dilapidations                            | 2,055                               | –                                               | (126)            | 1,929                               |
| Provision for onerous leases for shops vacated by Scope | 47                                  | –                                               | (47)             | –                                   |
| Provision for rent free periods                         | 1,059                               | 97                                              | (179)            | 977                                 |
|                                                         | <b>3,161</b>                        | <b>97</b>                                       | <b>(352)</b>     | <b>2,906</b>                        |

Where an onerous lease commitment exists, the provision for future lease commitments has been calculated as the net present value of rent payable less rent receivable to the end of the period. This has been estimated after accounting for vacant periods, lease incentives and discounted market rates designed to ensure future tenancy.

As part of the group's property leasing arrangements there is an obligation to repair damages on certain properties, incurred during the life of the lease, such as wear and tear. The cost is charged to the statement of financial activities as they arise. The provision is expected to be used as the leases terminate.

## 20. Funds

|                                          | Balance 31<br>March<br>2022<br>£000 | Incoming<br>resources<br>£000 | Expenditure,<br>gains and<br>losses<br>£000 | Transfers<br>£000 | Balance 31<br>March<br>2023<br>£000 |
|------------------------------------------|-------------------------------------|-------------------------------|---------------------------------------------|-------------------|-------------------------------------|
| <b>Group:</b>                            |                                     |                               |                                             |                   |                                     |
| <b>Unrestricted funds:</b>               |                                     |                               |                                             |                   |                                     |
| Unrestricted funds, general              | 33,099                              | 40,452                        | (48,161)                                    | 712               | <b>26,102</b>                       |
| Designated funds, strategic investment** | 2,500                               | –                             | (1,174)                                     | (626)             | <b>700</b>                          |
| Designated funds, pension                | 6,500                               | –                             | –                                           | –                 | <b>6,500</b>                        |
| <b>Restricted funds:</b>                 |                                     |                               |                                             |                   |                                     |
| Restricted funds                         | 1,502                               | 3,605                         | (3,626)                                     | (86)*             | <b>1,395</b>                        |
| Permanent endowment                      | 10                                  | –                             | –                                           | –                 | <b>10</b>                           |
| <b>Total funds</b>                       | <b>43,611</b>                       | <b>44,057</b>                 | <b>(52,961)</b>                             | <b>–</b>          | <b>34,707</b>                       |

|                                          | Balance 31<br>March<br>2022<br>£000 | Incoming<br>resources<br>£000 | Expenditure,<br>gains and<br>losses<br>£000 | Transfers<br>£000 | Balance 31<br>March<br>2023<br>£000 |
|------------------------------------------|-------------------------------------|-------------------------------|---------------------------------------------|-------------------|-------------------------------------|
| <b>Charity:</b>                          |                                     |                               |                                             |                   |                                     |
| <b>Unrestricted funds</b>                |                                     |                               |                                             |                   |                                     |
| Unrestricted funds, general              | 32,796                              | 39,391                        | (47,295)                                    | 712               | <b>25,604</b>                       |
| Designated funds, strategic investment** | 2,500                               | –                             | (1,174)                                     | (626)             | <b>700</b>                          |
| Designated funds, pension                | 6,500                               | –                             | –                                           | –                 | <b>6,500</b>                        |
| <b>Restricted funds:</b>                 |                                     |                               |                                             |                   |                                     |
| Restricted funds                         | 1,502                               | 3,605                         | (3,626)                                     | (86)*             | <b>1,395</b>                        |
| Permanent endowment                      | 10                                  | –                             | –                                           | –                 | <b>10</b>                           |
| <b>Total funds</b>                       | <b>43,308</b>                       | <b>42,996</b>                 | <b>(52,095)</b>                             | <b>–</b>          | <b>34,209</b>                       |

\*Transfer reflects spend on intangible assets during the year.

\*\*Designated funds for strategic investment are planned to be spent in the next year.

Restricted funds are mostly restricted grants (see note 6) and restricted donations (see note 3). These are all accounted for in line with the limitations placed on each fund. Included in restricted funds are a £1.5 million grant from Charities Aid Foundation and a £0.7 million government grant for our Working on Wellbeing service, all of which was spent in year.

A designated fund of £6.5 million (£6.5 million in 2021/22) is in place as security for the Scope Pension Scheme.

A designated fund of £0.7 million (£2.5 million in 2021/22) is held for planned strategic investment in the next year. Funds in excess of this amount have been transferred to unrestricted funds due to cost savings on investment projects. We'll designate further funds as we develop and authorise detailed investment business cases to deliver our new 10-year strategy.

## 21. Analysis of assets and liabilities between funds

|                                        | Restricted funds<br>£000 | Designated strategic<br>£000 | Designated pension<br>£000 | Unrestricted funds<br>£000 | Total 2023<br>£000 |
|----------------------------------------|--------------------------|------------------------------|----------------------------|----------------------------|--------------------|
| <b>Group:</b>                          |                          |                              |                            |                            |                    |
| <b>Fixed assets</b>                    | –                        | 700                          | 6,500                      | 26,516                     | 33,716             |
| Current assets                         | 1,405                    | –                            | –                          | 6,080                      | 7,485              |
| Current liabilities                    | –                        | –                            | –                          | (3,588)                    | (3,588)            |
| <b>Net current assets</b>              | <b>1,405</b>             | <b>–</b>                     | <b>–</b>                   | <b>2,492</b>               | <b>3,897</b>       |
| Provisions for liabilities and charges | –                        | –                            | –                          | (2,906)                    | (2,906)            |
| <b>Net assets</b>                      | <b>1,405</b>             | <b>700</b>                   | <b>6,500</b>               | <b>26,102</b>              | <b>34,707</b>      |

|                                        | Restricted funds<br>£000 | Designated strategic<br>£000 | Designated pension<br>£000 | Unrestricted funds<br>£000 | Total 2023<br>£000 |
|----------------------------------------|--------------------------|------------------------------|----------------------------|----------------------------|--------------------|
| <b>Charity:</b>                        |                          |                              |                            |                            |                    |
| <b>Fixed assets</b>                    | –                        | 700                          | 6,500                      | 26,516                     | 33,716             |
| Current assets                         | 1,405                    | –                            | –                          | 5,571                      | 6,976              |
| Current liabilities                    | –                        | –                            | –                          | (3,577)                    | (3,577)            |
| <b>Net current assets</b>              | <b>1,405</b>             | <b>–</b>                     | <b>–</b>                   | <b>1,994</b>               | <b>3,399</b>       |
| Provisions for liabilities and charges | –                        | –                            | –                          | (2,906)                    | (2,906)            |
| <b>Net assets</b>                      | <b>1,405</b>             | <b>700</b>                   | <b>6,500</b>               | <b>25,604</b>              | <b>34,209</b>      |

## 22. Free reserves

|                                                            | Group<br>2023<br>£000 | Group<br>2022<br>£000 |
|------------------------------------------------------------|-----------------------|-----------------------|
| <b>Net assets</b>                                          | 34,707                | 43,611                |
| <b>Less:</b>                                               |                       |                       |
| Restricted funds                                           | (1,405)               | (1,512)               |
| Designated funds                                           | (700)                 | (2,500)               |
| Investments held for defined benefit pension               | (6,500)               | (6,500)               |
| Amount represented by tangible and intangible fixed assets | (3,146)               | (2,160)               |
| <b>Free reserves of group</b>                              | <b>22,956</b>         | <b>30,939</b>         |
| Free reserves of charity                                   | 22,458                | 30,636                |

Free reserves include minimum retained free reserves of £18 million (£15 million in 2022) and available free reserves of £5 million (£15.9 million in 2022) in line with our reserves policy (page 20).

## 23. Operating lease commitments

|                             | Land and<br>buildings | Land and<br>buildings | Vehicles<br>and<br>equipment | Vehicles<br>and<br>equipment |
|-----------------------------|-----------------------|-----------------------|------------------------------|------------------------------|
| Group                       | 2023<br>£000          | 2022<br>£000          | 2023<br>£000                 | 2022<br>£000                 |
| <b>Leases which expire:</b> |                       |                       |                              |                              |
| Within one year             | 2,521                 | 3,065                 | 328                          | 124                          |
| Within two to five years    | 4,651                 | 5,487                 | –                            | 191                          |
| After five years            | 603                   | 1,077                 | –                            | –                            |
|                             | <b>7,775</b>          | <b>9,629</b>          | <b>328</b>                   | <b>315</b>                   |

## 24. Taxation

As a registered charity, Scope is exempt from taxation under Part 11, Chapter 3 of the Corporation Tax Act 2010. Any taxation liabilities of the group are managed through the policy of the trading subsidiary company to gift all taxable profits to Scope. During the year ended 31 March 2023 no charge to tax has been incurred.

## 25. Members

The charity is incorporated as a company limited by guarantee having no share capital. In accordance with the Memorandum of Association, each one of the 1,040 Members, (compared to 577 in 2021/22), is liable to contribute £5 if the company is wound up.

## 26. Related party disclosures

During the year ended 31 March 2023, the group had the following related party transactions.

Scope has been a Charity Partner of Deloitte since 2019/20. Zeinab Chaudhury, Scope Trustee, is a consultant at Deloitte and Alex Massey, Scope Independent Member, is a partner at Deloitte. The relationship is managed by a different Deloitte partner, Zeinab and Alex are not part of the team working with Scope. In 2022/23 we received donations of £141,000 and £64,000 as donations in kind through consultancy services and laptops (note 3).

We received £100,000 from Sainsbury's for distribution of food vouchers. Joanne Hall, Scope Trustee, is the Head of Stores at Sainsbury's.

We're contracted with BT plc as a strategic technology partner to provide Internet connectivity, telephony, and Wi-Fi access, where Simon Godfrey is a Board member. We're in the process of migrating from our previous supplier. No charges were incurred in 2022/23.

During the year ended 31 March 2023, the following transactions occurred between the companies within the group:



- Gift Aid is to be paid to Scope from Scope Central Trading Limited (see note 8 subsidiaries' income and costs).

## 27. Ultimate parent undertaking and controlling party

There is no immediate or ultimate parent undertaking or controlling party.

Scope is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements. The consolidated financial statements of Scope are available from Here East Press Centre, 14 East Bay Lane, London, E15 2GW.

## 28. Pension scheme

Scope operates the following pension schemes.

- A single employer defined benefit pension scheme. The Scope Pension Scheme was closed to new members and new accruals in 2007. Current membership of the Scheme is 939 pensioners and 674 deferred members (compared to 936 pensioners and 708 deferred members in 2021/22). The Scheme is managed separately to Scope's finances by Scope Pension Scheme Trustee Limited, which delegates services to a variety of bodies. Contributions to cover expenses and to recover any deficit in the Scheme are paid from time to time to the Scheme. This is in accordance with the Schedule of Contributions agreed between the Trustees and Scope.
- The Defined Contribution Stakeholder Pension Scheme was opened on 1 October 2003, when the existing Scope Pension Scheme was closed to new members. The stakeholder scheme was closed to further contributions on 30 June 2013. On 1 July 2013, and to comply with Government legislation on auto enrolment, a defined contribution Group Personal Pension Plan was opened to replace the stakeholder pension scheme. Employees were able to join when it began, or after a deferred period of three months. There are currently 706 active members compared to 849 in 2021/22.

Additional details are provided for the primary schemes as follows:

### A. Scope Pension Scheme

We operate a defined benefit pension scheme, the Scope Pension Scheme. The scheme funds are administered by Trustees and are independent of Scope's finances.

Contributions are paid to the scheme in line with the schedule of contributions agreed between the Trustees and Scope.

The results of the actuarial valuation at 31 December 2020 were updated to the Scheme's accounting date by an independent qualified actuary. The value of the defined benefit liabilities has been measured using the projected unit method.

Under FRS 102, the pension asset that can be recognised on the balance sheet is limited to nil as Scope does not have an unconditional right to a refund as per the Trust Deed and consultation with our actuaries. The impact of this limit on the balance sheet and the actuarial gains and losses entry is shown in the figures below.

| <b>Assumptions</b>                                                    | <b>31 March<br/>2023</b> | <b>31 March<br/>2022</b> | <b>31 March<br/>2021</b> | <b>31 March<br/>2020</b> | <b>31 March<br/>2019</b> |
|-----------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| RPI inflation (per annum)                                             | 3.5%                     | 3.9%                     | 3.4%                     | 2.7%                     | 3.3%                     |
| CPI inflation (per annum)                                             | 2.5%                     | 2.9%                     | 2.4%                     | 1.9%                     | 2.2%                     |
| Discount rate (per annum)                                             | 4.8%                     | 2.8%                     | 2.0%                     | 2.5%                     | 2.4%                     |
| Pension increases (PPI 3% per annum minimum,<br>5% per annum maximum) | 3.8%                     | 3.9%                     | 3.7%                     | 3.5%                     | 3.7%                     |

On the basis of the assumptions used for life expectancy, a male pensioner currently aged 65 would be expected to live for a further 22 years (22 years 2021/22) and a female pensioner aged 65 would be expected to live a further 24 years (24 years 2021/22). Allowance is made for future improvements in life expectancy.

Asset distribution and expected return:

|                              | <b>31 March<br/>2023<br/>Current<br/>allocation</b> | <b>31 March<br/>2023<br/>Fair value<br/>£000</b> | <b>31 March<br/>2022<br/>Current<br/>allocation</b> | <b>31 March<br/>2022<br/>Fair value<br/>£000</b> |
|------------------------------|-----------------------------------------------------|--------------------------------------------------|-----------------------------------------------------|--------------------------------------------------|
| Liability driven investments | 28%                                                 | 21,367                                           | 27%                                                 | 28,566                                           |
| Diversified growth funds     | 11%                                                 | 8,075                                            | 8%                                                  | 8,293                                            |
| Corporate bonds              | 18%                                                 | 13,191                                           | 14%                                                 | 14,792                                           |
| Multi-asset credit           | 7%                                                  | 5,083                                            | 11%                                                 | 12,734                                           |
| Cash                         | 1%                                                  | 832                                              | 9%                                                  | 9,936                                            |
| Insured pensions             | 35%                                                 | 26,002                                           | 31%                                                 | 33,010                                           |
| <b>Total</b>                 | <b>100%</b>                                         | <b>74,550</b>                                    | <b>100%</b>                                         | <b>107,331</b>                                   |

|                                     | <b>31 March<br/>2023<br/>£000</b> | <b>31 March<br/>2022<br/>£000</b> |
|-------------------------------------|-----------------------------------|-----------------------------------|
| <b>Balance sheet</b>                |                                   |                                   |
| Present value of Scheme liabilities | 71,914                            | 95,928                            |
| Total fair value of Scheme assets   | (74,550)                          | (107,331)                         |
| Surplus                             | (2,636)                           | (11,403)                          |
| Adjustment to reflect asset limit   | 2,636                             | 11,403                            |
| <b>Pension asset</b>                | <b>-</b>                          | <b>-</b>                          |

Under FRS 102, the Scheme is represented on the balance sheet at 31 March 2023 as a £nil asset (£nil 2021/22) as Scope does not have an unconditional right to a refund as per the Trust Deed and consultation with our actuaries.

The following amounts have been included as 'Resources expended' under FRS 102.

|                                               | <b>31 March<br/>2023<br/>£000</b> | <b>31 March<br/>2022<br/>£000</b> |
|-----------------------------------------------|-----------------------------------|-----------------------------------|
| Running costs                                 | 582                               | 349                               |
| Past service cost                             | -                                 | -                                 |
| <b>Net return to charge to finance income</b> | <b>582</b>                        | <b>349</b>                        |

The following amounts have been recorded under the 'actuarial gains and losses on pension scheme assets and liabilities' heading within the statement of financial activities.

|                                           | At 31 March<br>2023<br>£000 | At 31 March<br>2022<br>£000 |
|-------------------------------------------|-----------------------------|-----------------------------|
| Remeasurements                            | 8,504                       | (3,513)                     |
| Change in asset limit other than interest | (9,086)                     | 3,164                       |
| <b>Actuarial gains recognised</b>         | <b>(582)</b>                | <b>(349)</b>                |

Changes in the present value of the Scheme liabilities:

|                                                    | 31 March<br>2023<br>£000 | 31 March<br>2022<br>£000 |
|----------------------------------------------------|--------------------------|--------------------------|
| Opening present value of Scheme liabilities        | 95,928                   | 107,504                  |
| Interest on Scheme liabilities                     | 2,631                    | 2,111                    |
| Past service cost                                  | —                        | —                        |
| Actuarial (gain)/loss                              | (22,663)                 | (9,779)                  |
| Benefits paid                                      | (3,982)                  | (3,908)                  |
| <b>Closing present value of Scheme liabilities</b> | <b>71,914</b>            | <b>95,928</b>            |

Changes in the fair value of the Scheme assets:

|                                                               | At 31 March<br>2023<br>£000 | At 31 March<br>2022<br>£000 |
|---------------------------------------------------------------|-----------------------------|-----------------------------|
| Opening fair value of the Scheme assets                       | 107,331                     | 115,582                     |
| Interest on Scheme assets                                     | 2,950                       | 2,273                       |
| Actual return on Scheme assets less interest on Scheme assets | (31,167)                    | (6,267)                     |
| Contributions by the employer                                 | —                           | —                           |
| Running costs                                                 | (582)                       | (349)                       |
| Benefits paid                                                 | (3,982)                     | (3,908)                     |
| <b>Closing fair value of the Scheme assets</b>                | <b>74,550</b>               | <b>107,331</b>              |

Changes in the net balance sheet position:

|                                    | 31 March<br>2023<br>£000 | 31 March<br>2022<br>£000 |
|------------------------------------|--------------------------|--------------------------|
| Opening net asset                  | —                        | —                        |
| Return to charge to finance income | 582                      | 349                      |
| Actuarial gains recognised         | (582)                    | (349)                    |
| Employer contributions             | —                        | —                        |
| <b>Closing net asset</b>           | <b>—</b>                 | <b>—</b>                 |

Changes in the impact of the asset ceiling:

|                                                  | 31 March<br>2023<br>£000 | 31 March<br>2022<br>£000 |
|--------------------------------------------------|--------------------------|--------------------------|
| Effect of asset ceiling at the start of the year | 11,403                   | 8,078                    |
| Interest on asset limit                          | 319                      | 161                      |
| Change in asset limit other than interest        | (9,086)                  | 3,164                    |
| <b>Pension asset</b>                             | <b>2,636</b>             | <b>11,403</b>            |

## B. Group Personal Pension Plan

Members may contribute as much as they want to the Group Personal Pension Plan subject to Her Majesty's Revenue and Customs (HMRC) rules.

We provide employers' contributions to the Group Personal Pension Plan, in line with legislation and based on contributions matched by the employee. The following table illustrates the contribution rates payable. Employees can receive enhanced contributions based on their length of service.

| Membership eligibility         | Scope contribution %      | Employee contribution %                         |
|--------------------------------|---------------------------|-------------------------------------------------|
| Basic                          | 3% of qualifying earnings | 5% of qualifying earnings                       |
| Upgrade after 2 years' service | 4% of total earnings      | Employee must match the employer % contribution |
| Upgrade after 4 years' service | 6% of total earnings      | Employee must match the employer % contribution |

We deduct employee contributions on a salary exchange basis approved by HMRC. Details of the pension plan are provided to employees under the rules of auto enrolment, or on request.

Scope made payments to the Group Personal Pension Plan including salary sacrifice which amounted to £1,301,296 in 2022/23 (compared to £1,072,825 in 2021/22).

**SCOPE**

England & Wales - Charity number 208231

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# Accounts

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# SCOPE

 Equality for  
disabled people

## Annual report and consolidated accounts

For the year ended 31 March 2022

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## Trustees' report

The Board of Trustees presents the Trustees' report and audited consolidated financial statements for the year ended 31 March 2022.

The Trustees' report includes a Strategic report. These two reports together meet the requirements for a Directors' report. This is required by the Companies Act 2006 and by the Strategic Report and Directors' Report Regulations 2013. In approving the Trustees' report, the Board of Trustees has also approved the Strategic report.

## Chair's report

The pandemic continued to devastate people's lives last year and amongst the hardest hit were the UK's 14 million disabled people. Almost two thirds of people who have died because of Coronavirus were disabled.

Many disabled people and their families have endured months of isolation through shielding, faced financial hardship and lost their jobs. Throughout all of this, Scope has been there to provide information and support, and to make sure that their experiences were being heard in the media and by Government.

The pandemic brought into sharp focus the many inequalities faced by disabled people in our society. As we now look to the future, it's vital we work together to fight for equality. But Scope can't do this alone. It's the job of all of us – businesses, schools and communities to make sure disabled people have fairness, respect and equality.

If the pandemic has shown us anything positive, it's that flexibility is possible. So let's build on these lessons, to open up more job opportunities for disabled people and create more inclusive experiences.

As we enter Scope's 70th anniversary year in 2022, we can reflect on the tremendous amount that's changed for disabled people. But a key factor that persists is the negative attitudes disabled people often encounter in everyday life.

It is challenging these assumptions, judgements and stereotypes that will be the driving force behind this year's programme of work.

We'll use our collective power to change attitudes and end injustice through campaigning, providing advice and support, and engaging with all our supporters.

We'll publish new research into the attitudes disabled people currently face, as well as providing tools to improve those attitudes.

As a campaigning organisation, we're focused on making sure every disabled person has the opportunity to reach their potential. We'll keep calling for change, with campaigns to make sure more disabled people are able to find a job, interact with the welfare system and live independent lives.



We intend to grow our influence and reach, while amplifying the voice of disabled people and their families on the issues that matter to them.

The first Scope Disability Equality Awards will celebrate the very best our communities have to offer and highlight the huge amount of disabled talent that exists in Britain today.

At the same time, it's vital we continue to diversify our income and build impactful partnerships.

All our stores across England and Wales have a close network of volunteers and customers. We want to put greater emphasis on the communities of these shops. We'll be creating new stores that offer a fully inclusive retail experience, as well as providing information and advice to local disabled people.

And finally, we'll champion equality within Scope through a new approach to equality, diversity and inclusion.

This year also marks the final year of our current Everyday Equality strategy. We're excited at the prospect of consulting and engaging our networks, so we can make sure our focus in the years ahead is on the issues that matter most – where we can achieve meaningful and lasting change for disabled people.

A handwritten signature in dark ink, appearing to read 'R Millar', with a long, sweeping flourish extending upwards and to the right.

Robin Millar

## Chief Executive's report

Last year started with an important moment. On 12 April 2021, the third national Covid lockdown came to an end, meaning we could plan to resume in person services, re-open our shops and begin socially distanced face to face fundraising once again.

We continued to work from home, reaching even more disabled people and their families digitally. As restrictions eased, we decided to adopt flexible working in the longer term. The organisation is now settling into a new hybrid approach, with time split between home and office. This is likely to evolve, as we strive to find the very best way of working.

Throughout the year, we kept all our services running at full capacity wherever we could. We're starting face to face services again, all over the country. This is an important direction for Scope – using our network of shops to grow our presence in local communities.

Initially, there was a surge of support on our high streets, with record breaking sales. We've remained open for business since and although sales did settle, we ended the year with better results than planned.

We were able to scale up our individual giving fundraising too, recovering some of the ground lost during the peak of the pandemic. Support from our partners also remained strong. As a result of this, total income for the year exceeded our plan.

Our partnerships continued to expand. We strengthened relationships with the utility companies, to tackle energy costs. We also worked with several large organisations to find solutions to the disability employment gap – enabling more disabled people to get into the workplace and flourish there, especially young people at the start of their career.

As we ended the year, our focus on energy costs became even more vital. We know disabled people already face higher costs in their everyday lives. This is now getting worse, with significant increases in the cost of living and energy bills in particular.

At the end of July 2021, the Government finally published the National Disability Strategy. It fell short of the transformational plan that many disabled people expected and deserve. But it did include a number of specific commitments from individual Government departments, such as action to improve public transport.

Taken together, these commitments have the potential to make a difference to disabled people's lives. So we supported the strategy and we looked to work with Government to bring it to life. At the end of the year, it was still unclear how many of the commitments will actually be delivered. This will be an ongoing focus for us.

While last year continued to be full of obstacles, it also encouraged us all to be pioneering and courageous – two key values at Scope.

The pandemic has made it very clear that disabled people continue to be treated unfairly and unequally in many areas of life. With Scope now entering its 70th anniversary year,

we have an opportunity to focus even more on the negative attitudes disabled people still face, while recognising the achievements of disabled people and their allies in seeking to drive change.

Our focus on attitudes will provide the platform for us to have a bigger voice this year and beyond.

At the moment, Scope as a brand is well known. But we do need to work harder to increase awareness of our mission, particularly in our communities and through our shops.

Our people and volunteers remain essential to us delivering our messages and our work. That's why we're seeking to establish volunteering as a strong route to employment in communities around the country, while continuing to focus at all times on keeping our volunteers safe.

For our colleagues, against the backdrop of significantly increased costs of living, we completed a major review of rewards to check all colleagues are consistently and fairly paid against the benchmarks for their roles. The review also made sure our lowest paid colleagues receive the National Living Wage. The wellbeing of our people continues to be a focus. We've introduced an ongoing programme of guidance and activities for managing wellbeing.

Safeguarding is a key responsibility of any charity. This was a key focus during the past year, especially with our shops re-opening. We provided extensive training and reporting, as well as reviewing our approach to non-recent abuse. It's so important we encourage anyone to approach us with any concerns they may have.

Despite the Covid crisis having an impact throughout last year, Scope remains financially secure. Recovering our growth in income and building in our recent cost efficiencies has kept us in a good operational position.

We're now looking ahead to how we can use an appropriate proportion of our free reserves to invest further in our charitable purpose and grow our income for the long term. We welcome discussions about this with potential partners as we move forward.

This year is the final year for our current Everyday Equality strategy period. So it's a crucial time – for understanding the impact we've already delivered and looking at where we should go further to deliver true sustainable change.

I want to take this opportunity to say thank you to every one of you who has helped us and continues to help us achieve everyday equality for disabled people.

Our work is only possible thanks to our 850 colleagues, over 4,000 volunteers and our many supporters, campaigners, fundraisers and shoppers. Special thanks are also due to our Trustees and Independent Committee Members, patrons, ambassadors, corporate partners and funders. We simply couldn't do this without you.

Every pound we raise is extremely important to us – in 2021/22 for every £1 we spent (excluding the cost of running our shops), 66% was spent on our charitable goals to help disabled people and their families (2020/21 73%).

Although this represents a decrease in the percentage, the total spent on our charitable activities increased by £2.5 million (23%). The overall ratio reflects our decision to reinvest in our fundraising efforts, to regain vital income for the future. This investment is a cost now, but it will generate a higher return to use on our charitable purpose.

At Scope, we won't stop until we achieve a society in which disabled people have the same opportunities as non-disabled people. We know we still have a long way to go until disabled people and their families experience everyday equality. But with your support, we'll make this happen.

A handwritten signature in black ink, appearing to read 'MH' followed by a horizontal line and a period.

Mark Hodgkinson

# **Our objects and public benefit**

## **Objects**

Scope is established for the public benefit and for general charitable purposes according to the laws of England and Wales and in particular, but not exclusively, for the promotion of the equality, diversity, independence and health of disabled people, especially those with Cerebral Palsy.

## **Public benefit aims**

In exercising relevant powers and duties, the Board of Trustees has considered the Charity Commission's guidance on public benefit. This report outlines how our performance during the year to 31 March 2022 has benefited the public.

# Strategic report

## Our vision

We won't stop until we achieve a society where all disabled people enjoy equality and fairness.

## Our mission

We're a strong community of disabled and non-disabled people with a shared vision of equality.

We provide practical advice and emotional support whenever people need them most. We do this through our Scope helpline, our online community, a range of employment and family services, community engagement programmes, and more. All of our services are developed to achieve our strategy, Everyday Equality.

We use our collective power to change attitudes and end injustice. We partner with others to increase our reach and impact. And we campaign relentlessly to create a fairer society.

## Our impact

Last year, we reached **over 3.5 million** people with some of the essential support they needed to make informed decisions and live more independent lives – through our helpline, our online information and advice, and our online community.

That figure is 1 million more people than the year before. And we grew the number of people campaigning with us to **over 60,000**.

More details on all of our work will be available in our impact report 2021/22.

## Cerebral Palsy

We continued to provide specialist information and support on Cerebral Palsy through our online community, website and helpline. We launched a monthly meet-up for people with an interest in Cerebral Palsy and Scope's work. We also co-sponsored a cross-party parliamentary group looking at removing barriers for adults with Cerebral Palsy, which published its findings in March 2022. As we begin to map out our new strategy we will continue to investigate unmet needs in relation to Cerebral Palsy. Where those needs can't be addressed through our pan disability work, we will strive to work together with the Cerebral Palsy community to identify other means to address them.

## Supporting disabled people

Our information and advice services have been a vital source of support for disabled people and their families. From dealing with unemployment to understanding workplace rights, financial support to securing supermarket delivery slots – we've been there for people when they've needed us most.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Information and advice and delivery of services.

## Independence

If everyday equality is to be a reality for disabled people, we need to change attitudes and make physical and online spaces accessible. Disabled people need to have more influence over their lives so they can live independently and fulfil personal aspirations.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Independence.

## Supporting disabled people to be more independent

Last year, we provided **3,549,601** people with some of the essential support they needed to make informed decisions and live more independent lives – through our online information and advice, and our online community. Our helpline responded to **33,947** calls for support via telephone and email.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Information and advice and independence.

## Supporting disabled families

There are more than one million disabled children in the UK. To get the best start in life, it's vital disabled children – and their families – get the support they need early on.

However, often due to funding cuts and lack of resources, many families are finding it difficult to get this support. During the pandemic, for example, 75% of families reported delays to routine health appointments for their disabled child.<sup>1</sup>

At Scope, we believe every disabled child should be able to fulfil their potential and have the confidence to succeed as they grow up. So we're working to make sure every family gets the support they need to make this happen.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Get the best start in life and delivery of services.

## Our family services

- Overall, we increased the number of families we directly supported through our tailored family services from 1,687 in 2020/21 to **2,058** in 2021/22.
- Our Sleep Right service worked with **1,037** families to improve their disabled child's sleep (81% reported improved sleep) and parents' resilience and wellbeing.
- Navigate, our national mentoring service, provided practical and emotional support for **478** parents and carers of disabled children.
- Through our Parents Connect support programme, we worked with **145** parents and carers in scheduled groups, and a further **103** parents joined our one-off workshops.

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<sup>1</sup> Disabled Children's Partnership – The Longest Lockdown (2021)

- Our Activities for All inclusion service supported **295** families with information and advice. **109** disabled children were supported to access mainstream activities and **145** mainstream settings were supported to become more inclusive for disabled children.
- This year and in line with the success of our community engagement programme, we'll expand our community work to include young disabled people. And we'll take a local approach to establish our new and exciting programme of work – the Scope Youth Community Collective, supported by Barclays.

Throughout last year we continued to see the impact of the pandemic on families of disabled children. Other support services have been slow to re-open and waiting lists for statutory support have grown, meaning many families are having to wait up to two years to access support from Health and Social Care services. This has had an impact on the complexity of needs that families come to us with – we've noticed an increase in concern about mental health from both parents and disabled children.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Get the best start in life and delivery of services.

## Employment and welfare

The disability employment gap is the difference between the employment rates of disabled people and non-disabled people. Right now it's stuck at around 30%. We're working to improve this.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Influencing and campaigning.

### Our employment support

After providing all our employment services online or by phone in 2020/21, we cautiously started working in person again – delivering small group sessions or one-to-one sessions with people who requested it. We continued to offer the majority of our services online or by phone. This new hybrid delivery method helped us reach around 19% more people than in 2020/21.

Our national employment service Support to Work reached **812** disabled people, enabling **283** to find paid work within 12 weeks.

Through our one-to-one support programme Kickstart, we also enabled **212** disabled people to achieve their career goals.

And our pre-employment training programme, Starting Line, supported **349** disabled people at the start of their journey into work.

2021/22 saw the second full year of delivery on our Working on Wellbeing service with **315** disabled people supported by both Scope and our expansion partners, Whitehead Ross, Leonard Cheshire and Resource Wales. Our final expansion partner joined us in April 2022. We continue to deliver this service with our funding partner Legacy International Group.



After launching our tailored in-work support service during 2020/21, last year we took it from strength to strength. We provided **134** disabled people with tailored in-work support, enabling **30** to find additional employment after their original roles were changed.

Advisers at our Deloitte-funded Career Pathways programme provided independent careers advice to **402** young disabled people 201 % over our yearly target. This year we'll expand the Career Pathways Programme into Leeds, with additional support made available by Barclays.

In January 2022 we launched a pilot service in Manchester, to discover if an individualised support pathway would be a more inclusive and effective way of supporting disabled people into employment. This initial pilot will run for six months before being reviewed for impact. In the three months since launching, the service supported **22** disabled people with **three** entering work.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Delivery of services and being financially secure.

## Campaigning for change

We launched our Benefits Without the Fight campaign, calling on the Department for Work and Pensions to improve the welfare system for disabled people. Over 30,000 people signed our letter calling for specialist assessors to be introduced into the welfare assessment process. Over 540 MPs received information from their disabled constituents about the campaign, and 57 MPs attended Scope's parliamentary drop-in.

As a result, we've seen Government and policymakers take significant action. MPs raised questions in parliament, bringing issues about the experiences of disabled people to the Government and Parliament's attention.

We also partnered with ITV to raise awareness of invisible disabilities. Launched straight after an episode of Coronation Street in August, the campaign aimed to shift attitudes towards disability and disabled people. The campaign, run over 6 weeks, reached 28.2 million adults – with 43 per cent of viewers reporting increased awareness of invisible disabilities and 43 per cent feeling more confident talking about disability.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Influencing and campaigning.

## Working in partnership

We can't achieve our goals alone. That's why we've been working in partnership with lots of other organisations to champion more inclusive and accessible workplaces.

Through our bespoke Get Inclusive programme, we supported 13 employers last year to be more inclusive in the way they recruit, retain and progress disabled employees.

Consulting firm Deloitte funds our Career Pathways service for young people and 50 of their employees have been supporting disabled people through mentoring, workshops, and helping with interview preparation. In return, we've provided sessions to support their staff to open up conversations around disability in the workplace.

To date, our employment information and advice has reached more than **one million** disabled jobseekers providing everything from light touch information to in depth employment coaching.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Influencing and campaigning and being financially secure.

## Extra costs

Disabled people face a price tag of £583<sup>2</sup> a month. These are costs that non-disabled people don't experience – they represent an unfair financial penalty for disabled people.

We're working with businesses to tackle this. Together we're making sure disabled people don't have to pay a higher price for non-specialist goods or services, like insurance. We also want to find ways to reduce costs for services they may need to use more of, like gas and electricity.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Being financially secure.

## A fairer energy market

We know many disabled people need to use more energy – to power their assistive technology, for example, which means higher bills. Over the past few years, this has got much worse as people have needed to shield and stay at home while costs have risen significantly.

It's one of the reasons why we partner with utility suppliers and network companies, through our Scope Utilities Membership. We collaborate with suppliers and network companies, like SGN and UK Power Networks, to help them reduce extra costs and improve services for disabled people. This includes raising awareness of the issues disabled people face across the sector.

January 2021 also saw the launch of our own dedicated Disability Energy Support helpline. Last year it supported disabled people to identify £744,356.71 of savings.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Delivery of services and being financially secure.

## Community engagement

We continued to run our community engagement programme in five locations across England, with funding from the People's Health Trust up to March 2022. The programme aimed to empower disabled people to take action and create positive change in their local communities.

This year, we'll expand our community engagement programme to reach more communities across the country. It will involve distributing £1.5 million pounds to local disability groups

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<sup>2</sup> Scope – The disability price tag (2019)

and charities, using funds made available to Scope by the Association of British Insurers through the Charity Aid Foundation Resilience Fund.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Delivery of services.

## Making travel fair

After three years of campaigning, last year we secured commitment from Government to create a Disabled Passenger Charter – a resource that brings together disabled people's rights across all modes of public transport in a single place. We know information is often fragmented, and it can be difficult to understand your rights when using public transport. We want the Passenger Charter to change this.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Independence, influencing and campaigning and delivery of services.

## Putting disabled people at the heart of what we do

Disabled people and their families' experiences are key to everything we do. We now have **over 100** storytellers who share their stories publicly to make everyday equality a reality. In the last year alone, **82** of our storytellers lent their support to Scope projects, and **55** were featured in regional and national media.

We've grown our Research Panel to include over 1,500 disabled people and parents and carers of disabled children. The Panel helps us gather insights and develop new products and services, making sure they meet disabled people's needs. Last year, hundreds of panellists also reported on the issues they were facing during the first lockdown, informing our wider response to the pandemic.

In 2021, we launched our first co-produced public engagement campaign, Power Up and Play seeking to engage people in disability equality through gaming. We worked alongside disabled people to create the campaign and evaluate it. Co-production is fundamentally important to us and it's an approach we're fully committed to, across everything Scope does.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Influencing and campaigning.

## Looking ahead

This year, we'll continue to progress work towards our Everyday Equality goals. Across the areas of employment, welfare, extra costs and family support, we'll push Government, businesses and the public to work with us in addressing inequalities and removing barriers disabled people face.

We'll seek to co-produce much of our work with disabled people and families, and we'll build on the changes we've had to make to our services during the pandemic to provide information, support and advice to disabled people who need it most.

We'll also focus this year on addressing the numbers of disabled people trapped in poverty. We'll look to raise the profile of our diverse disabled community and challenge negative

attitudes towards disability. And we'll continue to work with energy companies on addressing some of the extra cost of disability, finding ways to drive these down.

# Financial review

## Overview

For most charities, 2021/22 has been a year of significant upheaval. Like many others we've had to respond to the pandemic to continue operating in an environment that's not only presented disabled people with unprecedented challenges but also placed severe and changing restrictions on our activity.

We maintained all our online services to continue providing support to disabled people and their families. Our campaigning and social change activities stayed focused on being the voice of disabled people throughout the crisis. As the restrictions eased, we worked closely with businesses and Government, alongside our partners in the Disability Charities Consortium (DCC), to provide additional support to those who are disproportionately impacted by the pandemic and who remain vulnerable.

We continue to monitor the ongoing operational and financial impacts of Covid and we're using reserves to balance expenditure where we can't wholly mitigate these effects.

We re-opened our shops in April 2021 and returned to face to face fundraising on a socially distanced basis. Because the Covid restrictions in place during 2020/21 made it harder for us to recruit new donors we've invested in fundraising again last year to rebuild our supporter base for the future. Our financial position is still strong, thanks to our incredible existing supporters who've stayed with Scope throughout the many uncertainties of the pandemic, alongside our colleagues and volunteers.

After several years of significant organisational change, some of our investment plans for 2021/22 had to be paused again due to Covid. But we're now in a good position to implement these plans for spending some of our reserves on our charitable purpose and strategic funding this year.

As the Covid restrictions made it harder to recruit new donors, our income in future years will be affected. So, to be able to recover in an environment of uncertainty we'll need to invest.

## Income

In 2021/22, we raised a total of £44.2 million (2020/21 £34.1 million). This was above our target for the year by 11% (or 6% excluding Covid-19 Government grants).

This includes:

- £12.8 million from donated income including legacies (2020/21 £13.9 million).
- £5.4 million from grants, fees, and other income (2020/21 £5.3 million) excluding Coronavirus Job Retention Scheme and other Covid-19 Government grants.
- £22.7 million from trading activities including our shops and online sales (2020/21 £9.4 million).

- £2.7 million from the Coronavirus Job Retention Scheme and other Covid-19 Government grants available to organisations affected by the pandemic (2020/21 £5 million).
- £0.6 million from our portfolio of investments (2020/21 £0.5 million).

## Expenditure

During the year we spent £14.1 million (2020/21 £11.6 million) on charitable activities supporting our mission for everyday equality – including our helpline, communities, employment and other programmes, as well as our research and influencing work. Excluding strategic spend of £0.6 million (2020/21 £0.6 million), this represents a 23% increase on 2020/21.

Every pound we raise is extremely important to us and we carefully plan our use of resources to get the most impact. In 2021/22, for every £1 we spent, 66% was spent on our charitable activities to help disabled people and their families (2020/21 73%). This is a lower proportion than the previous year because we invested £7.3 million in our individual giving fundraising programme (£3 million more than in 2020/21) to recruit new donors who we couldn't reach during Covid restrictions. This investment will generate future income to fund an increase in our impact through service delivery and influencing activities. In common with most similar charities, our trading activities are not included in this calculation, as our shops operate like other retail businesses, raising net funds through selling merchandise. This percentage is likely to fluctuate over time, but we're committed to increasing it.

£23.7 million (2020/21 £20.4 million) was spent on maintaining our shops for the full year. This includes a higher than usual maintenance and improvement cost on re-opening and ongoing challenges of operating with Covid and other economic factors, like supply chain delays and cost increases. We are following our detailed performance plan to generate a net contribution to our charitable funds, which is expected to increase over the next two years.

Our support costs increased by £1.3 million (21%). This was the result of some costs that we budgeted to increase again as we reinvest in activity that had previously been put on hold. It includes investment in the People team for ED&I, accessibility, reward and retention, as well as investment in continuing to improve our processes and make efficiencies.

## Net movement in funds

Our net increase in funds for the year of £0.1 million (2020/21 increase of £0.9 million) is a result of:

- Managing our ongoing operations in the context of the pandemic which generated an operating loss of £0.4 million (2020/21 £1.6 million).
- Strategically investing £0.6 million (2020/21 £0.6 million).

- Unrealised gains on investments of £0.7 million and defined benefit pension fund actuarial gains of £0.4 million (2020/21 net gain of £3.1 million).

Although we recorded an operating loss for the year, as we emerge from the pandemic, the loss was considerably lower than our budget. This reflects higher than budgeted income across all areas and lower than budgeted salary costs. We aim to increase our income to cover all operating costs in the next two years.

## **Fundraising and Partnerships**

### **Income**

Scope's voluntary income is derived from legacies, donations from individuals, corporate partners and philanthropists, as well as income from community and events. 2021/22 results exceeded expectations, enhanced by a strong performance across individual giving, and a significant donation from the Fidelity Foundation of £0.4 million to support digital transformation. This will make an enormous impact on future supporter communications and therefore both the reach and the impact of our charitable activities.

Overall, total fundraising income decreased by 8% compared to last year, though a larger decrease was anticipated due to the reduction in fundraising activities during the Covid pandemic. This total result was driven by a higher than expected performance across philanthropy and individual giving, offsetting lower than budgeted income from events and legacies.

### **Expenditure**

Returning to face to face fundraising was an important development last year. Alongside an increased level of investment, it will drive strong income growth in future years. While some activities had a welcome return to market, fundraising events have continued to face a challenge from ongoing cancellations and delays due to Covid.

As always, we're truly grateful to all our supporters for their ongoing generosity, enabling Scope to work towards building a society where all disabled people enjoy equality and fairness.

### **Corporate Partnership highlights of the year include:**

- £0.4 million from the HSBC Social Inclusion Fund for co-creation of a new online learning platform service (Learn at Scope).
- £0.5 million from Barclays Covid-19 Community Aid Package for the expansion of Career Pathways Leeds and Scope's Youth Community Collective across five locations in England and Wales.
- Deloitte pro-bono support for our Retail Transformation Project of £0.2 million.
- In 2021/22, we provided digital accessibility training to 47 companies and have given inclusive employment support to 13 companies.



- In August 2021, ITV and Scope launched a campaign to promote a better understanding of invisible disabilities and to help people become good allies to disabled people. The 'Invisible Disabilities' campaign launched at primetime, just after Coronation Street. The campaign has reached 28.2 million adults and [itv.com/disability](https://www.itv.com/disability), has received over 31,000 visitors and won the British Diversity Awards 'Marketing campaign of the year'.

Through this collaboration we've had the opportunity to raise awareness around disability, specifically invisible disabilities, and to further educate people. It's inspired a real shift in attitudes and behaviour, resulting in people behaving more considerately. Data shows 43% of viewers are now more aware that people might have an invisible disability. A third of respondents now have a broader view of what is meant by disability, while 18% agreed it's made them more considerate of invisible disabilities in their day-to-day interactions.

The campaign has also empowered disabled people, making them feel more seen and heard:

- 71% agreed this felt different to other disability centred communication seen on screen.
- 43% felt more confident in telling others about their disability.
- Nearly two thirds (64%) of respondents said this campaign made them feel seen, with 47% agreeing it made them feel empowered.

Scope also continues to work with the utilities industry to help them understand disabled customers, the barriers and the extra costs they face aiming to achieve better outcomes for disabled people and their families. The Scope Utilities Membership shares best practice and helps drive change across the industry.

During 2021 we increased our Scope Utilities Membership from five to eight companies. We carried out 10 utility research projects to help companies understand their disabled customers and improve their services. We reviewed the accessibility of six different network and supplier websites. We've trained hundreds of energy sector employees in disability awareness. We presented at four industry events to publicise our research findings.

## Retail

Since re-opening our shops in April 2021, trading levels have been very positive, performing ahead of budget by £0.9 million.

We continued to improve the quality of our retail portfolio in 2021/22, closing six of our less profitable stores alongside refitting and refurbishing two stores in Bexleyheath and Gosforth. We're planning further investment in new store openings, store relocations and a refit programme, including new enhanced layouts and branding to maximise sales and provide a fully accessible experience in the community.

In 2021/22 we continued our planned expansion of our e-Commerce offering, opening a dedicated warehouse and refreshing our product range.



We continue to be supported by corporate donations from our amazing partners. Our retail corporate partners in 2021/22 included ASOS, Amazon, Boden, boohoo, DPD, Dune, LaundryRepublic and M&S.

## **Investing in our future**

In the year to 31 March 2022, we spent £0.6 million on strategic investment for the future. This included the implementation of the first stage of our Customer Relationship Management (CRM) system to provide a better experience for the people we help and our supporters. The second phase of this implementation is in development, expecting to complete in 2022/23. We've also invested in our operational planning model and in data and insight for our digital legacy acquisition programme.

We have a further £2.5 million held in a designated reserve for strategic investment projects in the next two years – designed to increase our impact, increase our ability to generate future income and improve our operating efficiency.

## **Reserves policy**

We hold reserves to make sure we have enough money to keep operating should our income fall or costs unexpectedly increase, as has happened through the pandemic. Reserves are also held to take advantage of strategic investment opportunities to further our mission. Every year we review the reserves policy, taking into account our strategy, our financial position and the risks assessed on the Corporate Risk Register. The Trustees are responsible for allocating these resources carefully for use by the charity.

In 2018 our reserves were increased significantly by the profit on divestment of our regulated services. Since then, we've implemented a significant programme of transformation to become the organisation that Scope is today. We'll continue to invest in our strategic goals in 2022/23, as well as develop a new strategy to take us to 2026.

We created a designated fund in 2017/18 to transform our organisation and deliver our Everyday Equality strategy. This investment includes building our future charitable offer, improving our infrastructure, using more digital technologies and making sure we grow and diversify our income generation activities. At 31 March 2022 the fund had a balance of £2.5 million, based on our current three-year plan for investment.

We also hold a reserve which is designated to the defined benefit pension scheme. Following a valuation of the scheme during the year, we increased the amount secured for the scheme by £2.3 million to £6.5 million.

Free reserves are defined as net assets excluding restricted funds, designated funds and funds used to acquire fixed assets for the charity's own use. The level of free reserves at 31 March 2022 for the group was £30.9 million (compared to £32.5 million at 31 March 2021). Note 23 to the financial statements shows the calculation of free reserves. £2.2 million of free reserves were utilised during the year on charity operations and pension funding which was offset by £0.6 million in unrealised accounting gains on investments.

The balance at 31 March 2022 of £30.9 million is made up as follows:

- We hold a minimum of £15 million in free reserves in order to protect the financial future of the charity and make sure it can continue to operate in times of uncertainty. This amount is reviewed each year by the Board of Trustees.
- In addition, our business plan budget includes planned investment of £8.1 million of our free reserves over the next two years to fund our impact on the lives of disabled people while we recover from the impact of the pandemic, maintain and develop our services and campaigning activity and proceed with our strategic investment plans. This investment will also drive income for the future so we can deliver an even greater impact on the lives of disabled people for the long term.
- The Board of Trustees will consider the remaining amount of free reserves above our minimum policy level (£7.8 million) as part of the development of the next phase of our strategy between now and November 2022 - the intention is to put these funds to use in the next few years to support our charitable purpose while keeping our financial position under constant review.
- In the medium term we expect free reserves to be reduced in line with our policy.

## Going concern

The Trustees have considered the financial position of the charity including cash, reserves and investment levels as well as future trading forecasts on the activities and financial results of the charity. After reviewing the current forecasts and considering the risks and uncertainties, as well as the reserves position, they concluded the charity will continue to be able to meet its liabilities as they fall due for at least 12 months from the date of this report. It therefore remains appropriate to prepare the financial statements on the going concern basis.

## Investment policy and performance

During the year to 31 March 2022 our investment objectives were to:

- Cover short-term financial risks, ensuring security and liquidity of funds held.
- Preserve the value of the funds held in real terms to cover longer-term financial risks and funding for future development opportunities.
- Ensure low volatility in investment asset values.
- Provide certainty for our short to medium-term planning.
- Achieve a total return on investments greater than the UK Retail Price Index (measured over a rolling three-year period).

Royal London Asset Management (RLAM) was appointed as our investment manager to handle our investments in line with a mandate provided in May 2011 and amended in August 2019.

At the time of writing this report, the Finance Committee are actively reviewing the investment policy given the economic environment and the charity's current requirements.

We have applied an ethical approach to our investments policy:

- Investments exclude companies with significant trading interests in armaments, tobacco, pornography, alcohol, gambling and animal testing (excluding medical research for the benefit of humans).
- We only invest in companies that Experts in Responsible Investment Solutions consider able to mitigate their environmental impact and exposure to regions that could represent a 'human rights risk'.
- The fund manager makes sure companies within our portfolio have appropriate policies regarding discrimination on the grounds of disability, age, religion, race, gender and sexual orientation.
- We hold no direct Russian-listed exposure and total Russian exposure accounts for less than 0.1% of total assets managed by our fund manager. They have controls in place to flag any trades in companies that generate a material proportion of their revenues from Russia and use a cloud-based platform to check portfolio holdings, clients and third-party relations for compliance with national and international sanction and embargo directives.

The performance of the investment portfolio is formally assessed against the above criteria every year by the Finance Committee. Our investments were worth £40.2 million at 31 March 2022 (compared to £40 million at 31 March 2021).

The overall performance of the portfolio for the year ended 31 March 2022 was 4.1% ahead of the benchmark. The asset allocation at 31 March 2022 was 31% bonds, 24% equities and 45% cash and cash equivalents.

The portfolio includes a sub-fund created to provide security to the Scope Pension Scheme. The balance on this fund at 31 March 2022 was £6.5 million, all of which is secured for the Pension Scheme. The portfolio includes a separate cash and cash equivalents fund of £6.2 million held separately in short-term assets to be used for planned strategic investment.

## **Review of Scope subsidiaries**

During the year ended 31 March 2022, we had two active subsidiaries:

- Scope Central Trading Limited
- Scope (IP) Limited

The activities of the subsidiaries, their assets and liabilities are included in these financial statements on a line-by-line basis. Transactions between subsidiaries such as sales from one entity to another are taken out when consolidating the group accounts. Details of all our subsidiaries, including those which no longer trade, are given in notes 9 and 16.

## Scope Central Trading Limited

The company's main activities are buying and selling general merchandise, greeting cards, clothing and giftware in our retail and online shops.

The turnover for the year was £1.2 million (compared to £0.8 million in 2020/21). Net operating profit before the Gift Aid payment to Scope was £0.3 million (compared to £0.4 million in 2020/21). Due to Government Covid restrictions the shops were closed for several months during 2020/21 which had a direct impact on turnover for that year.

## Scope (IP) Limited

The company's main activities are generating income from intellectual property.

## Environmental impact

We continue to move ahead in considering and minimising the impact that we have on our world while we strive to deliver our Everyday Equality agenda. As part of this work on impact we're sharing the measurements of our carbon footprint. We considered this across three main areas:

- Direct emissions from activities owned or controlled by Scope that release emissions into the atmosphere. Emissions are generated from natural gas and are related to vehicles owned or leased by Scope.
- Indirect emissions released into the atmosphere associated with our consumption of purchased electricity.
- Other indirect emissions that are a consequence of our actions, including emissions related to business travel.

Total CO<sub>2</sub> emissions for the year were 1,114.5 tonnes (compared to 696.2 tonnes in 2020/21) of which: 70%, 782.3 tonnes, is related to the consumption of purchased electricity (84% and 582.1 tonnes in 2020/21); 20%, 218 tonnes, company vehicles (6% and 43.2 tonnes in 2020/21); 2%, 21.8 tonnes, natural gas (2% and 14.7 tonnes in 2020/21) and 8%, 92.4 tonnes, other indirect emissions (8% and 56.2 tonnes in 2020/21). We offset 68% (2020/21 39%) of these emissions through purchase of a green energy contract.

In 2019/20 we set a target to reduce our emissions of CO<sub>2</sub>e per unit of floor area (square meter) by 2% per annum. The intensity ratio of total emissions per m<sup>2</sup> retail floor area for 2021/22 was 0.042 (0.025 in 2020/21), an increase of 68%. The main contributing factor to such a high increase was the return to trade and travel after Covid-19 restrictions were reduced. In comparison to 2019/20 our emissions of CO<sub>2</sub>e per unit of floor area (square meter) in 2021/22 were 12% lower.

Our target for 2022/23 is to reduce emissions by 6% compared to the base year of 2019/20. As this is the final year of the target period, we will review our current usage and set a new target to reduce emissions going forward.

## Pensions

We operate the following pension schemes:

- A single employer defined benefit pension scheme. The 'Scope Pension Scheme', closed to further contributions on 30 June 2013.
- A defined contribution stakeholder pension plan, opened on 1 October 2003, when the above Scope Pension Scheme was closed to new members.

The year-end valuation of the Scope Pension Scheme shows a surplus of £11.4 million based on Financial Reporting Standard (FRS) 102 assumptions (compared to a surplus of £8.1 million in 2020/21). The surplus increased due to:

- An increase in the discount rate during the year.
- Updated demographic assumptions to reflect the updated analyses carried out as part of the 31 December 2020 valuation and subsequent developments in mortality projections.

This was partially offset by:

- An increase in the long-term expectation of inflation.
- The Scheme's assets increasing by less than the discount rate assumed under FRS 102.

We haven't included the pension scheme asset in the balance sheet because, under the Pension Trust Deed, we don't have an unconditional right to any of the surplus. You can find out more in note 29 to the financial statements. The Scope Pension Scheme is now closed to new members and to future accrual.

## Principal risks and uncertainties

### Overview

During the past year we continued to use our risk management framework. It's embedded within all departments at Scope and it sets out the roles and responsibilities for risk management at Scope and the approach to identify, manage, monitor and review risk, as well as communicating and learning from risk management activities.

The responsibility for the overall management and control of risk rests with the Board of Trustees with elements of the risk management process delegated to the Audit and Risk Committee, Executive Leadership Team, the Leadership Group and other colleagues.

The Audit and Risk Committee oversees the corporate assurance framework, the external audit and the annual programme of internal audit. The Committee takes the lead role on risk management oversight, regularly reviewing our corporate risk register and making sure the risk management framework works, as well as feeding back recommendations to the Board.

Certain external environmental factors are outside our control, for example:

- Government policy and other changes that may affect the lives and experiences of disabled people.
- Changes in market conditions that can affect our net income, such as ongoing effects of Covid, general economic conditions and inflationary pressure on operating costs.
- The value of investments we hold that can go up or down in line with general market trends.
- The impact of environmental factors is monitored quarterly at a minimum (and more actively in times of significant impact). This allows us to respond quickly to any major changes and assess our continuity and mitigating actions in an agile manner.

We use a set of control systems within our corporate assurance framework so everyone can feel confident we're running our organisation and services effectively. Our internal auditors also systematically review our key activities and systems, with priority given to strategic risks areas, as well as following up on areas for improvement identified in previous years. Our auditors reported an improvement in the strength of the internal controls this year following actions taken to address the recommendations identified in the previous year and we continue to focus on further improvements in some areas. No significant control issues that would have a material adverse impact on the delivery of Scope's strategy or financial position were identified in the year ended 31 March 2022.

## Our corporate risks

Our principal corporate risks are outlined below with management actions to mitigate either the likelihood of the risk occurring or its possible impact.

### Strategic and environmental risks

- 1) Failure to adapt quickly and strategically to **external changes** resulting in a reduced ability to continue to make a meaningful difference to disabled people.
- 2) Failure to **stay relevant** to beneficiaries' changing needs and deliver desired outcomes in a modern accessible way to achieve the most impact.

Mitigation for risk 1 and 2:

- We'll continue to use our co-production model to embed user voices and the experiences of disabled people in all our work.
- Our communications, campaigns and influencing are insight led.
- Our services and programmes are continuously evaluated.
- We have a strong 'critical' friend relationship with key Government departments.
- An evaluation study of Covid-19 impact on our services has been performed and findings will be used to adapt services.

- We continually assess new and existing activity against our impact framework.
- Our KPIs and plans link directly to our strategy to focus our work on our five goals, with impact reported to the Board quarterly.

3) Failure to realise the potential of digital technologies and channels to connect with our audiences, reducing our impact and outcomes for disabled people, engagement with all audiences and income generation.

#### Mitigation

- We have a specialist digital team in place to support colleagues, with particular expertise in product management, user experience, front-end development and accessibility.
- We have external agency support that gives us access to a wider range of platform and development expertise than we have in-house.
- We trial new digital opportunities and ways of working through standalone digital initiatives.

4) Failure to generate the required net income to deliver our objectives efficiently and effectively. The impact of the Covid-19 restrictions on future years and/or external economic conditions could prevent us from delivering plans to develop income opportunities in retail, fundraising and partnerships. This could be because of a delay in recruitment of key team members, lack of focus, lack of investment, increasing costs or other reasons.

#### Mitigation

- We have a detailed business plan and budget including strategic investment to grow and diversify income streams.
- Our daily, weekly and monthly reports monitor income, costs and leading indicators in detail, enabling us to take corrective action where needed.

## Operational risks

1) Safeguarding arrangements fail to: promote wellbeing, protect beneficiaries, volunteers and staff from adverse incidents; and enable effective handling and responses to current or historical allegations that may come to light, causing reputational damage.

#### Mitigation

- We prioritise the safeguarding of all people who interact with Scope in everything we do. Our safeguarding policy is clearly embedded in operational processes and led by a team of three people in specialist safeguarding roles.
- The Board of Trustees has responsibility for oversight of safeguarding activity. The Board includes a Trustee with specialist safeguarding expertise, who attends the



Audit and Risk Committee and provides expert advice to the Board and Safeguarding Team.

- A cross-organisation Safeguarding Steering Group, with designated safeguarding leads and external expert, provides oversight of safeguarding reporting, policies, procedures and resourcing as well as reporting to the Board. We also monitor concerns and extract learning through the Retail Case Management Group.
- The Safeguarding Team reviews all concerns via a centralised reporting system.
- All employees and volunteers complete mandatory safeguarding training.

2) Scope's **governance** and oversight arrangements do not support effective delivery of objectives and strategy. Misaligned governance structures, a gap in skills or inadequate management information lead to ineffective oversight of delivery, resulting in a failure to identify and address issues when Scope is not delivering desired outcomes/value for money.

#### Mitigation

- We conduct regular skills audits and carry out continuous succession planning using specialist agencies.
- Independent Committee Members fill specific skills gaps.
- Trustees serve a maximum of two three-year terms. A robust induction process includes specific training and development as needed, feedback and appraisal.
- We self-monitor against the Charity Governance Code.
- We have robust financial and internal audit processes, including reporting against an agreed suite of KPIs and corporate risk register.
- We regularly communicate and have meetings with our Members.

3) Scope does not attract and retain sufficiently skilled, experienced and diverse colleagues to deliver its ambitions. Given the challenging labour market as a result of Brexit, the pandemic and Ukrainian invasion Scope does not attract and retain sufficiently skilled, experienced and diverse colleagues to deliver its ambitions, particularly from the Retail and marketing and fundraising sectors.

#### Mitigation

- We work with specialist recruitment agencies where appropriate and review applicant data to improve our attraction processes. We also plan to increase our use of co-production in this area.
- Our development and training programmes for colleagues are in place and constantly reviewed as a priority to enable career progression.
- We've reviewed our adjustment processes to positively support all colleagues to do



their best work.

- We'll use colleague inclusivity networks and engagement surveys to help us identify areas for improvement.

4) Our **technology** may be vulnerable to attack and our **Business Continuity Plan** may not be responsive enough.

Mitigation

- We have an information and data security management framework to cover our security culture, security processes and IT security tools, and our technology is constantly reassessed in light of a changing environment.
- Our Business Continuity Plan has been refreshed and aligned to make sure it's fit for purpose alongside our current strategy, structure and technology environment.

## Legal and regulatory risks

1) We fail to comply with relevant regulation or legislation, especially in relation to Disability legislation, Safeguarding, Health and Safety, General Data Protection Regulation (GDPR), Employment and company law.

Mitigation

- Our approach to safeguarding is noted in detail above.
- We make sure all new spaces/environments are completely accessible to disabled people and continue to review existing space, so access requirements are maintained.
- We've adapted our service offer to the specific needs of those attending – providing signed sessions, for example, and information in various accessible formats.
- We have clear guidance in place on our online community to make sure action can be taken to improve or remove inappropriate behaviours and we take clear action where individuals fail to uphold acceptable standards of behaviour.
- The Audit and Risk Committee regularly reviews our risk register and sets the programme of internal audit for the year. We have specialist Disability legislation, Safeguarding, Data, and Health and Safety leads in place. We conduct regular horizon scanning against new legislation and seek independent advice where needed. We've improved our information security and data protection controls and continue to work towards achieving Cyber Essentials status.

## Financial risk management

During our day-to-day operations, we need to manage a variety of financial factors, such as credit and liquidity risks. We also need to manage the risk of the financial impact of any shortfall in net income compared to budget (see strategic risk 4). We use different control mechanisms to manage these.

### Safeguarding of assets

Credit risk relates to the risk that another party fails to honour its financial obligations to us and, consequently, we suffer a monetary loss.

The value of our investment assets is exposed to the risk from volatility in global markets. Our investments of £40.2 million are managed by RLAM, an A-credit-rated organisation. RLAM's investment performance and credit rating are overseen by our Finance Committee. Our main cash balances of £1.6 million are held in accounts managed by the NatWest Group. Smaller cash management arrangements are also held with other UK-based clearing banks. The credit rating of all these banks is considered when reviewing credit risk. We do not engage in any transactions involving derivatives or working capital.

Liquidity risk is being unable to raise enough cash to meet our obligations when they fall due. We manage our liquidity risk by making sure we manage our cash flow effectively, tracking working capital and net current assets. We keep sufficient cash balances to cover our predicted obligations. We also have access to £6.2 million of cash investments, which we can access within 48 hours.

Fraud is an inherent risk to all organisations and the risk of cyber fraud in the environment is increasing. We have controls in place to prevent and detect internal and external fraud as far as possible and we have strengthened our cyber security environment during the year.

# **Our structure, governance and management**

## **How Scope is constituted**

Scope is led by our Board of Trustees who serve as Directors under company law.

The Standing Orders of the Board of Scope set out the regulations for the conduct of the Board of Trustees and its Committees. The Memorandum and Articles of Association is the governing and prevailing document of the charity. In the case of any conflict between the provisions of the Standing Orders and the Articles of Association, the latter will prevail.

Scope is a registered charity (Charity Commission number 208231) and is a private company limited by guarantee without share capital (Companies House number 520866). It operates throughout England and Wales and was incorporated on 20 June 1953.

Scope and all its subsidiaries are registered at: Scope, 2nd Floor, Here East Press Centre, 14 East Bay Lane, London, England, E15 2GW.

## **Methods used to recruit and appoint new charity Trustees**

The key constitutional provisions for appointment are Articles 32 to 36, as follows:

32. The number of Trustees shall not be less than seven nor more than ten (which shall include the Chair).

33. Save for the Chair of the Board, who shall be appointed in accordance with Article 34, Trustees shall be elected by the Members at the Annual General Meeting from amongst persons nominated for election by a Committee established by the Board with delegated authority to make such nominations.

34. The Chair of the Board shall be appointed by the Board at its first meeting following the Annual General Meeting in each year upon receiving a nomination by a Committee established by the Board with delegated authority to make such nominations. The Board may refuse any person so nominated, in which case that Committee shall nominate another individual to act as Chair. Upon their appointment, the Chair shall (if they are not already a Trustee) automatically become a Trustee.

35. The Board shall have power to co-opt any person to be a Trustee, but the total number of Trustees shall not exceed the number determined under Article 32. Any person so co-opted shall only serve in office until the next Annual General Meeting at which time they may be re-appointed by the Members if they have been nominated for election in accordance with Article 33.

36. Upon their appointment as a Trustee, a person shall automatically become a Member and they shall sign the Register accordingly.

## **Nominations Panel**

We have a Nominations Panel to make sure people who join the Board and its Committees have the right skills, experience and expertise to govern to the high standards our customers, partners and supporters demand. The Panel oversees the search for, and recruitment of, Trustees and Independent Committee Members. The Nominations Panel reports to our Board.

Standing Order No.2 – 2.1A notes that:

The Board shall establish a Committee (the ‘Nominations Panel’) with delegated authority to make nominations for the election of the Chair and Trustees in accordance with Articles 33 and 34.

Once a Trustee is elected by the Members, they can serve a three-year term. They can then serve a maximum of a further three years if they and the Members agree.

Our Trustees volunteer their time and do not receive any rewards or benefits. Any expenses reclaimed by Trustees are in our financial statements.

## **Use of Trustee brokerage services**

We recognise the value of a diverse Board composed of people with the relevant blend of different skills, experience, and characteristics. To achieve this, we use specialist advertising platforms and engage the services of recruitment consultants specialising in diverse Boards. By using wider and more inclusive methods of searching for new Trustees, we can access a wider pool of applicants from a broad range of different social, economic and ethnic backgrounds. This leads to a greater diversity of perspectives.

Accordingly, in early 2021, we appointed a company to provide such a service for Scope with diversity as a key part of the brief. Following a successful recruitment campaign in November 2021, we appointed four new Trustees and three new Independent Committee Members. Bringing a range of skills, experience and diversity to the Board and its Committees. We continue to map the composition of the Board and will carry out a skills and diversity audit ahead of the next round of recruitment in early 2023.

Recruitment proposals consider the skills of the Trustees and Independent Committee Members, while seeking to address any gaps in existing skills, experience and diversity.

## **How we make decisions**

Article 39 of our Memorandum and Articles of Association says the Board “may make rules with respect to the carrying into effect of all or any of the purposes of the Company or all or any of the provisions of these Articles”.

The Board uses different governing documents to help it make the rules, including the following:

- The Standing Orders of the Board of Scope set out the regulations for the Board of

Trustees, its Committees and people working for and with us. It shows how the Board can delegate authority to individuals, the Executive, Committees and working groups.

- The Scheme of Delegation sets out which powers are delegated to staff through the Chief Executive, and which stay with the Board. The Scheme is a tool for decision making and giving guidance to staff, so decisions are made by the right person or group.

The Chief Executive is responsible for the operational management of Scope and regularly reports important issues and updates to the Board of Trustees.

## **Induction and training of Trustees**

The Standing Orders set out the policy on Trustee training, skills analysis and how the Board is evaluated. This includes appraisals, the identification of ongoing training needs and induction training.

We provide all Trustees with a full induction once they start. The induction provides a detailed briefing on the legal roles of Trustees and Directors, as well as of our history, structure, mission and purpose. Face to face induction of some new Trustees was partially impacted due to Covid. However, online meetings were held with key stakeholders instead. We support our Trustees throughout their terms in office to make them feel welcomed, as well as helping them fulfil their roles and deliver impact.

As part of the role, Trustees usually visit our services and shops. They get time to meet staff and volunteers, gaining first-hand experience of what we do and how we do it. Although it wasn't possible during 2021/22 due to the pandemic this vital part of the induction process has now started up again.

New Trustees will have an informal one-to-one meeting with the Chair, or Deputy Chair of the Board six months after being appointed. This will be an opportunity to encourage contribution and identify any additional support needed to fulfil their roles.

## **The Board of Trustees and its Committees**

Charities exist to fulfil their charitable purposes. Scope is governed by our Board of Trustees who have a responsibility to understand the environment in which Scope operates and lead us in fulfilling our purposes as effectively as possible with the resources available. The Board's core role is to focus on strategy, performance and assurance.

As well as the main Board, four standing Committees report on specific issues:

- Audit and Risk
- Finance
- Equality, Diversity, Inclusion and People (EDIP)
- External Audiences

Each Committee has agreed terms of reference. Membership of all Committees includes both members of the Board of Trustees and Independent Committee Members. Independent Committee Members play an important governance role. Their contribution helps make sure advice and assurance through the Committee structure is informed by the relevant expertise and experience. The role is also designed to provide Independent Committee Members with the opportunity to develop leadership skills so they can become a Trustee in the future.

The Chair of each Committee reports to the Board of Trustees at every Board meeting, presenting the most important activities undertaken and decisions they have made. The Committees also give the Board their support and advice in their specific areas of expertise, ensuring the Board is fully equipped with knowledge, expertise and experience, whatever the subject.

The Audit and Risk Committee oversees the corporate assurance framework, internal and external auditing and risk management. The Finance Committee makes sure we use our financial resources and assets appropriately.

The EDIP Committee oversees, reviews and connects all policy and strategic matters relating to Equality, Diversity, Inclusion (ED&I) and People issues across the organisation so Scope can become an exemplar of social change in this regard.

The External Audiences Committee oversees how well our services, fundraising, campaigning, influencing, retail, community work and partnerships are engaging and meeting the needs of our external audiences.

## **Scope Assembly**

The Scope Assembly is elected by the Membership to take Members' views to Trustees and the Executive Leadership Team. The Assembly gives Members the opportunity to hear news and updates, as well as giving feedback on decisions and initiatives.

In the last year we've been talking to our Assembly Members about their role and growing our Membership. This year we'll set out plans for growth and begin work to expand the Membership. Scope and our Assembly Members are particularly keen to engage more young people in our work and through the Membership help shape our future plans.

## **Our governance**

We understand the importance of being accountable and transparent about our internal approach and governance processes. We're committed to establishing and embedding best practice governance throughout Scope.

We use the Charity Governance Code to review and improve our governance arrangements and in late 2021 we engaged the expertise of an external consultant to undertake a small-scale governance review. We've reviewed the findings and we intend to implement some of the suggested changes as part of our 2022/23 governance work plan as well as aligning with any changes to our strategy.

## Promoting success

The Trustees, as company directors of Scope, as those of all 'large' UK companies, must act in accordance with a clearly defined set of duties which are enshrined in s172 of the Companies Act 2006. Namely "the directors of a company must act in a way they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole, and in doing so, the directors must have regard, amongst other matters, to:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly between members of the company."

As part of their induction, directors are briefed on these duties and can access professional advice on these as necessary, either from the Company Secretary or independently. Our directors fulfil their duties partly through a clearly defined governance framework, delegating day-to-day operations to the Executive Leadership Team and sub-committees of the Board in line with the terms of reference. These activities are described in greater detail above.

The following paragraphs further detail how Scope's directors exercise their duties.

## Planning and decision making

There are clear processes in place around annual and longer-term planning, supported by the devolved activity of the Finance Committee, alongside investment review panels held by the Executive Leadership Team. Large financial, or strategic decisions are taken in line with our scheme of delegation, which sets out the parameters for delegated approvals from the trustees. Investment of reserves is discussed in greater detail on pages 19-20 (the reserves policy).

## Our Directors and Trustees

The Trustees in office during the year and up to the date of signing the financial statements are:

- Alexander Massey
- Andrew Hooke (resigned 5 November 2021)
- Claire Flint (resigned 28 June 2021)

- Donna Glover, Lead Trustee for Safeguarding
- Mark Johnstone, Deputy Chair and Hon. Treasurer
- Matthew Johnston
- Robin Millar, Chair
- Joanne Hall (appointed 5 November 2021)
- Simon Godfrey (appointed 5 November 2021)
- Tariq Khan (appointed 4 January 2022)
- Zeinab Chaudhary (appointed 8 October 2021)

## **Chief Executive**

Mark Hodgkinson



## **Legal and administrative details**

### **Independent auditors**

Moore Kingston Smith LLP, 9 Appold Street, London, EC2A 2AP

### **Solicitors**

Anthony Collins Solicitors, 76 King Street, Manchester, M2 4NH

### **Bankers**

National Westminster Bank plc, City of London Office, Corporate Business Centre, PO Box 12263, 1 Princes Street, London, EC2R 8PH

### **Investment advisers**

Royal London Asset Management, 55 Gracechurch Street, London, EC3V 0RL

### **Company secretary**

Joy Walton (resigned 16 December 2021)

Anna Burman (appointed 16 December 2021)

### **Registered office**

Scope and all subsidiaries are registered at Here East Press Centre, 14 East Bay Lane, London, E15 2GW

## Our colleagues

Our people are at the heart of everything we do. Our culture is based on our values, within which our people can flourish. We work together in an environment that aims to support creativity, passion and growth. We have a presence throughout England and Wales, with people based around the UK. We're a community of around 850 colleagues and over 4,000 volunteers working together with a shared vision of equality for disabled people.

In our 2021 Employee Engagement Survey (November 2021), 79% of colleagues shared their views about what it was like working at Scope. Colleagues enjoy working at Scope, are committed to our vision, understand our values, know what is expected of them, like and respect their colleagues, feel their manager cares for them, and are confident supporting disabled people at work.

The five key areas we're working on this year are pay, team communications, development, recognition and well-being.

After completing a full review of our rewards and benefits, we've implemented a number of changes:

- Increasing pay for our lowest-paid colleagues, who are mostly in retail, to match the Real Living Wage, which mirrors the Living Wage Foundation rates.
- Simplifying our pay framework by moving from 10 pay grades to five career levels.
- Improving maternity, adoption, shared parental leave and paternity leave pay.
- Benchmarking our salaries in the sector and increasing these salaries by 4% to reflect the cost of living and affordability for the charity.
- Introducing pay progression reviews.

We launched several development programmes and initiatives:

- Regular Coaching in a Coffee Cup, EDI and accessibility workshops, as well as workshops on understanding the Scope competencies for all colleagues.
- Apprenticeship opportunities across the organisation (23 colleagues are doing apprenticeships).
- 35 pairs of mentors and mentees for this year's cross charity mentoring programme.
- Connected Leadership programme to support managers to develop their skills (we're soon to launch a Pioneering Leadership programme for Retail).
- Promoting development opportunities through internal-only vacancies (more than 100 colleagues found a new role at Scope in 2021/22).

We focussed on recognition:

- Holding our first virtual volunteer awards recognising the amazing work our volunteers do. Our Retail directorate also held its annual shop and colleague recognition awards.
- Launching new quarterly Scope recognition awards, to recognise and celebrate colleagues who demonstrate the Scope values.
- Announcing plans for an annual Scope team awards next year, honouring teams who deliver great results.

And we worked on wellbeing:

- Launching 10 Keys to Happier Living Fortnight in January 2022 and shared daily tips and videos.
- Holding a series of four wellbeing workshops with a health coach.
- Introducing Ways to Working Wellbeing guidelines for managing wellbeing during the working day.
- Developing a Series of articles covering topics such as winter wellbeing, loneliness and financial wellbeing.

## **Our People data**

### **Disability**

At March 2021, we reported 12.5% of colleagues recognising themselves as disabled, or having a health condition or impairment. A year later that figure grew to 15.8% – an increase of 26% in that time.

The number of colleagues who identified as being disabled or having a health condition or impairment in our anonymous colleague survey in 2020 was 19%, and in 2021 it was 24%. Our volunteer survey reported 29% of respondents recognising themselves as disabled, or having a health condition or impairment.

### **Gender**

We've made significant progress in reducing our gender pay gap although there's clearly more we need to do in this area. Our mean pay gap is currently 16.2% (compared to 22.4% in 2020/21).

### **Ethnicity**

Our organisation is still predominantly white British in ethnic makeup, with 85.7% of all our employees being white. Our BAME population is 11.4%. In our volunteer survey, 85.3% of respondents stated they were white.

### **Sexual orientation and gender identity**

7.42% of respondents say they're lesbian, gay, bisexual, trans, queer, questioning or other (LGBTQ+).

One of our ambitions is to be an inclusive employer, leading the field in the employment of disabled people and supporting diversity in all its forms. We know we must lead by example on disability equality, acting as a role model for other employers.

So, we've been working hard to do more:

- Growing our employee networks – and bringing together an accessibility task force.
- Fully embracing flexible ways of working:
  - Using a colleague survey to better understand how we could learn to live with Covid in an inclusive way.
  - Incorporating flexibility on location into our adverts for roles, wherever possible.
- Holding a number of Roundtables covering, disability and career development, ethnicity and mental health and menopause.
- Increasing representation, by using a more diverse pool of applicants to reflect who we serve.
- Identifying more development opportunities with a special emphasis on our underrepresented groups, by supporting the Government Kickstart scheme, taking on apprentices, and being part of the cross-charity mentoring scheme. We also introduced reverse mentoring for our senior leaders.
- Continuing to increase the number of women working in senior roles and reducing our gender pay gap for the third year running.

## How senior pay is set

We set the pay and reward for senior staff by:

- Evaluating the role against others in Scope from different job families to make our pay structure consistent.
- Using market data from sector pay surveys and reports.

To make sure we're doing all we can to achieve our mission, there's some flexibility on pay and reward so we can work with the best people. Our overall policy on pay and reward is agreed by the EDIP Committee and approved by the Board of Trustees. This includes recommendations from the Chief Executive on the Executive Leadership Team's pay. The Committee also recommends to the Board of Trustees the Chief Executive's pay.

In April 2022, executive pay was reviewed, and increases were awarded in line with sector benchmarking. The Chief Executive chose not to take a pay increase.

Salaries paid during the year to our current Executive Leadership Team were:

| Role                                                     | Gross salary for the year ended 31 March 2022 | Employer pension contributions in 2021/22 | Total financial reward |
|----------------------------------------------------------|-----------------------------------------------|-------------------------------------------|------------------------|
| Chief Executive                                          | £150,000                                      | –                                         | £150,000               |
| Executive Director of People                             | £85,825                                       | £3,433                                    | £89,258                |
| Executive Director of Strategy, Impact and Social Change | £85,487                                       | £1,321                                    | £86,808                |
| Executive Director of Retail and Communities             | £143,500                                      | –                                         | £143,500               |
| Executive Director of Finance and Technology Services    | £120,000                                      | £1,321                                    | £121,321               |
| Executive Director of Services                           | £88,375                                       | £4,984                                    | £93,359                |
| Executive Director of Partnerships                       | £91,667                                       | £990                                      | £92,657                |

## Business relationships and fundraising

The relationships with Scope's Members, volunteers, customers and suppliers are critical to the successful delivery of our mission. The Executive Leadership Team understands and monitors key supplier and contractual relationships to ensure the effective management of both value for money and risks. Outside of the work undertaken within our policy and change areas, Scope's key supplier relationships are with our fundraising partners. See Fundraising governance below for more details.

## Community and the environment

Supporting our customers within their communities is at the heart of our Everyday Equality strategy. We seek to provide support in the ways that our customers can best access it – across the country with a local focus, nationally delivered. The work we undertake with Government, supporting social change through policy and education underpins this. Our shops are a key presence, working with volunteers and customers at the heart of 190 local communities.

We continue to move ahead in considering and minimising the impact we have on our world as we work to deliver our Everyday Equality strategy. We have a number of initiatives in place to support this and where possible we work with suppliers who are equally conscious of their impact on the environment. Information about our environmental impact and reporting is shown on page 22.

## Our Members and the Scope Assembly

Acting fairly and listening openly to the views of all of Scope's Members is a fundamental tenet of our business. Scope had 577 Members at 31 March 2022.

The Scope Assembly is elected by the Membership to take Members' views to Trustees and the Executive Leadership Team. The Assembly gives Members the opportunity to hear news and updates and give feedback on decisions and initiatives.

## Fundraising governance

We fundraise to deliver everyday equality for disabled people. We do this by providing direct services and by campaigning to change society. Our supporters volunteer their time, donate money, fundraise on our behalf, take part in events, campaign, raise awareness and give us their expertise so we are even more effective.

Support from corporate partnerships, charitable trusts and high net worth individuals funds our innovative and evidence-based services. Financial investment and pro-bono support mean we can increase our reach, amplify our voice and make even more impact on the lives of disabled people.

We have the highest standards of professional fundraising and we encourage our staff to join the Chartered Institute of Fundraising's training courses and specialist interest groups. We subscribe to the Fundraising Regulator to make sure we're respectful, open, honest and accountable in line with our organisational values. We're transparent about how we raise and use public donations and about the impact these donations have on the lives of disabled people and their families.

We take great care in choosing third party suppliers, making sure our contracts specify they follow fundraising best practice and closely monitoring how they fundraise on our behalf. We mystery shop and shadow our agencies very regularly, so we're confident they're displaying the standards we expect of them.

We work hard to give our supporters the best possible experience of Scope. But we understand things can go wrong and we take all concerns and complaints seriously. We provide a complaints procedure through our website.

The number of complaints received in relation to fundraising activities in 2021/22 was 226 complaints (36 in 2020/21). All complaints were resolved satisfactorily through our internal processes and none were escalated to the Fundraising Regulator. The increase in complaints was caused by the easing of Covid restrictions, which enabled our fundraising activities to start up again.

CC20, published by the Charity Commission, gives Trustees guidance on their duty to oversee their organisation's fundraising. The Board of Trustees has received guidance and updates on fundraising best practice.

## Safeguarding

The Board of Trustees is committed to promoting the welfare and wellbeing of children and adults at risk. It also makes sure there's the right level of protection and safeguarding response for anyone who connects with Scope. The Board of Trustees are responsible for safeguarding at Scope, seeing to it that incidents and allegations are handled with speed, efficiency and rigour.

Scope has a Lead Trustee for Safeguarding, who shares the responsibility for safeguarding equally with the rest of the Board but has specific skills and experience to help drive

forward best practice. The Board of Trustees and Scope's Audit and Risk Committee have oversight of safeguarding and it's on every agenda at the quarterly meetings.

At Executive level, the Chief Executive has responsibility for safeguarding. Additionally, all leaders are responsible for setting the standard and modelling behaviour that reflects our values, complies with our safeguarding policy and procedures, and protects customers, colleagues and members of the public.

Scope has a Safeguarding Steering Group that meets four times per year. The group supports and reviews the progress and implementation of Scope's safeguarding strategy and safeguarding plans. There are three full-time equivalent safeguarding professionals who make sure safeguarding responses are appropriate and consistent, and that the individual's wishes and rights are upheld. They're also responsible for providing Scope colleagues with an appropriate level of safeguarding training.

Alongside other serious incident reporting, we report serious safeguarding incidents to the Charity Commission and other relevant regulators in line with our Reporting Serious Incidents Guidance.

## **Directors' and Trustees' indemnity**

During the year we had in place an indemnity insurance policy in favour of our Directors and Trustees against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. This third-party indemnity provision remains in force as at the date of approving the Trustees' report.

## Statement of Trustees' responsibilities

The Trustees (who are also Directors of Scope for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Board of Trustees to prepare financial statements for each financial year. Under that same Law, the Board of Trustees has prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable Law (United Kingdom Generally Accepted Accounting Practice).

Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group, and the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the 'Accounting and Reporting by Charities: Statement of Recommended Practice 2019' ('Charities SORP').
- Make judgements and estimates that are reasonable and prudent.
- State whether FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' has been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Board of Trustees is responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and the group, and enable them to make sure that the financial statements comply with the Companies Act 2006.

They're also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Board of Trustees is aware:

- There's no relevant audit information of which the company's auditors are unaware.
- They've taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and establish the company's auditors are aware of that information.



The Board of Trustees is responsible for the maintenance and integrity of the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may be different from legislation in other jurisdictions.

The Trustees' report and Strategic report were signed on behalf of the Trustees by:



Robin Millar  
Trustee

Date: 28 July 2022



Mark Johnstone  
Trustee

# Independent Auditor's report to the Members of Scope

## Opinion

We have audited the financial statements of Scope ('the parent charitable company') and its subsidiaries for the year ended 31 March 2022 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement 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 group's and the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

## **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 Trustees are responsible for the other information contained in the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Trustees' annual report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement set out on page 42, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's responsibilities for the audit of the financial statements**

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act

2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

## 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. Our audit work has been undertaken so that we might state to the charitable company's members those matters which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Moore Kingston Smith LLP*

Andrew Stickland (Senior Statutory Auditor)  
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor  
9 Appold Street  
London, EC2A 2AP

Date: 9 August 2022

# Group statement of financial activities

(Incorporating an income and expenditure account)

For the year ended 31 March 2022

|                                                   |           | 2022                          |                             |                        | 2021                          |                             |                        |
|---------------------------------------------------|-----------|-------------------------------|-----------------------------|------------------------|-------------------------------|-----------------------------|------------------------|
|                                                   |           | Unrestricted<br>Funds<br>£000 | Restricted<br>funds<br>£000 | Total<br>funds<br>£000 | Unrestricted<br>funds<br>£000 | Restricted<br>funds<br>£000 | Total<br>funds<br>£000 |
|                                                   | Note      |                               |                             |                        |                               |                             |                        |
| <b>Income and endowments from:</b>                |           |                               |                             |                        |                               |                             |                        |
| Donations and legacies                            | 3         | 11,651                        | 1,138                       | 12,789                 | 12,801                        | 1,061                       | 13,862                 |
| Other trading activities                          | 4         | 25,383                        | –                           | 25,383                 | 14,470                        | –                           | 14,470                 |
| Investments                                       | 5         | 596                           | –                           | 596                    | 526                           | –                           | 526                    |
| <b>Charitable activities:</b>                     |           |                               |                             |                        |                               |                             |                        |
| Fees                                              |           | 790                           | –                           | 790                    | 633                           | 1                           | 634                    |
| Grants                                            | 6         | 167                           | 1,562                       | 1,729                  | (2)                           | 1,471                       | 1,469                  |
| Sales and ancillary income                        | 7         | 2,878                         | –                           | 2,878                  | 2,768                         | –                           | 2,768                  |
| Other                                             | 8         | –                             | –                           | –                      | 409                           | (17)                        | 392                    |
| <b>Total income and endowments</b>                |           | <b>41,465</b>                 | <b>2,700</b>                | <b>44,165</b>          | <b>31,605</b>                 | <b>2,516</b>                | <b>34,121</b>          |
| <b>Expenditure on:</b>                            |           |                               |                             |                        |                               |                             |                        |
| Raising funds                                     | 10        | 31,023                        | –                           | 31,023                 | 24,671                        | 48                          | 24,719                 |
| <b>Charitable activities:</b>                     |           |                               |                             |                        |                               |                             |                        |
| Be financially secure                             | 10        | 1,357                         | 194                         | 1,551                  | 981                           | 412                         | 1,393                  |
| Get the best start in life                        | 10        | 972                           | –                           | 972                    | 923                           | –                           | 923                    |
| Independence                                      | 10        | 39                            | –                           | 39                     | 52                            | 204                         | 256                    |
| Delivery of services                              | 10        | 2,147                         | 1,735                       | 3,882                  | 1,704                         | 1,970                       | 3,674                  |
| Information and advice                            | 10        | 2,019                         | –                           | 2,019                  | 1,580                         | –                           | 1,580                  |
| Influencing and campaigning                       | 10        | 4,915                         | –                           | 4,915                  | 3,034                         | (5)                         | 3,029                  |
| Strategic spend                                   | 10        | 581                           | –                           | 581                    | 636                           | –                           | 636                    |
| Governance                                        | 10        | 136                           | –                           | 136                    | 112                           | –                           | 112                    |
| <b>Total expenditure</b>                          | <b>10</b> | <b>43,189</b>                 | <b>1,929</b>                | <b>45,118</b>          | <b>33,693</b>                 | <b>2,629</b>                | <b>36,322</b>          |
| Net gains on investments                          | 15        | 704                           | –                           | <b>704</b>             | 2,753                         | –                           | 2,753                  |
| <b>Net income/(expenditure)</b>                   |           | <b>(1,020)</b>                | <b>771</b>                  | <b>(249)</b>           | <b>665</b>                    | <b>(113)</b>                | <b>552</b>             |
| Transfers between funds                           | 21        | 488                           | (488)                       | –                      | 539                           | (539)                       | –                      |
| Actuarial gain on defined benefit pension schemes | 29        | 349                           | –                           | 349                    | 304                           | –                           | 304                    |
| <b>Net movement in funds</b>                      |           | <b>(183)</b>                  | <b>283</b>                  | <b>100</b>             | <b>1,508</b>                  | <b>(652)</b>                | <b>856</b>             |
| <b>Fund balances brought forward at 1 April</b>   |           | <b>42,282</b>                 | <b>1,229</b>                | <b>43,511</b>          | <b>40,774</b>                 | <b>1,881</b>                | <b>42,655</b>          |
| <b>Fund balances carried forward at 31 March</b>  |           | <b>42,099</b>                 | <b>1,512</b>                | <b>43,611</b>          | <b>42,282</b>                 | <b>1,229</b>                | <b>43,511</b>          |

There were no gains or losses during the year other than those included in the statement of financial activities.

# Group and parent charitable company balance sheets

As at 31 March 2022

|                                                | Note | Group         |               | Charity       |               |
|------------------------------------------------|------|---------------|---------------|---------------|---------------|
|                                                |      | 2022<br>£000  | 2021<br>£000  | 2022<br>£000  | 2021<br>£000  |
| <b>Fixed assets</b>                            |      |               |               |               |               |
| Intangible assets                              | 13   | 365           | –             | 365           | –             |
| Tangible assets                                | 14   | 1,795         | 1,915         | 1,795         | 1,915         |
| Investments                                    | 15   | 40,185        | 40,031        | 40,185        | 40,031        |
| <b>Total fixed assets</b>                      |      | <b>42,345</b> | <b>41,946</b> | <b>42,345</b> | <b>41,946</b> |
| <b>Current assets</b>                          |      |               |               |               |               |
| Stocks                                         |      | 177           | 513           | –             | –             |
| Debtors                                        | 17   | 6,327         | 7,470         | 6,362         | 7,721         |
| Cash at bank and in hand                       |      | 1,553         | 1,636         | 1,497         | 1,538         |
| <b>Total current assets</b>                    |      | <b>8,057</b>  | <b>9,619</b>  | <b>7,859</b>  | <b>9,259</b>  |
| Creditors: amounts falling due within one year | 18   | (3,630)       | (5,177)       | (3,735)       | (5,175)       |
| <b>Net current assets</b>                      |      | <b>4,427</b>  | <b>4,442</b>  | <b>4,124</b>  | <b>4,084</b>  |
| <b>Total assets less current liabilities</b>   |      | <b>46,772</b> | <b>46,388</b> | <b>46,469</b> | <b>46,030</b> |
| Provision for liabilities and charges          | 20   | (3,161)       | (2,877)       | (3,161)       | (2,877)       |
| <b>Net assets</b>                              |      | <b>43,611</b> | <b>43,511</b> | <b>43,308</b> | <b>43,153</b> |
| <b>Funds</b>                                   |      |               |               |               |               |
| Restricted funds                               | 21   | 1,512         | 1,229         | 1,512         | 1,229         |
| Unrestricted funds                             | 21   | 33,099        | 34,398        | 32,796        | 34,040        |
| Designated funds – strategic investment        | 21   | 2,500         | 2,800         | 2,500         | 2,800         |
| Designated funds – pension                     | 21   | 6,500         | 5,084         | 6,500         | 5,084         |
| <b>Total funds</b>                             |      | <b>43,611</b> | <b>43,511</b> | <b>43,308</b> | <b>43,153</b> |

We have a defined benefit pension scheme which is closed and in surplus. See note 29 for details.

As permitted by section 408 of the Companies Act 2006, and FRS 102, no separate statement of financial activities is presented in respect of the parent charity.

The notes on pages 52 to 76 form part of these financial statements.

The financial statements on pages 49 to 76 were approved by the Board of Trustees on 28 July 2022 and signed on its behalf by:



Robin Millar  
Trustee



Mark Johnstone  
Trustee

Company number: 520866



# Group cash flow statement

For the year ended 31 March 2022

|                                                                    | Group        |              |
|--------------------------------------------------------------------|--------------|--------------|
|                                                                    | 2022<br>£000 | 2021<br>£000 |
| <b>Cash flows from operating activities:</b>                       |              |              |
| Net cash used in operating activities                              | (409)        | (1,816)      |
| <b>Cash flows from investing activities:</b>                       |              |              |
| Investment income received                                         | 596          | 526          |
| Purchase of tangible and intangible fixed assets                   | (820)        | (204)        |
| Purchase of fixed asset investments                                | (1,350)      | (100)        |
| Sale of fixed asset investments                                    | 1,900        | 2,000        |
| Net cash provided by investing activities                          | 326          | 2,222        |
| <b>Change in cash and cash equivalents in the reporting period</b> | <b>(83)</b>  | <b>406</b>   |
| Cash brought forward at 1 April                                    | 1,636        | 1,230        |
| <b>Cash carried forward at 31 March</b>                            | <b>1,553</b> | <b>1,636</b> |

## Note to group cash flow statement

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

|                                                                                                     | Group        |                |
|-----------------------------------------------------------------------------------------------------|--------------|----------------|
|                                                                                                     | 2022<br>£000 | 2021<br>£000   |
| Net movement in funds for the reporting period                                                      | 100          | 856            |
| <b>Adjustments for:</b>                                                                             |              |                |
| Net gains on investments                                                                            | (704)        | (2,753)        |
| Investment income received                                                                          | (596)        | (526)          |
| Depreciation charges                                                                                | 575          | 561            |
| Loss on sale of tangible fixed assets                                                               | –            | 13             |
| Decrease/(increase) in stock                                                                        | 336          | (93)           |
| Decrease/(increase) in debtors                                                                      | 1,143        | (432)          |
| (Decrease)/increase in creditors                                                                    | (1,547)      | 1,926          |
| Increase/(decrease) in provisions for liabilities and charges and defined benefit pension liability | 284          | (1,368)        |
| <b>Net cash used in operating activities</b>                                                        | <b>(409)</b> | <b>(1,816)</b> |

# Notes to the financial statements

## 1. Accounting policies

### Basis of preparation

The financial statements are prepared in accordance with:

- The Charities Act 2011.
- The 'Accounting and Reporting by Charities: Statement of Recommended Practice 2019' ('Charities SORP').
- Applicable accounting and reporting standards in the United Kingdom, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102').
- The Companies Act 2006.

The particular accounting policies adopted by the Board of Trustees are applied consistently year on year across the Group and are described below.

The financial statements are prepared on a going concern basis, under the historical cost convention as modified by the revaluation of investments.

The Trustees have considered the financial position of the charity including cash, reserves and investment levels as well as future trading forecasts, in particular the ongoing impact of cost inflation on the activities and financial results of the charity. After reviewing the current forecasts and considering the risks and uncertainties, as well as the reserves position, they concluded the charity will continue to be able to meet its liabilities as they fall due for at least 12 months from the date of this report. It therefore remains appropriate to prepare the financial statements on the going concern basis.

The charity has taken advantage of the exemption from preparing a cash flow statement under FRS 102. The cash flows of the charity are included in the consolidated financial statements. The charity is a public benefit entity.

### Basis of consolidation

The consolidated financial statements of the group incorporate the financial statements of Scope and its subsidiary undertakings on a line-by-line basis. The total incoming resources attributable to the charity were £43 million (compared to £33.9 million in 2020/21). The net movement in funds attributable to the charity include:

- Pension scheme actuarial gains of £349,000 (compared to £304,000 in 2020/21).
- Investment gains of £704,000 (compared to gains of £2,753,000 in 2020/21).

There were no other recognised gains and losses attributable to the charity.

As permitted by section 408 of the Companies Act 2006, and FRS 102, no separate statement of financial activities is presented in respect of the parent charity.

## **Incoming resources**

All income is recognised in the statement of financial activities when:

- The conditions for receipt have been met (that is, there is entitlement to the funds).
- It is at least probable that the funds will be received.
- The funds can be reliably measured.

The following accounting policies are applied to income:

## **Donations including events and individual giving**

As a public benefit entity, Scope receives various donations as non-exchange transactions.

General donations and donations from fundraising events are included in income when received. Gift Aid to which Scope is entitled, but is not yet received at the year end, is included in incoming resources and shown as a debtor in the balance sheet.

Other income from fundraising events is recognised on delivery of the event.

## **Individual giving, face to face fundraising**

Regular donations from individuals are recognised on receipt. Income is recognised gross and any fees charged for fundraising including by a third party are recorded as a fundraising expense.

## **Legacies**

Legacy income is recognised when the amount receivable can be reliably measured and it is probable that it will be received. Receipt is normally probable when:

- There has been grant of probate.
- The executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy.
- Any conditions attached to the legacy are either within the control of the charity or have been met.

Where Scope may have entitlement to a legacy but there is uncertainty as to the amount of the payment, for example, if the interest of the charity in a pecuniary or residuary legacy cannot be measured reliably, details of the legacy will be disclosed as a contingent asset until the criteria for income recognition are met.

## **Restricted donations including corporate donations**

Donations are restricted when donors apply specific conditions on how the funds are to be used. Restricted donations are recognised when the conditions for entitlement are within our control or have been met.

## **Donations in kind**

Donations in kind (including pro-bono work) are recognised at their value to Scope when received and an equivalent amount is included in the appropriate category of expenditure.

The financial statements do not include volunteer time used in preparing items for sale as this cannot be reliably estimated.

## **Retail income**

Retail income, including income from the sale of donated goods in our shops, is recognised as income when the sale takes place. Estimated associated Gift Aid is accrued at the point of sale. Once consent has been obtained the income claimed from HM Revenue & Customs is recognised and the accrual reversed.

## **Concession and bought-in goods income**

Concession and bought-in goods income is recognised at the point of sale. All concession income is subject to output VAT and is recognised in the retail trading company Scope Central Trading Limited.

## **Investment income**

Investment income is recognised when receivable.

## **Fees for services**

Fees are recognised when the services have been provided. Income received in advance is deferred until the service has been provided.

## **Grants receivable including Government grants**

Grants are recognised when the conditions for entitlement have been met. Evidence of entitlement will usually exist when the formal offer of funding is communicated in writing to us. Where grants contain terms or conditions that must be met before we have entitlement to the resources, the income is deferred and included in creditors until the conditions have been met.

Grant funding agreements may contain performance conditions, for example, payments are linked to the achievement of a particular level of service or units of output delivered. In these circumstances, income is only recognised when the performance-related conditions are within our control and there is sufficient evidence that they have been or will be met.

Conditions imposed may also specify the time period over which the expenditure of resources on a service can take place. Specification of a time period may amount to a pre-condition for use that limits the charity's ability to spend the grant until it has performed the activity related to the specified time period.

## **Sales and ancillary income**

Sales income comprises income for rent receivable, sponsorship and other incoming resources from charitable activities. Sales and ancillary income is recognised on the date of sale. Rent receivable is recognised over the rental period.

## **Profit and loss on sale of asset**

The net book value of the asset being disposed is allocated to the associated receipt. If the receipt exceeds the net book value, the profit is recognised as income. If the net book value exceeds the receipt, a loss is recognised as reduced income.

## **Intellectual property licencing**

Royalties are payments made by one company (the licensee) to Scope (the licensor) in exchange for the right to use intellectual property or physical assets owned by Scope.

Royalty income is recognised on the date of the related sale and invoices are raised by Scope (IP) Limited.

## **Resources expended**

All resources expended have been accounted for on an accruals basis. Irrecoverable VAT is included with the expense item to which it relates.

## **Charitable expenditure**

This includes all expenditure directly related to the delivery of our mission.

## **Support costs**

Our support costs include staff costs, rent and other operational costs. All costs are allocated between the costs of raising income, activities in furtherance of the charity's objects and other costs. Most costs incurred by Scope are directly attributable to individual activities. Where costs are not directly attributable to particular activities, they are apportioned on an appropriate basis (note 10).

## **Grants payable**

Grants payable are recognised in the statement of financial activities when the conditions for disbursement have been met. Grants paid before the conditions have been met are deferred and included in debtors at year end.

## Intangible fixed assets

Intangible assets are stated in the balance sheet at cost less accumulated amortisation. Amortisation is charged evenly over the estimated useful lives of the assets at the following rates:

- Software development – 25% or 33.3%

## Tangible fixed assets

Freehold properties and other tangible assets are stated in the balance sheet at cost or the fair value at the date of receipt (if donated) less accumulated depreciation. Depreciation is charged evenly over the estimated useful lives of the assets at the following rates:

- Freehold land – no depreciation
- Freehold property – 2%
- Leasehold property and improvements to leasehold property – 2% or over the term of the lease if less than 50 years
- Improvements to property – 6.66%
- Motor vehicles – 20%
- Fixtures and equipment – 20%
- Computer equipment and software – 25% or 33.33%
- Gains or losses from the disposal of tangible fixed assets are recognised in other income.

## Asset impairment

At each reporting date, fixed assets are reviewed to assess whether they have suffered impairment. The recoverable amount of any affected asset is estimated and compared with its carrying amount.

If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the statement of financial activities.

## Funds

Scope maintains various funds as follows:

### Restricted funds

Restricted funds are the unspent balances on grants, donations and legacies received from donors who stipulated they be used for specific purposes.

## Unrestricted funds

Funds that can be spent at the discretion of the Board of Trustees to help fulfil our objectives. Such funds may be held to finance working capital and strategic investment.

## Designated funds

Funds that have been set aside at the discretion of the Board of Trustees for specific purposes. They would otherwise form part of the general unrestricted funds.

## Financial assets and liabilities

Investments are stated at fair value. Net gains and losses that have resulted from both changes in holdings and in their fair value are shown in the appropriate section of the statement of financial activities.

Debtors and creditors treated as financial assets and liabilities (notes 17 to 20) are measured at transaction price, less any impairment. Cash balances are stated at present value.

## Leases

Assets held under finance leases are capitalised at their fair value at the start of their term. They are depreciated over their useful lives or lease term if shorter. The finance charges are allocated over the periods of the leases in proportion to the outstanding capital amount. Operating lease costs are charged directly in the period to which they relate.

## Stocks

Stocks are stated at the lower of cost and net realisable value. They are valued using the weighted-average method. Stock is reviewed regularly throughout the year with a provision made for stock that is unlikely to be sold. Stocks of unsold donated goods are not valued for balance sheet purposes, since their cost is nil, and their value is uncertain until sold.

## Pension costs

The statement of financial activities includes:

- The cost of benefits accruing during the year in respect of current and past service (charged against net outgoing resources).
- The expected return on the pension scheme's assets and the increase in the present value of the scheme's liabilities, shown as pensions finance charge.
- Actuarial gain recognised in the pension scheme (shown within net movement of funds).
- In accordance with FRS 102, the scheme value is calculated taking assets at their year-end fair values and liabilities at their actuarially calculated values discounted at year-end AA-rated corporate bond interest rates. The scheme surplus is disclosed as nil value in

accordance with the FRS 102 balance sheet limitation. Further details regarding all pension schemes are disclosed in note 29.

We participate in a defined contribution scheme. Contributions to the scheme are recognised in the period in which they become payable.

Pension costs other than finance charges and actuarial gains or losses, disclosed in note 29, are allocated to expenditure by charitable activity, in line with other salary costs.

## **Irrecoverable Value Added Tax (VAT)**

Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

## **2. Critical accounting judgements and estimation**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events.

Provision is made for retirement obligations (including pension buy out), stock obsolescence, doubtful debts and dilapidations on leased properties. These provisions require management's best estimate of the costs that will be incurred, based on legislative and contractual requirements.

Management considers whether fixed assets are impaired. Where an indication of impairment is identified, the recoverable value of those assets requires the estimation of the future cash contribution that can be realised from those assets.

Management has considered the grants received from various Government bodies in connection with Covid-19 and interpreted the published guidance to assess whether conditions have been met for recognition of income.

## **Contingent assets**

Legacy income for which confirmation of the amount has not been received as at the balance sheet date has not been included in the incoming resources. The value of these legacies is estimated as £1,692,000 (compared to £1,101,000 in 2020/21).

## **Contingent liabilities**

An enquiry has been received about historical policies and procedures in connection with employment legislation. The charity has provided a full response and believes that it complies with the legislation, however, while the enquiry progresses there is a possibility that a liability may arise. At this stage it is impracticable to give any indication of the amount or timing of any possible outflow.



### 3. Donations and legacies

|                                         | Group         |               |
|-----------------------------------------|---------------|---------------|
|                                         | 2022          | 2021          |
|                                         | £000          | £000          |
| <b>Donations and gifts:</b>             |               |               |
| Retail                                  | 228           | 102           |
| Individual giving                       | 7,052         | 7,025         |
| Events fundraising                      | 301           | 348           |
| Philanthropy and corporate partnerships | 1,346         | 1,262         |
| Trusts                                  | 193           | 256           |
| Donations in kind*                      | 178           | 19            |
|                                         | <b>9,298</b>  | <b>9,012</b>  |
| <b>Legacies</b>                         | <b>3,491</b>  | <b>4,850</b>  |
|                                         | <b>12,789</b> | <b>13,862</b> |

\*Donations in kind are for professional advice received by Scope. This related to our retail estate and partnership strategies from Deloitte and our utilities membership from Partnerships for Good.

### 4. Other trading activities

|                                                            | Group         |               |
|------------------------------------------------------------|---------------|---------------|
|                                                            | 2022          | 2021          |
|                                                            | £000          | £000          |
| Gift Aid                                                   | 1,131         | 482           |
| Sale of donated and bought-in goods                        | 21,295        | 8,847         |
| Raffles in shops                                           | 146           | 56            |
| Other income                                               | 118           | 74            |
| Government grants (Job retention scheme and shop closures) | 2,693         | 5,011         |
|                                                            | <b>25,383</b> | <b>14,470</b> |

### 5. Income from investments

|                                       | Group      |            |
|---------------------------------------|------------|------------|
|                                       | 2022       | 2021       |
|                                       | £000       | £000       |
| <b>Income from listed investments</b> | <b>596</b> | <b>526</b> |

## 6. Grants receivable (excluding job retention scheme and shop closures)

|                                                  | Unrestricted<br>funds<br>£000 | Restricted<br>funds<br>£000 | 2022<br>total<br>£000 | 2021<br>total<br>£000 |
|--------------------------------------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| <b>Government grants:</b>                        |                               |                             |                       |                       |
| Department for Work and Pensions                 | 153                           | –                           | 153                   | –                     |
| Department for Health and Social Care            | –                             | –                           | –                     | 568                   |
| Working on Wellbeing                             | –                             | 660                         | 660                   | 460                   |
| <b>Total Government grants</b>                   | <b>153</b>                    | <b>660</b>                  | <b>813</b>            | <b>1,028</b>          |
| <b>Local authority grants:</b>                   |                               |                             |                       |                       |
| Leeds Activities                                 | (89)                          | –                           | (89)                  | –                     |
| Retail holding account                           | –                             | –                           | –                     | 12                    |
| <b>Total local authority grants</b>              | <b>(89)</b>                   | <b>–</b>                    | <b>(89)</b>           | <b>12</b>             |
| <b>Other grants:</b>                             |                               |                             |                       |                       |
| Fidelity                                         | –                             | 400                         | 400                   | –                     |
| People's Health Trust – Local People's Programme | –                             | 211                         | 211                   | 192                   |
| Energy Saving Trust                              | –                             | 246                         | 246                   | 80                    |
| Other grants < £50,000                           | 99                            | 49                          | 148                   | 157                   |
| <b>Total other grants</b>                        | <b>99</b>                     | <b>906</b>                  | <b>1,005</b>          | <b>429</b>            |
| <b>Total grants receivable</b>                   | <b>163</b>                    | <b>1,566</b>                | <b>1,729</b>          | <b>1,469</b>          |

As at the balance sheet date, there were no unfulfilled conditions for any of the Government grants detailed above. Grants received in relation to the job retention scheme and shop closures are presented in note 4.

## 7. Sales and ancillary income from charitable activities

|                                   | Group        |              |
|-----------------------------------|--------------|--------------|
|                                   | 2022<br>£000 | 2021<br>£000 |
| Ancillary services income         | –            | 23           |
| Lottery, raffles and other income | 2,878        | 2,745        |
|                                   | <b>2,878</b> | <b>2,768</b> |

## 8. Other income

|                                                                      | Group        |              |
|----------------------------------------------------------------------|--------------|--------------|
|                                                                      | 2022<br>£000 | 2021<br>£000 |
| (Loss)/gain on sale of fixed assets                                  | –            | (13)         |
| Fee and other income relating to divested regulated and day services | –            | 405          |
|                                                                      | <b>–</b>     | <b>392</b>   |

## 9. Subsidiaries' income and costs

The income and costs of Scope Central Trading Limited and Scope (IP) Limited:

|                                | Scope Central<br>Trading Limited<br>£000 | Scope (IP)<br>Limited<br>£000 | 2022<br>total<br>£000 | 2021<br>total<br>£000 |
|--------------------------------|------------------------------------------|-------------------------------|-----------------------|-----------------------|
| <b>Turnover</b>                | <b>1,182</b>                             | –                             | <b>1,182</b>          | 765                   |
| Cost of sales                  | (874)                                    | –                             | (874)                 | (425)                 |
| <b>Gross profit</b>            | <b>308</b>                               | –                             | <b>308</b>            | 340                   |
| Administration and other costs | (4)                                      | –                             | (4)                   | (4)                   |
| Other operating income         | –                                        | –                             | –                     | 40                    |
| <b>Operating profit/(loss)</b> | <b>304</b>                               | –                             | <b>304</b>            | 376                   |
| Taxation                       | –                                        | –                             | –                     | –                     |
| <b>Net income</b>              | <b>304</b>                               | –                             | <b>304</b>            | <b>376</b>            |

Income and expenditure reported by the subsidiaries has been incorporated into the appropriate sections in the statement of financial activities, under the relevant department.

At 31 March 2022 Scope Central Trading Limited had £304,066 net assets (compared to £356,522 in 2020/21). This comprised assets of £348,255 (compared to £607,919 in 2020/21) and liabilities of £44,189 (compared to £251,397 in 2020/21).

At 31 March 2022 Scope (IP) Limited had net liabilities of £1,574 (compared to £1,574 in 2020/21). This comprised assets of £nil (compared to £354 in 2020/21) and liabilities of £1,574 (compared to £1,928 in 2020/21).

Scope holds 100% of the share capital of Scope Central Trading Limited and Scope (IP) Limited (see note 16).

## 10. Analysis of total expenditure and support costs

| The Group                                                     | Activities undertaken directly<br>£000 | Support costs<br>£000 | 2022 total<br>£000 | 2021 total<br>£000 |
|---------------------------------------------------------------|----------------------------------------|-----------------------|--------------------|--------------------|
| <b>Cost of raising funds:</b>                                 |                                        |                       |                    |                    |
| Cost of raising donations and legacies                        | 5,948                                  | 1,326                 | 7,274              | 4,275              |
| Cost of trading activities                                    | 20,017                                 | 3,732                 | 23,749             | 20,444             |
| <b>Total cost of raising funds</b>                            | <b>25,965</b>                          | <b>5,058</b>          | <b>31,023</b>      | <b>24,719</b>      |
| <b>Charitable activities</b>                                  |                                        |                       |                    |                    |
| Be financially secure                                         | 1,113                                  | 438                   | 1,551              | 1,393              |
| Get the best start in life                                    | 662                                    | 310                   | 972                | 923                |
| Independence                                                  | 9                                      | 30                    | 39                 | 256                |
| Delivery of services                                          | 3,467                                  | 415                   | 3,882              | 3,674              |
| Information and advice                                        | 1,492                                  | 527                   | 2,019              | 1,580              |
| Influencing and campaigning                                   | 4,431                                  | 484                   | 4,915              | 3,029              |
| Strategic spend                                               | 555                                    | 26                    | 581                | 636                |
| Governance                                                    | 136                                    | –                     | 136                | 112                |
| <b>Total cost of charitable activities</b>                    | <b>11,865</b>                          | <b>2,230</b>          | <b>14,095</b>      | <b>11,603</b>      |
| <b>Total expenditure</b>                                      | <b>37,830</b>                          | <b>7,288</b>          | <b>45,118</b>      | <b>36,322</b>      |
| <b>Total expenditure excluding cost of trading activities</b> | <b>17,813</b>                          | <b>3,556</b>          | <b>21,369</b>      | <b>15,878</b>      |

| Support costs                                       | Management overhead, HR and communications<br>£000 | Finance and purchasing<br>£000 | Technology services<br>£000 | Property and facilities<br>£000 | 2022 total<br>£000 | 2021 total<br>£000 |
|-----------------------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------|---------------------------------|--------------------|--------------------|
| <b>Cost of raising funds:</b>                       |                                                    |                                |                             |                                 |                    |                    |
| Donations and legacies                              | 442                                                | 362                            | 248                         | 274                             | 1,326              | 1,234              |
| Cost of trading activities                          | 1,244                                              | 1,019                          | 698                         | 771                             | 3,732              | 2,995              |
|                                                     | <b>1,686</b>                                       | <b>1,381</b>                   | <b>946</b>                  | <b>1,045</b>                    | <b>5,058</b>       | <b>4,229</b>       |
| <b>Charitable activities:</b>                       |                                                    |                                |                             |                                 |                    |                    |
| Be financially secure                               | 146                                                | 120                            | 82                          | 90                              | 438                | 435                |
| Get the best start in life                          | 103                                                | 85                             | 58                          | 64                              | 310                | 307                |
| Independence                                        | 10                                                 | 8                              | 6                           | 6                               | 30                 | 34                 |
| Delivery of services                                | 138                                                | 113                            | 78                          | 86                              | 415                | 280                |
| Information and advice                              | 176                                                | 144                            | 98                          | 109                             | 527                | 379                |
| Influencing and campaigning                         | 161                                                | 132                            | 91                          | 100                             | 484                | 346                |
| Strategic spend                                     | 9                                                  | 7                              | 5                           | 5                               | 26                 | 24                 |
| <b>Total support costs – charitable activities:</b> | <b>743</b>                                         | <b>609</b>                     | <b>418</b>                  | <b>460</b>                      | <b>2,230</b>       | <b>1,805</b>       |
| <b>Total support costs for 2022</b>                 | <b>2,429</b>                                       | <b>1,990</b>                   | <b>1,364</b>                | <b>1,505</b>                    | <b>7,288</b>       | <b>6,034</b>       |
| Total support costs for 2021                        | 2,211                                              | 1,175                          | 1,485                       | 1,163                           |                    |                    |

We review the basis of support cost allocation every year to ensure that it is reasonable and fairly reflects the nature of the costs and how they are incurred. The basis for allocation of support costs is as follows:

- According to usage or transactional data where this is relevant and available.
- Departmental headcount where the cost is related to the number of staff.

- In proportion to the size of the cost base where the size of the departmental activity is more relevant.
- Evenly allocated across departments where this is considered a more appropriate indicator for corporate costs.

## 11. Net income/expenditure

|                                                                                  | Group        |              |
|----------------------------------------------------------------------------------|--------------|--------------|
|                                                                                  | 2022<br>£000 | 2021<br>£000 |
| <b>Net income/expenditure for the year is stated after charging/(crediting):</b> |              |              |
| <b>Auditors' remuneration:</b>                                                   |              |              |
| Audit of these financial statements                                              | 47           | 44           |
| Audit of the charity's subsidiaries                                              | 6            | 6            |
| Non-audit fees*                                                                  | 4            | 16           |
| <b>Loss on sale of tangible assets:</b>                                          |              |              |
| Loss on the sale of fixed assets                                                 | –            | 13           |
| <b>Depreciation of intangible and tangible fixed assets:</b>                     |              |              |
| Owned assets                                                                     | 575          | 561          |
| <b>Net pension finance cost</b>                                                  | <b>349</b>   | <b>304</b>   |
| <b>Operating lease rentals:</b>                                                  |              |              |
| Equipment                                                                        | 118          | 100          |
| Property                                                                         | 4,340        | 4,594        |
| Motor vehicles                                                                   | 194          | 204          |

\* Non-audit fees relate to advice in relation to VAT matters

## 12. Information regarding employees and Trustees

|                                                                       | Group         |               |
|-----------------------------------------------------------------------|---------------|---------------|
|                                                                       | 2022<br>£000  | 2021<br>£000  |
| <b>Staff costs comprise:</b>                                          |               |               |
| Wages and salaries                                                    | 19,120        | 17,928        |
| Social security costs                                                 | 1,582         | 1,427         |
| Other pension costs                                                   | 610           | 259           |
|                                                                       | 21,312        | 19,614        |
| Payments made to independent third parties for the provision of staff | 338           | 232           |
| <b>Total payroll and staff related costs</b>                          | <b>21,650</b> | <b>19,846</b> |

In addition to the payroll and staff costs set out in the table, there were redundancy payments of £52,772 (compared to £62,900 in 2020/21) and ex-gratia (goodwill) payments of £33,978 (compared to £56,260 in 2020/21). Ex-gratia payments were made as part of settlement agreements with ex-employees at the time of leaving and were fully paid in the year. These payments are managed through the Human Resources Team in line with approved policy and procedure and authorised in accordance with the Scheme of Delegation based on the size of payment.

Payments made to independent third parties for the provision of staff are costs to cover staff vacancies pending recruitment, short-term sickness cover and certain projects.

| Average number of employees during the year: | 2022       | 2021       |
|----------------------------------------------|------------|------------|
| Cost of raising donations and legacies       | 33         | 34         |
| Cost of trading activities                   | 512        | 556        |
| Be financially secure                        | 40         | 42         |
| Get the best start in life                   | 43         | 45         |
| Independence                                 | 4          | 3          |
| Delivery of services                         | 27         | 27         |
| Information and advice                       | 51         | 36         |
| Influencing and campaigning                  | 47         | 39         |
| Strategic spend                              | 1          | –          |
| Support costs                                | 66         | 62         |
| Governance                                   | 1          | 1          |
|                                              | <b>825</b> | <b>845</b> |

The average full-time equivalent headcount for the year was 718 (compared to 709 in 2020/21). The full-time equivalent excludes hourly paid casual workers due to the variable nature of the hours worked.

The number of senior staff whose salary for the year (including taxable benefits in kind and redundancy payments, but not employer pension costs) exceeded £60,000 was:

|                     | 2022<br>Number | 2021<br>Number |
|---------------------|----------------|----------------|
| £60,000 – £70,000   | 9              | 4              |
| £70,001 – £80,000   | 2              | 6              |
| £80,001 – £90,000   | 4              | –              |
| £90,001 – £100,000  | 1              | –              |
| £100,001 – £110,000 | –              | –              |
| £110,001 – £120,000 | 2              | 1              |
| £120,001 – £130,000 | –              | –              |
| £130,001 – £140,000 | –              | 1              |
| £140,001 – £150,000 | 2              | –              |
|                     | <b>20</b>      | <b>12</b>      |

We operate an auto enrolment defined contribution scheme as our main pension plan.

18 senior staff are accruing retirement benefits from the defined contribution scheme (compared to nine in 2020/21). Contributions paid for the year, including salary sacrifice amounts, in respect of senior staff included in the table above for all schemes amounted to £90,569 (compared to £38,081 in 2020/21).

All of the Executive Leadership Team who have authority and responsibility for planning, directing and controlling the activities of the Group are considered to be key management personnel. Total remuneration paid in respect of these individuals was £998,829 including salary £876,437, employer's national insurance contributions £107,136 and employer's

pension contributions £15,256 (compared to total remuneration of £702,080 in 2020/21 including salary £608,946, employer's national insurance contributions £71,920 and employer's pension contributions £21,214).

In 2021/22, no Trustee or person closely related or connected to them has received any remuneration or other benefit from Scope other than as a beneficiary on non-preferential terms (same as 2020/21). During the year, we reimbursed £nil of travel, subsistence and accommodation expenses to Trustees (compared to £68 for one Trustee in 2020/21).

## 13. Intangible fixed assets for use by the group and charity

| Group and charity               | Software development<br>£000 | Total<br>£000 |
|---------------------------------|------------------------------|---------------|
| <b>Cost</b>                     |                              |               |
| At 1 April 2021                 | –                            | –             |
| Additions                       | 407                          | 407           |
| Disposals                       | –                            | –             |
| <b>At 31 March 2022</b>         | <b>407</b>                   | <b>407</b>    |
| <b>Accumulated amortisation</b> |                              |               |
| At 1 April 2021                 | –                            | –             |
| Charge for the year             | 42                           | 42            |
| Disposals                       | –                            | –             |
| <b>At 31 March 2022</b>         | <b>42</b>                    | <b>42</b>     |
| <b>Net book value</b>           |                              |               |
| At 1 April 2021                 | –                            | –             |
| <b>At 31 March 2022</b>         | <b>365</b>                   | <b>365</b>    |

## 14. Tangible fixed assets for use by the group and charity

| Group and charity               | Freehold and leasehold property<br>£000 | Motor vehicles<br>£000 | Fixtures, equipment and computers<br>£000 | Total<br>£000 |
|---------------------------------|-----------------------------------------|------------------------|-------------------------------------------|---------------|
| <b>Cost</b>                     |                                         |                        |                                           |               |
| At 1 April 2021                 | 5,253                                   | 15                     | 8,745                                     | 14,013        |
| Additions                       | –                                       | –                      | 413                                       | 413           |
| Disposals                       | (8)                                     | –                      | –                                         | (8)           |
| <b>At 31 March 2022</b>         | <b>5,245</b>                            | <b>15</b>              | <b>9,158</b>                              | <b>14,418</b> |
| <b>Accumulated depreciation</b> |                                         |                        |                                           |               |
| At 1 April 2021                 | 5,249                                   | 15                     | 6,834                                     | 12,098        |
| Charge for the year             | –                                       | –                      | 533                                       | 533           |
| Disposals                       | (8)                                     | –                      | –                                         | (8)           |
| <b>At 31 March 2022</b>         | <b>5,241</b>                            | <b>15</b>              | <b>7,367</b>                              | <b>12,623</b> |
| <b>Net book value</b>           |                                         |                        |                                           |               |
| At 1 April 2021                 | 4                                       | –                      | 1,911                                     | 1,915         |
| <b>At 31 March 2022</b>         | <b>4</b>                                | <b>–</b>               | <b>1,791</b>                              | <b>1,795</b>  |

We have not adopted a policy of revaluing our properties. The carrying amount of our tangible fixed assets is held at depreciated cost.



## 15. Investments

|                           | Group        |              | Charity      |              |
|---------------------------|--------------|--------------|--------------|--------------|
|                           | 2022<br>£000 | 2021<br>£000 | 2022<br>£000 | 2021<br>£000 |
| <b>Total investments:</b> |              |              |              |              |
| Financial investments     | 40,185       | 40,031       | 40,185       | 40,031       |
|                           | 40,185       | 40,031       | 40,185       | 40,031       |

|                                                     | Group and charity |               |
|-----------------------------------------------------|-------------------|---------------|
|                                                     | 2022<br>£000      | 2021<br>£000  |
| <b>Total financial investments:</b>                 |                   |               |
| Market value at 1 April                             | 40,031            | 39,178        |
| Additions at cost                                   | 1,350             | 100           |
| Sale of fixed asset investments                     | (1,900)           | (2,000)       |
| Net investment unrealised gains/(losses)            | 704               | 2,753         |
| <b>Market value at 31 March</b>                     | <b>40,185</b>     | <b>40,031</b> |
| <b>Investments comprise the following:</b>          |                   |               |
| <b>Investments listed on a UK stock exchange</b>    |                   |               |
| Fixed interest                                      | 10,620            | 7,561         |
| Equities                                            | 8,019             | 11,057        |
| Cash deposits held as part of investment portfolio  | 15,324            | 13,164        |
| Cash deposits held separate to investment portfolio | 6,222             | 8,249         |
| <b>Market value at 31 March</b>                     | <b>40,185</b>     | <b>40,031</b> |
| <b>Being at market value:</b>                       |                   |               |
| <b>Investment assets in the United Kingdom</b>      | <b>40,185</b>     | <b>40,031</b> |
| Historical cost at 31 March                         | 37,051            | 36,916        |

Financial investments are measured at fair value through income and expenditure.

The equity holdings are held as a proportion of a fund, rather than direct share holdings. No single equity investment exceeds 5%. The Trustees consider the value of the investments to be supported by their underlying assets.

There is no difference between fair value and market value as the investments are either fixed interest, equities or cash deposits. Market valuation shows the fair value for these assets.

## 16. Subsidiaries

Results for the subsidiaries listed below are included in the group balances of these accounts:

| Subsidiary undertaking                                                                 | Country of registration and/or operation | Principal activities                                                                                         | Authorised and issued share capital |
|----------------------------------------------------------------------------------------|------------------------------------------|--------------------------------------------------------------------------------------------------------------|-------------------------------------|
| Scope Central Trading Limited<br>100% direct holding<br>(Company no. 1108300)          | England and Wales                        | Purchase of general merchandise, the distribution and sale of clothing and gifts and sales of greeting cards | £100                                |
| Scope Pension Scheme Trustee Limited*<br>100% direct holding<br>(Company no. 01814430) | England and Wales                        | Dormant                                                                                                      | £100 – £2 issued and fully paid     |
| The Spastics Society* Common control<br>(Company no. 2908452)                          | England and Wales                        | Dormant                                                                                                      | By guarantee                        |
| Scope (IP) Limited<br>(Company no. 11774613)                                           | England and Wales                        | Exploitation of intellectual property                                                                        | £1                                  |

\*Entitled to audit exemption by virtue of section 480 of the Companies Act 2006, as dormant companies.

## 17. Debtors

|                                    | Group        |              | Charity      |              |
|------------------------------------|--------------|--------------|--------------|--------------|
|                                    | 2022<br>£000 | 2021<br>£000 | 2022<br>£000 | 2021<br>£000 |
| Trade debtors*                     | 264          | 200          | 264          | 200          |
| Gift Aid recoverable*              | 672          | 424          | 672          | 424          |
| Staff loans*                       | 1            | 8            | 1            | 8            |
| Amounts owed by group undertaking* | –            | –            | –            | 230          |
| Other debtors*                     | 986          | 1,373        | 1,021        | 1,395        |
| Accrued income                     | 2,655        | 3,795        | 2,655        | 3,794        |
| Prepayments                        | 1,749        | 1,670        | 1,749        | 1,670        |
|                                    | <b>6,327</b> | <b>7,470</b> | <b>6,362</b> | <b>7,721</b> |

\*Financial assets measured at amortised cost.

Trade debtors are shown net of a £nil provision (compared to £2,615 in 2020/21).

Staff loans are imprests of £1,100 (compared to £8,000 in 2020/21) to be repaid on leaving Scope or when the individual's employment changes.

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

## 18. Creditors: amounts falling due within one year

|                                     | Group        |              | Charity      |              |
|-------------------------------------|--------------|--------------|--------------|--------------|
|                                     | 2022<br>£000 | 2021<br>£000 | 2022<br>£000 | 2021<br>£000 |
| Trade creditors*                    | 765          | 789          | 763          | 787          |
| Taxation and social security*       | 423          | 350          | 423          | 350          |
| Amounts owed to group undertakings* | –            | –            | 82           | –            |
| Other creditors*                    | 751          | 2,875        | 784          | 2,875        |
| Accruals                            | 1,597        | 1,163        | 1,589        | 1,163        |
| Deferred income (note 19)           | 94           | –            | 94           | –            |
|                                     | <b>3,630</b> | <b>5,177</b> | <b>3,735</b> | <b>5,175</b> |

\*Financial liabilities measured at amortised cost.

Amounts owing in respect of pension schemes at 31 March 2022 included above are £95,897 (compared to £79,162 in 2020/21).

## 19. Deferred income

|                                       | Balance 31<br>March<br>2021<br>£000 | Release to<br>income<br>£000 | Deferred in<br>current year<br>£000 | Balance 31<br>March<br>2022<br>£000 |
|---------------------------------------|-------------------------------------|------------------------------|-------------------------------------|-------------------------------------|
| <b>Group and charity:</b>             |                                     |                              |                                     |                                     |
| Income in advance of service delivery | –                                   | –                            | 94                                  | 94                                  |
|                                       | <b>–</b>                            | <b>–</b>                     | <b>94</b>                           | <b>94</b>                           |

## 20. Provisions for liabilities and charges

|                                                         | Balance 31<br>March<br>2021<br>£000 | Charged to<br>income and<br>expenditure<br>£000 | Utilised<br>£000 | Balance 31<br>March<br>2022<br>£000 |
|---------------------------------------------------------|-------------------------------------|-------------------------------------------------|------------------|-------------------------------------|
| <b>Group and charity:</b>                               |                                     |                                                 |                  |                                     |
| Provisions for dilapidations                            | 1,520                               | 704                                             | (169)            | 2,055                               |
| Provision for onerous leases for shops vacated by Scope | 102                                 | –                                               | (55)             | 47                                  |
| Provision for rent free periods                         | 1,255                               | –                                               | (196)            | 1,059                               |
|                                                         | <b>2,877</b>                        | <b>704</b>                                      | <b>(420)</b>     | <b>3,161</b>                        |

Where an onerous lease commitment exists, the provision for future lease commitments has been calculated as the net present value of rent payable less rent receivable to the end of the period. This has been estimated after accounting for vacant periods, lease incentives and discounted market rates designed to ensure future tenancy.

As part of the group's property leasing arrangements there is an obligation to repair damages on certain properties, incurred during the life of the lease, such as wear and tear. The cost is charged to the statement of financial activities as they arise. The provision is expected to be used as the leases terminate.

## 21. Funds

|                                           | Balance 31<br>March<br>2021<br>£000 | Incoming<br>resources<br>£000 | Expenditure,<br>gains and<br>losses<br>£000 | Transfers<br>£000 | Balance 31<br>March<br>2022<br>£000 |
|-------------------------------------------|-------------------------------------|-------------------------------|---------------------------------------------|-------------------|-------------------------------------|
| <b>Group:</b>                             |                                     |                               |                                             |                   |                                     |
| <b>Unrestricted funds:</b>                |                                     |                               |                                             |                   |                                     |
| Unrestricted funds – general              | 34,398                              | 41,465                        | (41,647)                                    | (1,117)           | <b>33,099</b>                       |
| Designated funds – strategic investment** | 2,800                               | –                             | (555)                                       | 255               | <b>2,500</b>                        |
| Designated funds – pension                | 5,084                               | –                             | 66                                          | 1,350             | <b>6,500</b>                        |
| <b>Restricted funds:</b>                  |                                     |                               |                                             |                   |                                     |
| Restricted funds                          | 1,219                               | 2,700                         | (1,929)                                     | (488)*            | <b>1,502</b>                        |
| Permanent endowment                       | 10                                  | –                             | –                                           | –                 | <b>10</b>                           |
| <b>Total funds</b>                        | <b>43,511</b>                       | <b>44,165</b>                 | <b>(44,065)</b>                             | <b>–</b>          | <b>43,611</b>                       |

|                                           | Balance 31<br>March<br>2021<br>£000 | Incoming<br>resources<br>£000 | Expenditure,<br>gains and<br>losses<br>£000 | Transfers<br>£000 | Balance 31<br>March<br>2022<br>£000 |
|-------------------------------------------|-------------------------------------|-------------------------------|---------------------------------------------|-------------------|-------------------------------------|
| <b>Charity:</b>                           |                                     |                               |                                             |                   |                                     |
| <b>Unrestricted funds</b>                 |                                     |                               |                                             |                   |                                     |
| Unrestricted funds – general              | 34,040                              | 40,283                        | (40,410)                                    | (1,117)           | <b>32,796</b>                       |
| Designated funds – strategic investment** | 2,800                               | –                             | (555)                                       | 255               | <b>2,500</b>                        |
| Designated funds – pension                | 5,084                               | –                             | 66                                          | 1,350             | <b>6,500</b>                        |
| <b>Restricted funds:</b>                  |                                     |                               |                                             |                   |                                     |
| Restricted funds                          | 1,219                               | 2,700                         | (1,929)                                     | (488)*            | <b>1,502</b>                        |
| Permanent endowment                       | 10                                  | –                             | –                                           | –                 | <b>10</b>                           |
| <b>Total funds</b>                        | <b>43,153</b>                       | <b>42,983</b>                 | <b>(42,828)</b>                             | <b>–</b>          | <b>43,308</b>                       |

\*Transfer reflects a correction for misanalysis between funds identified during the year.

\*\*Designated funds for strategic investment are planned to be spent in the next two years.

Restricted funds are mostly restricted grants (see note 6) and restricted donations (see note 3). These are all accounted for in line with the limitations placed on each fund.

A designated fund of £6.5 million (£4.25million in 2020/21) is in place as security for the Scope Pension Scheme. At 31 March 2022, the value of this fund was £6.5 million (£5.1 million in 2020/21). The value of the fund was increased during the year following a valuation of the scheme at 31 December 2020 and agreement with the Scope Pension Scheme Board of Trustees.

A designated fund of £2.5 million (£2.8 million in 2020/21) is held for strategic investment in the next two years. We will designate further funds as we develop and authorise detailed investment business cases to deliver the strategy.

## 22. Analysis of assets and liabilities between funds

|                                        | Restricted funds<br>£000 | Designated strategic<br>£000 | Designated pension<br>£000 | Unrestricted funds<br>£000 | Total 2022<br>£000 |
|----------------------------------------|--------------------------|------------------------------|----------------------------|----------------------------|--------------------|
| <b>Group:</b>                          |                          |                              |                            |                            |                    |
| <b>Fixed assets</b>                    | –                        | 2,500                        | 6,500                      | 33,345                     | 42,345             |
| Current assets                         | 1,512                    | –                            | –                          | 6,545                      | 8,057              |
| Current liabilities                    | –                        | –                            | –                          | (3,630)                    | (3,630)            |
| <b>Net current assets</b>              | <b>1,512</b>             | <b>–</b>                     | <b>–</b>                   | <b>2,915</b>               | <b>4,427</b>       |
| Provisions for liabilities and charges | –                        | –                            | –                          | (3,161)                    | (3,161)            |
| <b>Net assets</b>                      | <b>1,512</b>             | <b>2,500</b>                 | <b>6,500</b>               | <b>33,099</b>              | <b>43,611</b>      |

|                                        | Restricted funds<br>£000 | Designated strategic<br>£000 | Designated pension<br>£000 | Unrestricted funds<br>£000 | Total 2022<br>£000 |
|----------------------------------------|--------------------------|------------------------------|----------------------------|----------------------------|--------------------|
| <b>Charity:</b>                        |                          |                              |                            |                            |                    |
| <b>Fixed assets</b>                    | –                        | 2,500                        | 6,500                      | 33,345                     | 42,345             |
| Current assets                         | 1,512                    | –                            | –                          | 6,347                      | 7,859              |
| Current liabilities                    | –                        | –                            | –                          | (3,735)                    | (3,735)            |
| <b>Net current assets</b>              | <b>1,512</b>             | <b>–</b>                     | <b>–</b>                   | <b>2,612</b>               | <b>4,124</b>       |
| Provisions for liabilities and charges | –                        | –                            | –                          | (3,161)                    | (3,161)            |
| <b>Net assets</b>                      | <b>1,512</b>             | <b>2,500</b>                 | <b>6,500</b>               | <b>32,796</b>              | <b>43,308</b>      |

## 23. Free reserves

|                                                            | Group         |               |
|------------------------------------------------------------|---------------|---------------|
|                                                            | 2022<br>£000  | 2021<br>£000  |
| <b>Net assets</b>                                          | 43,611        | 43,511        |
| <b>Less:</b>                                               |               |               |
| Restricted funds                                           | (1,512)       | (1,229)       |
| Designated funds                                           | (2,500)       | (2,800)       |
| Investments held for defined benefit pension               | (6,500)       | (5,084)       |
| Amount represented by tangible and intangible fixed assets | (2,160)       | (1,915)       |
| <b>Free reserves of group</b>                              | <b>30,939</b> | <b>32,483</b> |
| Free reserves of charity                                   | 30,636        | 32,125        |

## 24. Operating lease commitments

| Group                       | Land and buildings |              | Vehicles and equipment |              |
|-----------------------------|--------------------|--------------|------------------------|--------------|
|                             | 2022<br>£000       | 2021<br>£000 | 2022<br>£000           | 2021<br>£000 |
| <b>Leases which expire:</b> |                    |              |                        |              |
| Within one year             | 3,065              | 2,965        | 124                    | 201          |
| Within two to five years    | 5,487              | 5,158        | 191                    | 248          |
| After five years            | 1,077              | 669          | –                      | –            |
|                             | <b>9,629</b>       | <b>8,792</b> | <b>315</b>             | <b>449</b>   |

## 25. Taxation

As a registered charity, Scope is exempt from taxation under Part 11, Chapter 3 of the Corporation Tax Act 2010. Any taxation liabilities of the group are managed through the policy of the trading subsidiary company to gift all taxable profits to Scope. During the year ended 31 March 2022 no charge to tax has been incurred.

## 26. Members

The charity is incorporated as a company limited by guarantee having no share capital. In accordance with the Memorandum of Association, each one of the 577 Members, (compared to 641 in 2020/21), is liable to contribute £5 if the company is wound up.

## 27. Related party disclosures

During the year ended 31 March 2022, the group had the following related party transactions.

Scope became a Charity Partner of Deloitte in 2019/20. Alex Massey, Scope Trustee, is a partner at Deloitte and Zeinab Chaudhary, Scope Trustee, is a consultant at Deloitte. The relationship is managed by another Deloitte partner and Alex and Zeinab are not part of the team working with Scope. In 2021/22 Deloitte provided £167,256 of consultancy as donations in kind (included in note 3).

We earned income from Sainsbury's, where Joanne Hall, Scope Trustee, is Head of Stores, of £12,437 for research panel services.

During the year ended 31 March 2022, the following transactions occurred between the companies within the group:

- Gift Aid is to be paid to Scope from Scope Central Trading Limited - see note 9 (Subsidiaries' income and costs).

## 28. Ultimate parent undertaking and controlling party

There is no immediate or ultimate parent undertaking or controlling party.

Scope is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements. The consolidated financial statements of Scope are available from Here East Press Centre, 14 East Bay Lane, London, E15 2GW.

## 29. Pension scheme

Scope operates the following pension schemes.

- A single employer defined benefit pension scheme. The Scope Pension Scheme was closed to new members and new accruals in 2007. Current membership of the Scheme is 936 pensioners and 708 deferred members (compared to 919 pensioners and 757 deferred members in 2020/21). The Scheme is managed separately to Scope's finances by Scope Pension Scheme Trustee Limited, which delegates services to a variety of bodies. Contributions to cover expenses and to recover any deficit in the Scheme are paid from time to time to the Scheme. This is in accordance with the Schedule of Contributions agreed between the Trustees and Scope.
- The Defined Contribution Stakeholder Pension Scheme was opened on 1 October 2003, when the existing Scope Pension Scheme was closed to new members. The stakeholder scheme was closed to further contributions on 30 June 2013. On 1 July 2013, and to comply with Government legislation on auto enrolment, a defined contribution Group Personal Pension Plan was opened to replace the stakeholder pension scheme. Employees were able to join when it began, or after a deferred period of three months. There are currently 849 active members compared to 738 in 2020/21.

Additional details are provided for the primary schemes as follows:

### A. Scope Pension Scheme

We operate a defined benefit pension scheme, the Scope Pension Scheme. The scheme funds are administered by Trustees and are independent of Scope's finances.

Contributions are paid to the scheme in line with the schedule of contributions agreed between the Trustees and Scope.

The results of the actuarial valuation at 31 December 2020 were updated to the Scheme's accounting date by an independent qualified actuary. The value of the defined benefit liabilities has been measured using the projected unit method.

Under FRS 102, the pension asset that can be recognised on the balance sheet is limited to nil as Scope does not have an unconditional right to a refund as per the Trust Deed and consultation with our actuaries. The impact of this limit on the balance sheet and the actuarial gains and losses entry is shown in the figures below.

| <b>Assumptions</b>                                                   | <b>31 March<br/>2022</b> | <b>31 March<br/>2021</b> | <b>31 March<br/>2020</b> | <b>31 March<br/>2019</b> | <b>31 March<br/>2018</b> |
|----------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| RPI inflation (per annum)                                            | 3.9%                     | 3.4%                     | 2.7%                     | 3.3%                     | 3.2%                     |
| CPI inflation (per annum)                                            | 2.9%                     | 2.4%                     | 1.9%                     | 2.2%                     | 2.1%                     |
| Discount rate (per annum)                                            | 2.8%                     | 2.0%                     | 2.5%                     | 2.4%                     | 2.7%                     |
| Pension increases (PPI – 3% per annum minimum, 5% per annum maximum) | 3.9%                     | 3.7%                     | 3.5%                     | 3.7%                     | 3.7%                     |

On the basis of the assumptions used for life expectancy, a male pensioner currently aged 65 would be expected to live for a further 22 years (22 years 2020/21) and a female pensioner aged 65 would be expected to live a further 24 years (24 years 2020/21). Allowance is made for future improvements in life expectancy.

Asset distribution and expected return:

|                              | <b>31 March 2022</b>          |                            | <b>31 March 2021</b>          |                            |
|------------------------------|-------------------------------|----------------------------|-------------------------------|----------------------------|
|                              | <b>Current<br/>allocation</b> | <b>Fair value<br/>£000</b> | <b>Current<br/>allocation</b> | <b>Fair value<br/>£000</b> |
| Liability driven investments | 27%                           | 28,566                     | 22%                           | 25,505                     |
| Diversified growth funds     | 8%                            | 8,293                      | 7%                            | 8,205                      |
| Corporate bonds              | 14%                           | 14,792                     | 14%                           | 16,560                     |
| Multi-asset credit           | 11%                           | 12,734                     | 11%                           | 13,096                     |
| Cash                         | 9%                            | 9,936                      | 12%                           | 13,184                     |
| Insured pensions             | 31%                           | 33,010                     | 34%                           | 39,032                     |
| <b>Total</b>                 | <b>100%</b>                   | <b>107,331</b>             | <b>100%</b>                   | <b>115,582</b>             |

|                                     | <b>31 March<br/>2022<br/>£000</b> | <b>31 March<br/>2021<br/>£000</b> |
|-------------------------------------|-----------------------------------|-----------------------------------|
| <b>Balance sheet</b>                |                                   |                                   |
| Present value of Scheme liabilities | 95,928                            | 107,504                           |
| Total fair value of Scheme assets   | (107,331)                         | (115,582)                         |
| Surplus                             | (11,403)                          | (8,078)                           |
| Adjustment to reflect asset limit   | 11,403                            | 8,078                             |
| <b>Pension asset</b>                | <b>–</b>                          | <b>–</b>                          |

Under FRS 102, the Scheme is represented on the balance sheet at 31 March 2022 as a £nil asset (£nil 2020/21) as Scope does not have an unconditional right to a refund as per the Trust Deed and consultation with our actuaries.

The following amounts have been included as ‘Resources expended’ under FRS 102.

|                                               | <b>31 March<br/>2022<br/>£000</b> | <b>31 March<br/>2021<br/>£000</b> |
|-----------------------------------------------|-----------------------------------|-----------------------------------|
| Running costs                                 | 349                               | 304                               |
| Past service cost                             | –                                 | –                                 |
| <b>Net return to charge to finance income</b> | <b>349</b>                        | <b>304</b>                        |



The following amounts have been recorded under the 'actuarial gains and losses on pension scheme assets and liabilities' heading within the statement of financial activities.

|                                           | At 31 March<br>2022<br>£000 | At 31 March<br>2021<br>£000 |
|-------------------------------------------|-----------------------------|-----------------------------|
| Remeasurements                            | (3,513)                     | 10,336                      |
| Change in asset limit other than interest | 3,164                       | (10,640)                    |
| <b>Actuarial gains recognised</b>         | <b>(349)</b>                | <b>(304)</b>                |

Changes in the present value of the Scheme liabilities:

|                                                    | 31 March<br>2022<br>£000 | 31 March<br>2021<br>£000 |
|----------------------------------------------------|--------------------------|--------------------------|
| Opening present value of Scheme liabilities        | 107,504                  | 96,136                   |
| Interest on Scheme liabilities                     | 2,111                    | 2,361                    |
| Past service cost                                  | —                        | —                        |
| Actuarial (gain)/loss                              | (9,779)                  | 12,454                   |
| Benefits paid                                      | (3,908)                  | (3,447)                  |
| <b>Closing present value of Scheme liabilities</b> | <b>95,928</b>            | <b>107,504</b>           |

Changes in the fair value of the Scheme assets:

|                                                               | At 31 March<br>2022<br>£000 | At 31 March<br>2021<br>£000 |
|---------------------------------------------------------------|-----------------------------|-----------------------------|
| Opening fair value of the Scheme assets                       | 115,582                     | 114,397                     |
| Interest on Scheme assets                                     | 2,273                       | 2,817                       |
| Actual return on Scheme assets less interest on Scheme assets | (6,267)                     | 2,119                       |
| Contributions by the employer                                 | —                           | —                           |
| Running costs                                                 | (349)                       | (304)                       |
| Benefits paid                                                 | (3,908)                     | (3,447)                     |
| <b>Closing fair value of the Scheme assets</b>                | <b>107,331</b>              | <b>115,582</b>              |

Changes in the net balance sheet position:

|                                    | 31 March<br>2022<br>£000 | 31 March<br>2021<br>£000 |
|------------------------------------|--------------------------|--------------------------|
| Opening net asset                  | —                        | —                        |
| Return to charge to finance income | 349                      | 304                      |
| Actuarial gains recognised         | (349)                    | (304)                    |
| Employer contributions             | —                        | —                        |
| <b>Closing net asset</b>           | <b>—</b>                 | <b>—</b>                 |

Changes in the impact of the asset ceiling:

|                                                  | 31 March<br>2022<br>£000 | 31 March<br>2021<br>£000 |
|--------------------------------------------------|--------------------------|--------------------------|
| Effect of asset ceiling at the start of the year | 8,078                    | 18,261                   |
| Interest on asset limit                          | 161                      | 457                      |
| Change in asset limit other than interest        | 3,164                    | (10,640)                 |
| <b>Pension asset</b>                             | <b>11,403</b>            | <b>8,078</b>             |

## B. Group Personal Pension Plan

Members may contribute as much as they want to the Group Personal Pension Plan subject to Her Majesty's Revenue and Customs (HMRC) rules.

We provide employers' contributions to the Group Personal Pension Plan, in line with legislation and based on contributions matched by the employee. The following table illustrates the contribution rates payable. Employees can receive enhanced contributions based on their length of service.

| Membership eligibility           | Scope contribution %      | Employee contribution %                         |
|----------------------------------|---------------------------|-------------------------------------------------|
| Basic                            | 3% of qualifying earnings | 5% of qualifying earnings                       |
| Upgrade – after 2 years' service | 4% of total earnings      | Employee must match the employer % contribution |
| Upgrade – after 4 years' service | 6% of total earnings      | Employee must match the employer % contribution |

We deduct employee contributions on a salary exchange basis approved by HMRC. Details of the pension plan are provided to employees under the rules of auto enrolment, or on request.

Scope made payments to the Group Personal Pension Plan including salary sacrifice which amounted to £1,072,825 in 2021/22 (compared to £1,079,545 in 2020/21).

**SCOPE**

England & Wales - Charity number 208231

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# Accounts

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# Annual reports and Consolidated reports

For the year ended 31 March 2021

**SCOPE**



Equality for  
disabled people

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# Trustees' Report

The Board of Trustees presents the Trustees' Report and audited Consolidated Financial Statements for the year ended 31 March 2021.

The Trustees' Report includes a Strategic Report. These two reports together meet the requirements for a Directors' Report. This is required by the Companies Act 2006 and by the Strategic Report and Directors' Report Regulations 2013. In approving the Trustees' Report, the Board of Trustees has also approved the Strategic Report.

# Chair's Report

Disabled people and their families have had an extremely tough year. Access to healthcare, funding, social services, friends and family, and employment have all been hit hard.

In some areas, attitudes towards disabled people have been woeful. In contrast, there have been inspirational stories of generosity, triumph, determination, and success.

I joined Scope last year, armed with first-hand experience of what it meant to be disabled when the world stood still. This made my decision to lead our organisation and people into a world beyond the pandemic an easy one.

The amazing Scope team have inspired and supported me. They've shown passion, effectiveness, selflessness and an incredible drive in every area of the organisation and in every corner of the country.

As we move towards Scope's 70th anniversary next year, we're looking to the challenges and the opportunities that lie ahead.

I want to share with you some of the thinking behind next year's programme of work.

With the UK moving into the next phase of the pandemic, we'll continue our work to make sure disabled people are at the forefront of the government's recovery plans and beyond.

Disabled people are already more than twice as likely to be unemployed than non-disabled people<sup>1</sup>. As the furlough support comes to an end, we'll track the employment situation for disabled people and continue to support them into employment. This includes building on our Work With Me network and encouraging an ever-growing number of businesses and organisations to become more inclusive. Diversity is only effective if all people ready to work can find and stay in work. And that needs employers to follow the path to inclusivity.

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<sup>1</sup> Labour Force Survey April to June 2020

Partnerships remain a strong element throughout our work. One major priority, in response to the experiences of many disabled people during the pandemic, is to address the accessibility of supermarket websites and support them in meeting disabled customers' needs. We'll continue to work with other businesses and our Scope Utilities Membership to drive down extra costs and make sure disabled customers can access the support services they need.

We'll continue to campaign for a better benefits system to make sure disabled people get the financial support they need and are treated fairly throughout the process.

Using the work we're doing as part of the Disabled Children's Partnership we'll help address the issues faced by many disabled families. We're developing a service specifically for young people to make sure they have the opportunities to fulfil their potential.

We'll make co-production with disabled people a cornerstone across all our work. Using this approach, we're already working with disabled people to establish new ways to fundraise and host accessible events, looking at applying this in our retail work and developing our services.

All of our 190 stores across England and Wales have a close network of volunteers and customers. We want to put greater emphasis on the communities of these shops. We'll be creating new stores that offer a fully inclusive retail experience and offer information and advice to local disabled people.

We know there are areas where we can still do better. We will make sure that our general information and advice services remain fit for purpose and meet disabled people's needs.

Equally, with referrals regularly outweighing the number of disabled people we're able to support, we'll look at new and innovative ways to increase our reach. We must expand our services and find additional sources of funding.

We know we cannot achieve any of this alone. But as part of a strong network of disabled people and allies, we believe we will create a society where disabled people can finally enjoy everyday equality.

## Chief Executive's Report

The last year has been incredibly challenging for everyone. While the pandemic has disrupted all our lives, it's disabled people who've been hit hardest. A shocking six in 10 people who've died from Covid-19 were disabled.<sup>2</sup>

Like everyone, we had to adapt our plans and change the way we work to meet these challenges. We moved to home and digital working, closed our shops, furloughed many colleagues and reduced overall working hours to save costs. Despite this, we're pleased that we were able to keep all our services running at full capacity, wherever we could – recognising that this was when many disabled people needed them most.

Over the past year, we've campaigned relentlessly for disabled people not to be forgotten by the government in its coronavirus response. We made sure disabled people's needs and experiences were heard, launching our We Won't Be Forgotten campaign in response to the pandemic.

While the past year has been full of obstacles, it's also brought opportunities. And it's pushed us to innovate and be bold. With more services forced to go online or be delivered by phone, we've been able to expand the areas of the UK we work in and reach even more disabled people.

The pandemic has made it even clearer that disabled people continue to be treated unfairly and unequally in many areas of life. That's why it's more important than ever that we use our collective power to change attitudes, end injustice and bring about concrete change for disabled people.

The charity remains financially secure despite the coronavirus crisis. The actions we took have allowed us to maintain our services and campaigning, retain jobs and ensure that the charity is in a good position to face the future as we adjust to the effects of the pandemic.

Although these are positive outcomes for the last year, some of our activities have been restricted, for example face-to-face fundraising, and this will have a longer-term financial impact and require a period of recovery. Many of our longer-term plans also had to be delayed by the events of 2020/21. We therefore have an ongoing challenge to continue to fund our work in these uncertain times and invest in the technology, people and operational support needed to provide the greatest impact in the years ahead.

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<sup>2</sup> Office for National Statistics (2021)



We've extended our Everyday Equality strategy and implemented a three-year financial plan which focuses on:

- continuing to provide relevant and important services to support disabled people, and their families, working towards our strategic goals and campaigning for equality and social change
- adapting our ways of working to maintain the efficiencies from new approaches
- growing and diversifying our income

I would like to say thank you to every one of you who has helped us and continues to help us achieve everyday equality for disabled people. Our work is only possible thanks to our 900 colleagues, our 4,300 volunteers and our many supporters, campaigners, fundraisers and shoppers. Special thanks also to our trustees and independent members, patrons, ambassadors, corporate partners and funders. We couldn't do this without you.

Every pound we raise is extremely important to us - in 2020/21 for every £1 we spent (excluding the cost of running our shops), 73% was spent on our charitable goals to help disabled people and their families (2019/20 63%) and we aim to increase this.

At Scope, we won't stop until we achieve a society in which disabled people have the same opportunities as non-disabled people. We know we still have a long way to go until disabled people and their families experience everyday equality. But with your support, we'll make this happen.

# Our objects and public benefit

## Objects

Scope is established for the public benefit and for general charitable purposes according to the laws of England and Wales and in particular, but not exclusively, for the promotion of the equality, diversity, independence and health of disabled people, especially those with Cerebral Palsy.

## Public benefit aims

In exercising relevant powers and duties, the Board of Trustees has considered the Charity Commission's guidance on public benefit. This report outlines how our performance during the year to 31 March 2021 has benefited the public.

# Strategic Report

## Our vision

We won't stop until we achieve a society where all disabled people enjoy equality and fairness.

## Our mission

We're a strong community of disabled and non-disabled people with a shared vision of equality.

We provide practical advice and emotional support whenever people need them most. We do this through our Scope helpline, our online community, a range of employment and family services, community engagement programmes, and more. All of our services are developed to achieve our strategy, Everyday Equality.

We use our collective power to change attitudes and end injustice. We partner with others to increase our reach and impact. And we campaign relentlessly to create a fairer society.

## Our impact

In 2020/21, we reached more than 2.5 million disabled people and their families through our support and advice services – that's half a million more people than the year before. And we grew the number of people campaigning with Scope for Everyday Equality to 47,000.

More details on all of our work are available in our impact report 2020/21 'Delivering Everyday Equality'.

## Our response to coronavirus

We made it our priority to keep all our services running throughout the pandemic by delivering them digitally or by phone. This meant we could expand services and offer them to people in parts of the UK we hadn't worked in before. We could also work with people who found travelling or busy locations a barrier.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Cross Theme, Information & Advice, Campaigning, Delivery of Services.

## Supporting disabled people

Our information and advice services have been a vital source of support for disabled people and their families. From dealing with unemployment to understanding workplace

rights, financial support to securing supermarket delivery slots – we’ve been there for people when they’ve needed us most.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Information & Advice, Delivery of Services.

## Access to food and essentials

When the lockdown began, many disabled people found themselves struggling to get food and essentials. We relentlessly lobbied the government to find solutions and made sure major supermarkets knew the issues disabled people were facing.

Following our campaigning, the government provided us, and several other charities, with access to priority slots, which we could then allocate to disabled customers who contacted our helpline.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Information and Advice, Campaigning.

## Campaigning for change

We launched our We Won’t Be Forgotten campaign, calling on the government to include disabled people in its coronavirus response and recovery plans.

In May last year, we produced ‘The Disability Report’ detailing the issues disabled people experienced during the pandemic. Our campaigners helped share the report with their MPs across 582 constituencies. We also delivered an open letter to the Prime Minister, which was signed by 30,000 people. And, almost one year on from the outbreak of Covid-19, 15,000 of our campaigners asked their MPs to call for an emergency package of support for disabled people.

As a result, we’ve seen government and policymakers take action. MPs raised questions in parliament, bringing issues from The Disability Report to the government’s attention. Our open letter received support from the Shadow Cabinet and a response from the Prime Minister.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Campaigning.

## Supporting disabled families

There are more than one million disabled children in the UK. To get the best start in life, it’s vital that disabled children – and their families – get the support they need early on.

However, often due to funding cuts and lack of resources, many families are finding it difficult to get this support. During the pandemic, for example, 75% of families reported delays to routine health appointments for their disabled child.<sup>3</sup>

At Scope, we believe every disabled child should be able to fulfil their potential and have the confidence to succeed as they grow up. So we're working to make sure every family gets the support they need to make this happen.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Get the best start in life, Delivery of Services.

## Our family services

Overall, we increased the number of families we directly supported through our tailored family services from 1,355 in 2019/20 to 1,687 in 2020/21.

Our Sleep Right service worked with 988 families to improve their disabled child's sleep and parents' resilience and wellbeing.

Navigate, our national mentoring service, provided emotional support for 444 parents and carers of disabled children.

Through our Parents Connect support programme, we worked with 255 parents and carers of young disabled people.

As part of our Activities for All programme, we worked with local leisure activities groups and organisations in Leeds to make them inclusive to all children. We also worked directly with disabled families, as we were one of the few organisations in Leeds continuing to provide support throughout lockdown.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Delivery of Services.

## Employment and welfare

The disability employment gap is the difference between the employment rates of disabled people and non-disabled people. And it's stuck at 30%. We're working to change this.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Being financially secure.

## Our employment support

We had to provide all our employment services online or by phone in 2020/21. This new way of working, as well as starting a new employment service, Working on Wellbeing, helped us reach around 30% more people than in 2019/20.

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<sup>3</sup> Disabled Children's Partnership – The Longest Lockdown (2021)

We're taking action to improve this further, for example by introducing tailored in-work support as part of our Support to Work service for disabled people who are looking for paid work.

Through our one-to-one support programme Kickstart, we also helped 196 disabled people to achieve their career goals. While our pre-employment training programme, Starting Line, supported 359 disabled people at the start of their journey into work – up by around 23% on last year.

Advisers at our Deloitte-funded Career Pathways programme provided independent careers advice to 202 young disabled people. And in partnership with the Legacy International Group, we launched Working on Wellbeing – an employment training and support programme for disabled people in Wales.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Delivery of Services.

## Working in partnership

We can't achieve our goals alone. That's why we've been working in partnership with lots of other organisations to champion more inclusive and accessible workplaces.

Through our bespoke Get Inclusive programme, we've been supporting 13 employers over the past year to be more inclusive in the way they recruit, retain and progress disabled employees.

Consulting firm Deloitte funds our Career Pathways service for young people and 50 of their employees have been supporting disabled people through mentoring, workshops, and helping with interview preparation. In return, we've provided sessions to support their staff to open up conversations around disability in the workplace.

More than a million disabled jobseekers have had employment advice and support through our Support to Work service and online information, thanks to our partnership with Virgin Media.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Campaigning.

## #WorkWithMe

More than 100 companies have joined Scope's free #WorkWithMe forum which is helping businesses to take accountability for how they employ disabled people and offers practical advice on how to improve the workplace and culture for disabled people.

## Campaigning for employment equality and a fairer welfare system

Our Disability Employment Gap (DEG) map, launched last year, highlights the employment inequalities disabled people face across the country. After speaking to 30 MPs about how to close the DEG at our virtual parliamentary reception, we saw an increase in

parliamentary questions on disabled people's employment and support from MPs on social media. We also provided evidence to the Work and Pensions Committee's DEG inquiry, including personal experiences from 300 disabled campaigners.

Disabled people receiving welfare benefits had the opportunity to share their experiences of the system with the Minister of State for Disabled People at a meeting we helped to organise.

Together with the Social Market Foundation, a cross-party think tank, we published a report setting out our vision for a better welfare system. We also supported a campaign to increase Universal Credit by £20 a week. The campaign led to a temporary increase, and we're now pushing to get that made permanent.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Campaigning.

## Extra costs

Disabled people face a price tag of £583<sup>4</sup> a month. These are costs that non-disabled people don't experience – they represent an unfair financial penalty for disabled people.

We're working with businesses to tackle this. Together we're making sure disabled people don't have to pay a higher price for non-specialist goods or services, like insurance. We also want to find ways to reduce costs for services they may need to use more of, like gas and electricity.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Being financially secure.

## A fairer energy market

We know many disabled people need to use more energy, for example to power their assistive technology, which means higher bills. During the pandemic, this has become worse as people have had to shield and stay at home.

It's one of the reasons why we partner with utility suppliers and network companies, through our Scope Utilities Membership. We collaborate with suppliers and network companies, like SGN and UK Power Networks, to help them reduce extra costs and improve services for disabled people. This includes raising awareness of the issues disabled people face across the sector.

We launched our own dedicated Disability Energy Support helpline in January 2021.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Campaigning.

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<sup>4</sup> Scope – The disability price tag (2019)

## Independence

If everyday equality is to be a reality for disabled people, we need to change attitudes and make physical and online spaces accessible. Disabled people need to have more influence over their lives so they can live independently and fulfil personal aspirations.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Live the life I choose.

### Supporting disabled people to be more independent

Last year, we provided 2,520,332 people with some of the essential support they needed to make informed decisions and live more independent lives – through our helpline, our online information and advice, and our online community.

We ran our community engagement programme in five locations across England, with funding from the People's Health Trust. The programme aimed to empower disabled people to take action and create positive change in their local communities.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Live the life I choose.

### The Big Hack

The Big Hack is our digital influencing programme. Working with businesses and organisations, The Big Hack aims to make sure websites, apps and online services are accessible to everyone.

Since the first lockdown, The Big Hack resource hub has seen a 968% increase in usage, with more than 75,000 people accessing it to learn how to make their digital products more accessible.

In June, we launched a campaign to improve the accessibility of online streaming services, highlighting good and poor practice. As a result, seven out of 12 platforms made accessibility improvements.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Campaigning.

### Thrive

Thrive is our training and employment partnership with UnLtd, an organisation that funds and supports social entrepreneurs. We worked with social entrepreneurs who are either disabled, or directly support disabled people to get into work as part of their business. Since 2018, Thrive has helped fund and support 53 social ventures.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Delivery of Services.



## Putting disabled people at the heart of what we do

Disabled people and their families' experiences are key to everything we do. We now have 80 storytellers who feel confident sharing their stories to support our fundraising, campaigning, press work and events. In the last year alone, 15 of our storytellers were featured in regional and national media.

We've grown our research panel to include almost 900 disabled people and parents and carers of disabled children. The panel helps us gather insights and develop new products and services, making sure they meet disabled people's needs. Last year, hundreds of panellists also reported on the issues they were facing during the first lockdown, informing our wider response to the pandemic.

In 2020, we published our first co-produced evaluation for our Support to Work service. We worked with disabled people as co-evaluators and peer reviewers at every stage of the process. This meant our analysis and recommendations truly reflected disabled people's experience. Co-producing our evaluations and making them publicly available is something we'll continue to do.

We continue to support disabled people to campaign for the change they want to see. We published a campaigning guide, giving disabled people the information they need to learn how to set up and run their own campaigns on issues which matter to them. Around 1,000 people accessed the guide. We also work with disabled volunteers across our shops and services, supporting them to build their confidence and experience.

Charitable activities listed in the Statement of Financial Activities that contribute to this: Campaigning.

## Looking Ahead

Over the coming year we will continue to progress work towards our Everyday Equality goals, focussing on the areas where the global pandemic has made life much tougher for disabled people and their families and using our collective efforts, partnerships and communities to make sure disabled people are not forgotten. Across the areas of employment, welfare, extra costs and family support next year we will push Governments, businesses and the public to work with us in addressing inequalities and removing barriers disabled people face.

We'll seek to co-produce much of our work with disabled people and families and we'll build on the changes we have had to make to our services during the pandemic to provide information, support and advice to disabled people who need it most. Next year we aim to highlight how the welfare system needs to change to be fairer and we'll focus on addressing the numbers of disabled people trapped in poverty. We'll continue to work with energy companies on addressing some of the extra cost of disability and will seek to work with regulators and others on driving down extra costs.

# Financial review

## Overview

For most charities, 2020/21 has been a year of significant upheaval. Like many others we have had to respond to the pandemic to continue operating in an environment which presented disabled people with unprecedented challenges and placed severe and changing restrictions on our activity.

We rapidly moved our services online to continue to provide support to our customers. Our social change activities became focused on being the voice of disabled people throughout the crisis and, alongside our partners in the Disability Charities Consortium (DCC), working with business and government to provide additional support to those disproportionately impacted by the pandemic. We continue to monitor the ongoing operational and financial impacts of coronavirus and are using reserves to balance expenditure where we are unable to wholly mitigate these effects.

We responded quickly to limit the financial impact of the pandemic – aiming to maintain all of our services and campaigning activities, preserve the jobs of our employees, and protect our financial stability for the future.

We closed our stores and limited our face-to-face fundraising when necessary and, where possible reduced costs to limit the impact of the loss of income. We've also participated in the Job Retention Scheme, claimed other government support grants, and our employees have reduced their working hours at certain times of the year.

The result is that we've been able to continue with all of our services and campaigning activities, we've not needed to introduce a further restructuring programme, and our financial position remains strong. This has been possible due to the incredible support of all our colleagues and volunteers. However, because the restrictions in place in 2020/21 reduced our ability to recruit new donors our income in future years will be affected. So to be able to recover in an environment of uncertainty we'll need to invest.

Since the disposal of our regulated services in April 2018 we've completed our third financial year of operation. All of our funding comes from the returns from our retail operations, our fundraising activities, our work with corporate partners and grants and fees for some of our services. We'd already been through several years of significant organisational change and some of our investment plans for 2020/21 had to be paused, reducing costs in the current year and delaying the outcomes. However we are in a good position to move ahead in 2021/22.

## Income

In 2020/21, we raised a total of £34.1 million (2019/20 £41.1 million).

This includes:

- £13.9 million from donated income including legacies (2019/20 £14.6 million)

- £5.3 million from grants, fees, and other income (2019/20 £4.5 million) excluding Coronavirus Job Retention Scheme and other Covid-19 government grants
- £9.4 million from trading activities including our shops and online sales (2019/20 £21.2 million)
- £5 million from the Coronavirus Job Retention Scheme and other Covid-19 government grants available to organisations affected by the pandemic
- £0.5 million from our portfolio of investments (2019/20 £0.8 million)

## Expenditure

During the year we spent £11.6 million on charitable activities supporting our mission for Everyday Equality – including our helpline, communities, employment and other programmes, as well as our research and influencing work. Excluding strategic spend, which was delayed due to the pandemic, this represents a 15% increase on 2019/20.

Every pound we raise is extremely important to us and we carefully plan our use of resources to get the most impact. In 2020/21 for every £1 we spent (excluding the cost of running our shops on the high street and online), 73% was spent on our charitable goals to help disabled people and their families (2019/20 63%). This percentage is likely to fluctuate over time but we aim to increase it. In common with most similar charities, our trading activities are not included in this calculation, as our shops operate like other retail businesses, raising net funds through selling merchandise.

We spent £4.3 million (2019/20 £7.3 million) raising donated income and £20.4 million (2019/20 £25.5 million) on maintaining our shops for the full year. The pandemic restrictions have meant that in this year we've suffered a loss on our retail operations, partly offset by government grants received. We continue to apply for all grants available and, now that we are open again, have a detailed performance plan that will increase the net contribution made to our charitable funds from retail over the next three years.

Our support costs decreased by £1.4 million (19%). This was the result of a full year of savings from our previous organisational restructure to better balance the organisation's size and shape, and also from cost reductions due to reduced activity during the pandemic. We aim to maintain the more efficient ways of working due to the adaptations and innovations we have made during the pandemic, but some costs are budgeted to increase again when we reinvest in activity that we had to put on hold.

## Net movement in funds

Our net increase in funds for the year of £0.9 million (2019/20 decrease of £4.1 million) is a result of:

- managing our ongoing operations in the context of the pandemic which generated an operating loss of £1.6 million (2019/20 £1.3 million)
- strategically investing £0.6 million (2019/20 £2.7 million)

- unrealised gains on investments of £2.8 million and defined benefit pension fund actuarial gains of £0.3 million (2019/20 net loss of £0.1 million)

Our operating loss for the year includes the net impact of the pandemic on our retail operations of £6 million, which has been partially offset by cost reductions in fundraising and service and operational support costs due to restricted activity. Although this limits the impact on the current year, the pandemic will make it more difficult to maintain our income in future years due to restrictions on our fundraising activity in the last year. As a result, we'll need to utilise some of our reserves in the next 3 years as we recover and grow our income to cover all of our costs.

## Fundraising

Income from donations and legacies includes donations from individuals, corporate partners and philanthropic organisations, as well as income from legacies and events.

Total income from these sources decreased by 5%. This is a positive result in the context of a year in which face-to-face fundraising was on hold for over half of the year, legacies were affected by probate delays and most events became virtual. We're very grateful to our regular donors who have stayed with us through difficult times and we maintain strong relationships with our individual giving delivery partners.

Our fundraising costs were temporarily reduced by 41%. This was due to the restrictions which meant we were unable to invest in recruiting future donors. We plan to increase our investment and activity as appropriate in the coming year, as well as diversifying our products and digital channels and enhancing our supporter journey.

Our partnership with Virgin Media, which ran for the last five years, generated over £5 million and provided employment advice and support to more than a million disabled jobseekers. We look forward to continuing to work with our corporate partners and building new strategic relationships that will increase our reach, impact and income.

## Retail

Although our stores were closed for over seven months of the year, they performed ahead of budget in the months when they were open – increasing turnover by 2% pro-rata. Since re-opening again in April 2021, trading levels have been very positive.

We continued to improve the quality of our retail portfolio in 2020, closing 17 of our less profitable stores and refitting and refurbishing one new store in Taunton. Further investment in new store openings, store relocations and a refit programme is planned, including new enhanced layouts and branding to maximise sales and provide a fully accessible experience in the community.

In 2020/21 we've continued our planned expansion of our e-Commerce offering, opening a dedicated warehouse and refreshing our product range.

We continue to be supported by corporate donations from our amazing partners. Marks & Spencer, Boden, Amazon, ASOS, Boohoo, DPD, Dune and LaundryRepublic were our main donors in 2020/21.

## Investing in our future

In the year to 31 March 2021, we spent £0.6 million on strategic investment for the future. This included development work on our Work With Me and The Big Hack programmes and the first stage of our implementation of a Customer Relationship Management (CRM) system to provide a better experience for the people we help and our supporters. Other planned strategic spend was limited by conditions under the pandemic, but as we emerge from restrictions, we have specific plans to continue with our investment in income generation, marketing, impact analysis and evaluation, digital and other systems development. We have £2.8 million allocated to the Everyday Equality reserve for this purpose.

## Reserves policy

We hold reserves to ensure that we have enough money to keep operating should our income fall or costs unexpectedly increase, as has happened through the pandemic. Reserves are also held to take advantage of strategic investment opportunities to further our mission. Every year we review the reserves policy, taking into account our strategy, our financial position and the risks assessed on the Corporate Risk Register.

In 2018 our reserves were increased significantly by the profit on divestment of our regulated services and the trustees are responsible for allocating these resources carefully for use by the charity. Since the divestment we have implemented a significant programme of transformation to become the organisation that Scope is today and we will continue to invest in our strategic goals – some plans were delayed by Covid and the challenges of operating during a pandemic but we plan to increase our investment in 2021.

We created a designated fund in 2017/18 to transform our organisation and deliver our Everyday Equality strategy. This investment includes building our future charitable offer, improving our infrastructure, using more digital technologies and making sure we grow and diversify our income generation activities. At 31 March 2021 the fund had a balance of £2.8 million based on our latest 3 year plan for investment.

Free reserves are defined as net assets excluding restricted funds, designated funds and funds used to acquire fixed assets for the charity's own use. The level of free reserves at 31 March 2021 for the group was £32.5 million (compared to £31.9 million at 31 March 2020). Note 21 to the financial statements shows the calculation of free reserves.

We hold a minimum of £12 million in free reserves in order to protect the financial future of the Charity and ensure that it can continue to operate in times of uncertainty. This amount is reviewed each year by the Board. In addition, our business plan budget includes

planned utilisation of up to £9 million of our free reserves over the next three years to fund our impact on the lives of disabled people while we recover from the impact of the pandemic, maintain and develop our services and campaigning activity, proceed with our strategic investment plans and grow our income over that period to cover our annual costs.

Free reserves in excess of this amount are held to invest in activities that deliver a sustainable impact against our goals in the future and to provide financial returns on our investments. We plan to put these funds to use in the next few years to support our charitable purpose and the Board will be discussing those plans during 2021/22 as part of the development of the next stage of our strategy.

## Going concern

The trustees have considered the financial position of the charity including cash, reserves and investment levels as well as future trading forecasts, in particular the impact of the current pandemic on the activities and financial results of the charity. After reviewing the current forecasts and considering the risks and uncertainties, as well as the reserves position, they concluded that the charity will continue to be able to meet its liabilities as they fall due for at least 12 months from the date of this report and therefore it remains appropriate to prepare the financial statements on the going concern basis.

## Investment policy and performance

Our investment objectives are to:

- cover short-term financial risks, ensuring security and liquidity of funds held
- preserve the value of the funds held in real terms to cover longer-term financial risks and funding for future development opportunities
- ensure low volatility in investment asset values
- provide certainty for our short- to medium-term planning
- achieve a total return on investments greater than the UK Retail Price Index (measured over a rolling three-year period)

Royal London Asset Management (RLAM) was appointed as our investment manager to handle our investments in line with a mandate provided in May 2011 and amended in August 2019.

We hold three different asset categories in our investment portfolio: equities, bonds, and cash or cash equivalents. We invest our unspent restricted funds and free reserves in assets that are secure, readily convertible to cash and will sustain their value in the longer term. Our balance between security, liquidity and maintaining long-term real value is achieved through the asset allocations, which reflect our investment objectives. We

have instructed our investment manager to operate the asset categories in the portfolio within the following ranges:

- 10% to 40% equities
- 20% to 46% bonds
- 41% to 100% cash or cash equivalents

We have applied an ethical approach to our investments policy:

- investments exclude companies with significant trading interests in armaments, tobacco, pornography, alcohol, gambling and animal testing (excluding medical research for the benefit of humans)
- we only invest in companies that Experts in Responsible Investment Solutions consider able to mitigate their environmental impact and exposure to regions that could represent a 'human rights risk'
- the fund manager makes sure companies within our portfolio have appropriate policies regarding discrimination on the grounds of disability, age, religion, race, gender and sexual orientation

The performance of the investment portfolio is formally assessed against the above criteria every year by the Finance Committee.

Our investments were worth £40 million as of 31 March 2021 (compared to £39.2 million as at 31 March 2020).

The overall performance of the portfolio for the year ended 31 March 2021 was 4.9% ahead of the benchmark. The asset allocation at March 2021 was 24% bonds, 35% equities, 41% cash and cash equivalents.

The portfolio includes a sub-fund created to provide security to the Scope Pension Scheme. The balance on this fund at 31 March 2021 was £5.1 million of which £4.25 million is secured for the Pension Scheme.

The portfolio includes a separate cash and cash equivalents fund of £8.2 million held separately in short-term assets to be used for planned strategic investment.

## Review of Scope subsidiaries

During the year ended 31 March 2021, we had two active subsidiaries:

- Scope Central Trading Limited
- Scope (IP) Limited

The activities of the subsidiaries, their assets and liabilities are included in these financial statements on a line-by-line basis. Transactions between subsidiaries such as sales from



one entity to another are taken out when consolidating the group accounts. Details of all our subsidiaries, including those which no longer trade, are given in notes 9 and 15.

### Scope Central Trading Limited

The company's main activities are buying and selling general merchandise, greeting cards, clothing and giftware in our retail shops, as well as raising income through other commercial services. Due to government restrictions in relation to coronavirus the shops were closed for several months during the year which had a direct impact on turnover.

The turnover for the year was £0.8 million (compared to £1.5 million in 2019/20). Net operating profit before the Gift Aid payment to Scope was £0.4 million (compared to £0.6 million in 2019/20).

### Scope (IP) Limited

The company's main activities are generating income from the intellectual property and sale of products associated with the Mindful Monsters brand.

## Environmental impact

We continue to move ahead in considering and minimising the impact that we have on our world whilst we work to deliver our Everyday Equality agenda. As part of this work on impact we're sharing the measurements of our carbon footprint. We considered this across three main areas:

1. direct emissions from activities owned or controlled by Scope that release emissions into the atmosphere. Emissions are generated from natural gas and are related to vehicles owned or leased by Scope
2. indirect emissions released into the atmosphere associated with our consumption of purchased electricity
3. other indirect emissions that are a consequence of our actions, including emissions related to business travel

Total CO<sub>2</sub>e emissions for the year were 696.2 tonnes (compared to 1,536.8 tonnes in 2019/20) of which: 84%, 582.1 tonnes, is related to the consumption of purchased electricity (72% and 1,112.9 tonnes in 2019/20); 6%, 43.2 tonnes, company vehicles (20% and 296.6 tonnes in 2019/20); 2%, 14.7 tonnes, natural gas (2% and 32.8 tonnes in 2019/20) and 8%, 56.2 tonnes, other indirect emissions (6% and 94.5 tonnes in 2019/20). We offset a portion of these emissions through purchase of a green energy contract.



In 2019/20 we set a target to reduce our emissions of CO<sub>2</sub>e per unit of floor area (square meter) by 2% per annum. The intensity ratio of total emissions per m<sup>2</sup> retail floor area for 2020/21 was 0.025 (0.0472 in 2019/20), a reduction of 47%. The main contributing factor to such a high reduction was the restriction on trade and travel due to coronavirus. Our target for 2021/22 is to reduce emissions by 4% compared to the base year of 2019/20.

## Pensions

We operate the following pension schemes:

1. a single employer defined benefit pension scheme. The 'Scope Pension Scheme', closed to further contributions on 30 June 2013
2. a defined contribution stakeholder pension plan, opened on 1 October 2003, when the above Scope Pension Scheme was closed to new members

The year-end valuation of the Scope Pension Scheme shows a surplus of £8.1 million based on Financial Reporting Standard (FRS) 102 assumptions (compared to a surplus of £18.3 million in 2019/20). The surplus decreased due to:

- a decrease in the discount rate during the year reflecting lower corporate bond yields during the pandemic
- an increase in the long-term expectation of inflation
- the Scheme's assets increasing by less than the discount rate assumed under FRS 102

We've not included the pension scheme asset in the balance sheet because, under the Pension Trust Deed, we do not have an unconditional right to any of the surplus. You can find out more in note 27 to the financial statements. The Scope Pension Scheme is now closed to new members and to future accrual.

## Principal risks and uncertainties

### Overview

During the year we reviewed and updated our risk management framework which sets out the roles and responsibilities for risk management at Scope and the approach to identify, manage, monitor and review risk, as well as communicating and learning from risk management activities. The revised framework and risk management model has been introduced and embedded within all departments at Scope.

The responsibility for the overall management and control of risk rests with the Board of Trustees with elements of the risk management process delegated to the Audit & Risk

Committee, Executive Leadership Team, Leadership Group, Corporate Risk Manager and other colleagues.

The Audit and Risk Committee oversees the corporate assurance framework, external audit and the annual programme of internal audit. The Committee takes the lead role on risk management oversight, regularly reviewing our corporate risk register, ensuring the risk management framework works, and feeding back recommendations to the Board.

Certain external environmental factors are outside our control. For example:

- changes in market conditions that can affect our income, such as coronavirus
- the value of investments we hold that can go up or down in line with general market trends
- government policy and other changes that may affect the lives and experiences of disabled people

The impact of environmental factors is monitored quarterly at a minimum (and more actively in times of significant impact). This allows us to respond quickly to any major changes and assess our continuity and mitigating actions in an agile manner.

We use a set of control systems within our corporate assurance framework so that everyone can feel confident that we are running our organisation and services effectively. Our internal auditors also systematically review our key activities and systems with priority given to strategic risks areas. While our auditors found important areas for improvement in our operations during the year, there are no significant control issues which would have a material adverse impact on the delivery of Scope's strategy or financial position were identified in the year ended 31 March 2021. Where issues have been found, we have agreed an action plan to remedy the weaknesses and this will be followed up during 2021/22.

## Our corporate risks

Our principal corporate risks are outlined below with management actions to mitigate either the likelihood of the risk occurring or its possible impact.

### Strategic and environmental risks

1. Failure to adapt quickly and strategically to external changes resulting in a reduced ability to continue to make a meaningful difference to disabled people.
2. Failure to stay relevant to beneficiaries' changing needs and deliver desired outcomes in a modern accessible way to achieve the most impact.

Mitigation for risk 1 and 2

- We will continue to introduce our co-production model to embed user voices in all our work.
  - Our communications, campaigns and influencing are insight led.
  - Our services and programmes are continuously evaluated.
  - Our audience and market insight function within our Strategy department works with external facing functions to make sure our services are relevant.
  - We have a strong 'critical' friend relationship with key government departments.
  - An evaluation study of Covid-19 impact on our services has been performed and findings will be used to adapt services.
  - Our research and evidence teams analyse insights from disabled people.
  - We continually assess new and existing activity against our impact framework.
  - Our KPIs and plans link directly to our strategy to focus our work on our five goals, with impact reported to the Board quarterly.
3. Failure to realise the potential of digital technologies and channels to connect with our audiences, reducing our impact and outcomes for disabled people, engagement with all audiences and income generation.

#### Mitigation

- We have a specialist digital team in place to support colleagues, with particular expertise in product management, user experience, front-end development and accessibility.
  - We have external agency support which gives us access to a wider range of platform and development expertise than we have in-house.
  - We trial new digital opportunities and ways of working through standalone digital initiatives.
4. Failure to generate the required net income to deliver our objectives efficiently and effectively. The impact of the coronavirus restrictions on future years and/or external economic conditions could prevent us from delivering plans to develop income opportunities in retail, fundraising and partnerships. This could be because of a delay in recruitment of key team members, lack of focus, lack of investment, or other reasons.

#### Mitigation

- We have a detailed business plan and budget including strategic investment to grow and diversify income streams.
- Our daily, weekly and monthly reports monitor income and leading indicators in detail,

enabling us to take corrective action where needed.

- A detailed retail performance improvement plan is underway.
- We have action plans for fundraising and partnership teams to build and monitor pipelines and we will recruit people with the skills needed to implement those plans.

## Operational risks

1. Safeguarding arrangements fail to: promote wellbeing; protect staff, volunteers or beneficiaries from adverse incidents; and enable effective handling and responses to current or historical allegations which may come to light, resulting in reputational damage.

### Mitigation

- We prioritise the safeguarding of all people that interact with Scope in everything that we do. Our safeguarding policy is clearly embedded in operational processes and led by a team of two specialist safeguarding roles.
  - The Board of Trustees has responsibility for oversight of safeguarding activity. A specialist Safeguarding Trustee sits on the Board and the Equality, Diversity, Inclusion and People (EDIP) Committee, and provides expert advice to the Board and Safeguarding Team.
  - A cross-organisation Safeguarding Steering Group, with designated safeguarding leads and external expert, provides oversight of safeguarding reporting, policies, procedures and resourcing and reports to the Board. We also monitor concerns and extract learning through the Retail Case Management Group.
  - The Safeguarding Team reviews all concerns via a centralised reporting system.
  - All employees and volunteers complete mandatory safeguarding training.
2. Scope's governance and oversight arrangements do not support effective delivery of objectives and strategy. Misaligned governance structures, a gap in skills or inadequate management information lead to ineffective oversight of delivery, resulting in a failure to identify and address issues when Scope is not delivering desired outcomes/value for money.

### Mitigation

- We conduct regular skills audits and carry out continuous succession planning using specialist agencies.
- Independent Members fill specific skills gaps.
- Trustees serve three-year terms and a robust induction process with specific training and development as needed, feedback and appraisal.

- We have regular external reviews of our governance.
  - We self-monitor against the Charity Governance Code.
  - We have robust financial and internal audit processes, including reporting against an agreed suite of KPIs and risk register.
  - We regularly communicate and have meetings with our members.
3. Scope does not attract and retain sufficiently skilled, experienced and diverse colleagues to deliver its ambitions.

#### Mitigation

- We work with specialist recruitment agencies where appropriate and review applicant data to improve our attraction processes. We also plan to increase our use of co-production in this area.
  - Our development and training programmes for colleagues are in place and are constantly reviewed as a priority to enable career progression.
  - We've reviewed our adjustment processes to positively support all colleagues to do their best work.
  - We will use colleague inclusivity networks and engagement surveys have helped us to identify areas for improvement.
4. Our technology may be vulnerable to attack and our Business Continuity Plan may not be responsive enough.

#### Mitigation

- We've an information and data security management framework to cover our security culture, security processes and IT security tools, and technology which is constantly reassessed in light of a changing environment.
  - Our Business Continuity Plan has been refreshed and aligned to ensure that it's fit for purpose alongside our current strategy and structure.
5. Potential funders may believe that an insufficient proportion of spend goes to the charitable offer or that funds are not making a meaningful difference for disabled people, leading to reputational damage and/or loss of income through fundraising.

#### Mitigation

- We've carried out a detailed review of cost allocation and presentation following divestment and restructure.
- We've a clear understanding of cost base which is monitored closely to budgets.

- We clearly explain the strategic and fundraising costs needed to achieve future objectives.

## Legal and regulatory risks

1. We fail to comply with relevant regulation or legislation, especially in relation to Disability legislation, Safeguarding, Health and Safety, General Data Protection Regulation (GDPR), Employment and company law.

### Mitigation:

- Our approach to safeguarding is noted in detail above.
- We ensure that all new spaces/environments are completely accessible to disabled people and continue to review existing space to ensure access requirements are maintained.
- We've adapted our service offer to the specific needs of those attending, for example providing signed sessions, and information in various accessible formats.
- We've clear guidance in place on our online community to ensure action can be taken to improve or remove inappropriate behaviours and we take clear action where individuals fail to uphold acceptable standards of behaviour.
- The Audit and Risk Committee regularly reviews our risk register and sets the programme of internal audit for the year. We've specialist Safeguarding, Data, and Health and Safety leads in place. We conduct regular horizon scanning against new legislation and seek independent advice where needed. We're improving our information security and data protection to work towards achieving Cyber Essentials status.

## Financial risk management

During our day-to-day operations, we need to manage a variety of financial factors, such as credit and liquidity risks. We also need to manage the risk of the financial impact of any shortfall in net income compared to budget (see strategic risk 4). We use different control mechanisms to manage these.

### Credit risk

This relates to the risk that another party fails to honour its financial obligations to us and, consequently, we suffer a monetary loss. We are exposed to credit risk from our investment assets, but the risk is relatively small due to the type of investments held and the track record of our investment manager.

Our investments of £40 million are managed by RLAM, an A-credit-rated organisation. RLAM's investment performance and credit rating are overseen by our Finance Committee.

Our main cash balances of £1.6 million are held in accounts managed by the NatWest Group. Smaller cash management arrangements are also held with other UK-based clearing banks. The credit rating of all these banks is considered when reviewing credit risk. We do not engage in any transactions involving derivatives or working capital.

## Liquidity risk

Liquidity risk is being unable to raise enough cash to meet our obligations when they fall due. We manage our liquidity risk by making sure we manage our cash flow effectively, tracking working capital and net current assets. We keep sufficient cash balances to cover our predicted obligations. We also have access to £8.2 million of cash investments, which we can access within 48 hours.

## Our structure, governance and management

### How Scope is constituted

Scope is led by our Board of Trustees who serve as directors under company law.

The Standing Orders of the Board of Scope set out the regulations for the conduct of the Board of Trustees and its Committees. The Memorandum and Articles of Association is the governing and prevailing document of the charity. In the case of any conflict between the provisions of the Standing Orders and the Articles of Association, the latter will prevail.

Scope is a registered charity (Charity Commission number 208231) and is a private company limited by guarantee without share capital (Companies House number 520866). It operates throughout England and Wales and was incorporated on 20 June 1953.

Scope and all its subsidiaries are registered at: Scope, 2nd Floor, Here East Press Centre, 14 East Bay Lane, London, England, E15 2GW.

### Methods used to recruit and appoint new charity trustees

The key constitutional provisions for appointment are Articles 32 to 36, as follows:

32. The number of Trustees shall not be less than seven nor more than ten (which shall include the Chair).

33. Save for the Chair of the Board, who shall be appointed in accordance with Article 34, Trustees shall be elected by the Members at the Annual General Meeting from amongst persons nominated for election by a committee established by the Board with delegated authority to make such nominations.

34. The Chair of the Board shall be appointed by the Board at its first meeting following the Annual General Meeting in each year upon receiving a nomination by a committee

established by the Board with delegated authority to make such nominations. The Board may refuse any person so nominated, in which case that committee shall nominate another individual to act as Chair. Upon their appointment, the Chair shall (if they are not already a Trustee) automatically become a Trustee.

35. The Board shall have power to co-opt any person to be a Trustee, but the total number of Trustees shall not exceed the number determined under Article 32. Any person so co-opted shall only serve in office until the next Annual General Meeting at which time they may be re-appointed by the Members if they have been nominated for election in accordance with Article 33.

36. Upon their appointment as a Trustee, a person shall automatically become a Member and they shall sign the Register accordingly.

## Nominations Panel

We have a Nominations Panel to make sure people who join the Board and its sub-committees have the skills, experience and expertise to govern to the high standards our customers, partners and supporters demand. The Panel oversees the search for, and recruitment of, trustees and Independent Committee Members. The Nominations Panel reports to our Board.

Standing Order No.2 – 2.1A notes that:

The Board shall establish a committee (the ‘Nominations Panel’) with delegated authority to make nominations for the election of the Chair and Trustees in accordance with Articles 33 and 34.

Once a Trustee is elected by the Members, they can serve a three-year term. They can then serve a maximum of a further three years if they and the members agree.

Our Trustees volunteer their time and do not receive any rewards or benefits. Any expenses reclaimed by Trustees are in our financial statements.

## Use of trustee brokerage services

Research by the Charity Commission shows that, whilst traditional methods for recruiting new trustees – personal recommendation and word of mouth – are still widely used, they are not necessarily the most effective ways of finding the people with the skills which the trustees have identified as being important for the role. These methods limit the field from which trustees can be drawn and therefore often reduce diversity. Using wider and more inclusive methods of searching for new trustees, such as advertising and using trustee brokerage services, can access a wider range of applicants and the Commission recommends that trustees consider these methods.



Accordingly, in early 2021, we appointed a company to provide such a service for Scope with diversity as a key part of the brief.

Recruitment proposals consider the skills of the trustees and Independent Committee Members and seek to address any gaps in existing skills and experience.

## How we make decisions

Article 39 of our Memorandum and Articles of Association says the Board “may make rules with respect to the carrying into effect of all or any of the purposes of the Company or all or any of the provisions of these Articles”.

The Board uses different governing documents to help it make the rules, including the following:

- The Standing Orders of the Board of Scope sets out the regulations for the Board of Trustees, its Committees and people working for and with us. It shows how the Board can delegate authority to individuals, the Executive, Committees and working groups.
- The Scheme of Delegation sets out what powers are delegated to staff through the Chief Executive, and which stay with the Board. The Scheme is a tool for decision making and giving guidance to staff, so decisions are made by the right person or group.

The Chief Executive is responsible for the operational management of Scope and regularly reports important issues and updates to the Board of Trustees.

## Induction and training of trustees

The Standing Orders set out the policy on trustee training, skills analysis and how the Board is evaluated. This includes annual appraisals, the identification of ongoing training needs and induction training.

We provide all trustees with a full induction once they start. The induction provides a detailed briefing on the legal roles of trustees and directors, as well as of our history, structure, mission and purpose. Face-to-face induction of some new trustees was partially impacted by the coronavirus lockdown period. However, online meetings were held with key stakeholders instead.

As part of the role, trustees usually regularly visit our services and shops. They get time to meet staff and volunteers and gain first-hand experience of what we do and how we do it. However, this has not been possible during 2020/21 due to the pandemic but will be reinstated in 2021.

Each trustee has an annual one-to-one appraisal with the Chair of the Board. This is an opportunity to set objectives and discuss training needs.

## The Board of Trustees and its Committees

Charities exist to fulfil their charitable purposes. Scope is governed by our Board of Trustees who have a responsibility to understand the environment in which Scope operates and to lead us in fulfilling our purposes as effectively as possible with the resources available. To do otherwise would be failing beneficiaries, funders and supporters. The Board's core role is a focus on strategy, performance and assurance.

As well as the main Board, three standing Committees report on specific issues:

- Audit and Risk
- Finance
- Equality, Diversity, Inclusion and People

Each Committee has agreed terms of reference. Membership of all Committees both includes members of the Board of Trustees and Independent Members. Independent Members play an important governance role. Their contribution helps ensure advice and assurance through the committee structure is informed by the relevant expertise and experience. The role is also designed to provide the opportunity to develop leadership skills and help them become a trustee in the future.

The Chair of each Committee reports to the Board of Trustees at every Board meeting, presenting the most important activities undertaken and decisions they have made. The Committees also give the Board their support and advice in their specific areas, ensuring the Board is fully equipped with knowledge, expertise and experience, whatever the subject.

The Audit and Risk Committee oversees the corporate assurance framework, internal and external auditing and risk management.

The Finance Committee makes sure we use our financial resources and assets appropriately.

The EDIP Committee oversees, reviews and connects all policy and strategic matters relating to Equality, Diversity, Inclusion (ED&I) and People issues across the organisation and ensures that Scope becomes an exemplar of social change in this regard.

## Scope Assembly

The Scope Assembly is elected by the membership to take members' views to trustees and the Executive Leadership Team. The Assembly gives members the opportunity to hear news and updates and give feedback on decisions and initiatives.

In the last year we've been talking to our assembly members about their role and growing our membership. In the coming year we will set out plans for growth and begin work to expand the membership. Scope and our assembly members are particularly keen to engage more young people in our work and through the membership help shape our future plans.

## Charity Governance Code

The Board of Trustees considers Scope to have high-quality governance arrangements. In 2017/18, we started using the Charity Governance Code to review and improve our governance arrangements. In 2019, the Board of Trustees agreed to fully adopt the Code and in March 2021 confirmed that Scope would continue to fully adopt the revised Charity Code of Governance as refreshed in December 2020.

With a new Chair now in place, we're planning to have an external review of governance in late 2021.

## Our directors and trustees

The trustees in office during the year and up to the date of signing the financial statements are:

Alexander Massey

Andrew Hooke

Claire Flint

Donna Glover (appointed 16 April 2020)

Mark Johnstone

Matthew Johnston

Rebecca Simmonds (resigned on 28 February 2021)

Robin Hindle Fisher (resigned on 21 November 2020)

Robin Millar (appointed 30 June 2020), Chair

## Chief Executive

Mark Hodgkinson

## Legal and administrative details

### Independent auditors

Moore Kingston Smith LLP, Devonshire House, 60 Goswell Road, London, EC1M 7AD

### Solicitors

Anthony Collins Solicitors, 76 King Street, Manchester, M2 4NH

### Bankers

National Westminster Bank plc, City of London Office, Corporate Business Centre, PO Box 12263, 1 Princes Street, London, EC2R 8PH

### Investment advisers

Royal London Asset Management, 55 Gracechurch Street, London, EC3V 0RL

### Company secretary

Joy Walton

### Registered office

Scope and all subsidiaries are registered at Here East Press Centre, 14 East Bay Lane, London, E15 2GW

## Promoting success

The Trustees, as company directors of Scope, as those of all 'large' UK companies, must act in accordance with a clearly defined set of duties which are enshrined in s172 of the Companies Act 2006. Namely "the directors of a company must act in a way they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole, and in doing so, the directors must have regard, amongst other matters, to:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others

- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly between members of the company.”

As part of their induction, directors are briefed on these duties and can access professional advice on these as necessary, either from the Company Secretary or independently. Our directors fulfil their duties partly through a clearly defined governance framework, delegating day-to-day operations to the Executive Leadership Team and sub-committees of the Board in line with the terms of reference. These activities are described in greater detail above.

The following paragraphs further detail how Scope's directors exercise their duties.

## Planning and decision making

There are clear processes in place around annual and longer-term planning, supported by the devolved activity of the Finance Committee, alongside investment review panels held by the Executive Leadership Team. Larger financial, or strategic decisions are taken in line with our scheme of delegation, which sets out the parameters for delegated approvals from the trustees. Investment of reserves is discussed in greater detail on pages 17-18 (the reserves policy).

## Our colleagues

In 2020, we faced possibly Scope's most challenging year. Our colleagues have been instrumental to coming through this time – working to achieve our mission and goals, providing services and supporting our customers. We were able to move seamlessly from face-to-face to a purely digital offering.

This year has seen many changes for our colleagues and we've been committed to supporting them to continue delivering for our customers. This work has been centred around keeping our colleagues connected, supporting their wellbeing, and developing their skills whilst working from home.

We've launched our new leadership programmes:

- Courageous Leadership, co-produced with disabled experts internally and externally
- Connected Leadership – a pilot for aspiring leaders delivered during our November lockdown
- our reverse mentoring scheme has begun as part of the Courageous Leadership programme, with colleagues with protected characteristics mentoring our senior leadership

And our new online learning hub called Scope to Learn has gone live, bringing together a lot of our training provision into a web-based tool that allows access from anywhere.

We've developed our engagement strategy to build on the work undertaken this year. Our all-colleague engagement survey shows real positives with some strong indicators that show genuine levels of engagement within Scope. Of our colleagues, 95% believe they are committed to Scope, with 87% believing their fellow colleagues are also committed to what we do. There are areas we need to continue to focus on around development and communication, and a group of colleagues are working together to support this work.

Our people data shows that we have made some real progress in ED&I. We know we have a lot more to do, but we also now have a body of evidence supporting our approach and a plan to bring together a strategy that will create sustainable progress.

## Our People data:

### Disability

In the last four years the number of disabled people we employ has risen in both the ways that we measure. Our engagement surveys show a rise from 14% in 2017 to 19% in October 2020. Our HR data has also improved from 8% in 2017 to 12.3% as of 31 December 2020. We intend to carry out research in 2021 into why there might be a difference in disclosure and then make any changes required to encourage further openness.

For the first time we've gathered information about the diversity of our volunteers and know that 34% of our volunteers are disabled or self-described their impairment or condition.

### Gender

We have made significant progress in reducing our gender pay gap although there is clearly more we need to do in this area.

### Ethnicity

Our organisation is still predominantly white British in ethnic makeup, with 88% of all our employees being white. In our London office, 25% of employees are black, Asian or of mixed ethnicity, whilst the population of London is now over 40% non-white.

The make-up of our volunteers is like that of our employees overall, with 91% of volunteers who completed the engagement survey being white.

Our race action plan, developed in response to Black Lives Matter, and directly with recommendations made by our own black colleagues, seeks ways to improve the ethnic

diversity of Scope. By representing the whole population we will better engage with disabled people in our charitable purpose.

## Sexual orientation and gender identity

Our engagement survey shows that 10% of respondents say they are lesbian, gay, bisexual, trans, queer, questioning or other (LGBTQ+). Only 6% chose “prefer not to say”. In 2017, 10% of colleagues chose “prefer not to say”, whilst the number of LGBTQ+ respondents was also 10%.

Of our volunteers, 8% said they were LGBTQ+ and 7% chose “prefer not to say” as an option.

## Some highlights in our data:

- We’ve increased the pay advantage for most disabled people at Scope.
- Although overall a positive picture, the figure had masked some areas where we performed less well for example at a senior level and this has seen positive movement with an increase in the number of disabled colleagues at senior levels.
- We’ve evidence that where we implement strategies to recruit more disabled people and make our intent transparent, we’ve succeeded in recruiting more disabled people into those roles.
- We’ve increased the satisfaction levels with our reasonable adjustments process.
- Two new colleague networks have been formed, the race in equality network and the mental health and wellbeing network, in addition to our disabled colleagues’ network.
- We’ve increased the number of women working in senior roles and reduced our gender pay gap for the second year running.
- For the first time we’ve gathered volunteer diversity data.

We also achieved many of the actions set within our Disability and Wellbeing, and Gender Pay Gap action plans. Where we haven’t achieved our actions, the pandemic has been a factor and we’ve made progress towards achieving them despite the difficulties we’ve all faced in 2020.

Our actions for the coming year and beyond aim to be ambitious and wide reaching, but with recovery from the pandemic in mind, we’re also proposing to spend time engaging with colleagues and stakeholders to develop the best approach to ED&I for Scope.

## How senior pay is set

We set the pay and reward for senior staff by:

- evaluating the role against others in Scope from different job families to make our pay structure consistent
- using market data from sector pay surveys and reports

To make sure we're doing all we can to achieve our mission, there's some flexibility on pay and reward so we can work with the best people. Our overall policy on pay and reward is agreed by the EDIP Committee and approved by the Board of Trustees. This includes recommendations from the Chief Executive on the Executive Leadership Team's pay. The Committee also recommends to the Board of Trustees the Chief Executive's pay.

In April 2020, executive pay was reviewed, and no increases awarded. During periods of lockdown and reduced activity the Executive Leadership Team, along with other colleagues not directly involved in the provision of services, reduced their hours by up to 20% to help manage cost.

| Role                                                                                                    | Gross salary for the year ended 31 March 2021 | Employer pension contributions in 2020/21 | Total financial reward | Annual salary |
|---------------------------------------------------------------------------------------------------------|-----------------------------------------------|-------------------------------------------|------------------------|---------------|
| Chief Executive                                                                                         | £133,740                                      | –                                         | £133,740               | £150,000      |
| Executive Director of People                                                                            | £73,539                                       | £5,358                                    | £78,897                | £82,500       |
| Executive Director of Strategy, Impact and Social Change                                                | £72,115                                       | £3,501                                    | £75,616                | £82,000       |
| Executive Director of Retail and Communities (from 1 June 2020)                                         | £107,896                                      | £1,459                                    | £109,355               | £140,000      |
| Executive Director of Engagement, Enterprise and Delivery (to 30 June 2020 including ex-gratia payment) | £75,360                                       | £875                                      | £76,235                | –             |
| Executive Director of Finance and Technology Services (from 3 August 2020)                              | £73,982                                       | £1,276                                    | £75,258                | £120,000      |
| Executive Director of Fundraising and Engagement (from 3 August 2020, 0.8 FTE)                          | £64,599                                       | £8,398                                    | £72,997                | £104,000      |
| Executive Director of Services (from 9 February 2021)                                                   | £7,715                                        | £347                                      | £8,062                 | £82,000       |
| Total                                                                                                   | £608,946                                      | £21,214                                   | £630,160               | £760,500      |

## Business relationships and fundraising

The relationships with Scope's members, volunteers, customers and suppliers are critical to the successful delivery of our mission. The Executive Leadership Team understands and



monitors key supplier and contractual relationships to ensure the effective management of both value for money and risks. Outside of the work undertaken within our policy and change areas, Scope's key supplier relationships are with our fundraising partners – see Fundraising governance below.

## Community and the environment

Supporting our customers within their communities is at the heart of our Everyday Equality strategy. We seek to provide support in the ways that our customers can best access it – across the country with a local focus, nationally delivered. The work that we undertake with government, supporting social change through policy and education underpins this and our shops are a key presence, working with volunteers and customers at the heart of 190 local communities.

We continue to move ahead in considering and minimising the impact that we have on our world whilst we work to deliver our Everyday Equality agenda. We've a number of initiatives in place to support this and where possible we work with suppliers who are equally conscious of their impact on the environment. Information about our environmental impact and reporting is shown on pages 20-21.

## Our members and the Scope Assembly

Acting fairly and listening openly to the views of all of Scope's members is a fundamental tenet of our business. Scope has 641 members as at 31 March 2021.

The Scope Assembly is elected by the membership to take members' views to trustees and the Executive Leadership Team. The Assembly gives members the opportunity to hear news and updates and give feedback on decisions and initiatives.

## Fundraising governance

We fundraise to deliver everyday equality for disabled people. We do this by providing direct services and by campaigning to change society.

Our supporters volunteer their time, donate money, fundraise on our behalf, take part in events, campaign, raise awareness and give us their expertise so we are even more effective.

Support from corporate partnerships, charitable trusts and high net worth individuals funds our innovative and evidence-based services. Financial investment and pro-bono support mean we can increase our reach, amplify our voice and make even more impact on the lives of disabled people.

We've the highest standards of professional fundraising and encourage our staff to join the Chartered Institute of Fundraising's training courses and specialist interest groups. We subscribe to the Fundraising Regulator to ensure that we're respectful, open, honest and accountable in line with our organisational values. We're transparent about how we raise and use public donations and the impact they have on the lives of disabled people and their families.

We take great care in choosing third party suppliers, ensure that our contracts specify that they follow fundraising best practice and closely monitor how they fundraise on our behalf. We mystery shop and shadow our agencies very regularly, so we're confident they're displaying the standards we expect of them.

We work hard to give our supporters the best possible experience of Scope. But we understand things can go wrong and we take all concerns and complaints seriously. We provide a complaints procedure through our website.

The number of complaints received in relation to fundraising activities in 2020/21 was 36 complaints (94 in 2019/20). All complaints were resolved satisfactorily through our internal processes, none were escalated to the Fundraising Regulator. Covid-19 restrictions have limited our fundraising activities which has contributed to the reduction in the number of complaints.

CC20, published by the Charity Commission, gives trustees guidance on their duty to oversee their organisation's fundraising. The Board of Trustees has received guidance and updates on fundraising best practice.

## Safeguarding

The Board of Trustees is committed to promoting the welfare and wellbeing of children and adults at risk and makes sure there's the right level of protection and safeguarding for anyone who connects with Scope. The Board of Trustees is ultimately responsible for safeguarding at Scope, and makes sure incidents and allegations are handled with speed, efficiency and rigour.

Scope has a Lead Trustee for Safeguarding; they share the responsibility for safeguarding equally with the rest of the Board but have specific skills and experience to help drive forward best practice. The Board of Trustees has oversight of safeguarding and it's on every agenda at the quarterly meetings. At Executive level, the Chief Executive has responsibility for safeguarding. Additionally, all leaders are responsible for setting the standard and modelling behaviour that reflects our values, complies with our safeguarding policy and procedures, and protects customers and colleagues.

We've a Safeguarding Steering Group which meets four times per year. It supports and reviews the progress of the safeguarding strategy. We've two full-time equivalent safeguarding professionals who ensure safeguarding responses are appropriate, consistent and that the individual's wishes and rights are upheld. They also ensure that all our staff and volunteers are provided with a level of safeguarding training.

Alongside other serious incident reporting, we report safeguarding incidents to the Charity Commission and other relevant regulators in line with our Reporting Serious Incidents Guidance.

## Directors and trustees' indemnity

During the year we had in place an indemnity provision in favour of one or more of our directors and trustees against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. This third-party indemnity provision remains in force as at the date of approving the Trustees' Report.

## Statement of trustees' responsibilities

The trustees (who are also Directors of Scope for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Board of Trustees to prepare financial statements for each financial year. Under that same Law, the Board of Trustees has prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable Law (United Kingdom Generally Accepted Accounting Practice).

Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the 'Accounting and Reporting by Charities: Statement of Recommended Practice 2015' ('Charities SORP')
- make judgements and estimates that are reasonable and prudent
- state whether FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' has been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Board of Trustees is responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Board of Trustees is aware:

- there is no relevant audit information of which the company's auditors are unaware
- they have taken all the steps that they ought to have taken as trustees to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

The Board of Trustees is responsible for the maintenance and integrity of the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may be different from legislation in other jurisdictions.

The Trustees' Report and Strategic Report were signed on behalf of the Trustees by:

A handwritten signature in blue ink, appearing to read 'RM', with a long horizontal stroke and a small upward flick at the end.

Robin Millar  
Trustee

A handwritten signature in blue ink, appearing to read 'MJ', with a large, stylized initial 'M' and a long horizontal stroke at the end.

Mark Johnstone  
Trustee

Date: 25 June 2021

# Independent Auditor's Report to the Members of Scope

## Opinion

We have audited the financial statements of Scope ('the company') for the year ended 31 March 2021 which comprise the Group Statement of Financial Activities incorporating the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt

on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## 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 trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 40, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## Auditor's responsibilities for the audit of the financial statements

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.



## Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council and UK taxation legislation.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

Due 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. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## 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. Our audit work has been undertaken so that we might state to the charitable company's members those matters which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Moore Kingston Smith LLP*

Andrew Stickland (Senior Statutory Auditor)  
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

Date: 30 June 2021

# Group statement of financial activities

(Incorporating an income and expenditure account)

For the year ended 31 March 2021

|                                                   | Note | 2021                       |                          |                     | 2020                       |                          |                     |
|---------------------------------------------------|------|----------------------------|--------------------------|---------------------|----------------------------|--------------------------|---------------------|
|                                                   |      | Unrestricted funds<br>£000 | Restricted funds<br>£000 | Total funds<br>£000 | Unrestricted funds<br>£000 | Restricted funds<br>£000 | Total funds<br>£000 |
| Income and endowments from:                       |      |                            |                          |                     |                            |                          |                     |
| Donations and legacies                            | 3    | 12,801                     | 1,061                    | 13,862              | 13,570                     | 1,006                    | 14,576              |
| Other trading activities                          | 4    | 14,470                     | –                        | 14,470              | 21,182                     | –                        | 21,182              |
| Investments                                       | 5    | 526                        | –                        | 526                 | 771                        | –                        | 771                 |
| Charitable activities:                            |      |                            |                          |                     |                            |                          |                     |
| Fees                                              |      | 633                        | 1                        | 634                 | 577                        | –                        | 577                 |
| Grants                                            | 6    | (2)                        | 1,471                    | 1,469               | 42                         | 468                      | 510                 |
| Sales and ancillary income                        | 7    | 2,768                      | –                        | 2,768               | 2,875                      | 18                       | 2,893               |
| Other                                             | 8    | 409                        | (17)                     | 392                 | 525                        | 17                       | 542                 |
| Total income and endowments                       |      | 31,605                     | 2,516                    | 34,121              | 39,542                     | 1,509                    | 41,051              |
| Expenditure on:                                   |      |                            |                          |                     |                            |                          |                     |
| Raising funds                                     | 10   | 24,671                     | 48                       | 24,719              | 32,712                     | 61                       | 32,773              |
| Charitable activities:                            |      |                            |                          |                     |                            |                          |                     |
| Be financially secure                             | 10   | 981                        | 412                      | 1,393               | 621                        | 726                      | 1,347               |
| Cross theme                                       | 10   | 698                        | –                        | 698                 | 1,743                      | –                        | 1,743               |
| Get the best start in life                        | 10   | 923                        | –                        | 923                 | 1,166                      | –                        | 1,166               |
| Live the life I choose                            | 10   | 52                         | 204                      | 256                 | 22                         | 217                      | 239                 |
| Delivery of services                              | 10   | 1,704                      | 1,970                    | 3,674               | 1,287                      | 806                      | 2,093               |
| Information and advice                            | 10   | 882                        | –                        | 882                 | 607                        | 22                       | 629                 |
| Influencing and campaigning                       | 10   | 3,034                      | (5)                      | 3,029               | 2,110                      | 8                        | 2,118               |
| Strategic spend                                   | 10   | 636                        | –                        | 636                 | 2,751                      | –                        | 2,751               |
| Governance                                        | 10   | 112                        | –                        | 112                 | 175                        | –                        | 175                 |
| Total expenditure                                 | 10   | 33,693                     | 2,629                    | 36,322              | 43,194                     | 1,840                    | 45,034              |
| Net gains/(losses) on investments                 | 14   | 2,753                      | –                        | 2,753               | (344)                      | –                        | (344)               |
| Net income/(expenditure)                          |      | 665                        | (113)                    | 552                 | (3,996)                    | (331)                    | (4,327)             |
| Transfers between funds                           | 19   | 539                        | (539)                    | –                   | 825                        | (825)                    | –                   |
| Actuarial gain on defined benefit pension schemes | 27   | 304                        | –                        | 304                 | 247                        | –                        | 247                 |
| Net movement in funds                             |      | 1,508                      | (652)                    | 856                 | (2,924)                    | (1,156)                  | (4,080)             |
| Fund balances brought forward at 1 April          |      | 40,774                     | 1,881                    | 42,655              | 43,698                     | 3,037                    | 46,735              |
| Fund balances carried forward at 31 March         |      | 42,282                     | 1,229                    | 43,511              | 40,774                     | 1,881                    | 42,655              |

There were no gains or losses during the year other than those included in the statement of financial activities.

# Group and parent charitable company balance sheets

As at 31 March 2021

|                                                | Note | Group        |              | Charity      |              |
|------------------------------------------------|------|--------------|--------------|--------------|--------------|
|                                                |      | 2021<br>£000 | 2020<br>£000 | 2021<br>£000 | 2020<br>£000 |
| Fixed assets                                   |      |              |              |              |              |
| Tangible assets                                | 13   | 1,915        | 2,285        | 1,915        | 2,285        |
| Investments                                    | 14   | 40,031       | 39,178       | 40,031       | 39,178       |
| Total fixed assets                             |      | 41,946       | 41,463       | 41,946       | 41,463       |
| Current assets                                 |      |              |              |              |              |
| Stocks                                         |      | 513          | 420          | –            | –            |
| Debtors                                        | 16   | 7,470        | 7,038        | 7,721        | 7,259        |
| Cash at bank and in hand                       |      | 1,636        | 1,230        | 1,538        | 1,175        |
| Total current assets                           |      | 9,619        | 8,688        | 9,259        | 8,434        |
| Creditors: amounts falling due within one year | 17   | (5,177)      | (3,251)      | (5,175)      | (3,600)      |
| Net current assets                             |      | 4,442        | 5,437        | 4,084        | 4,834        |
| Total assets less current liabilities          |      | 46,388       | 46,900       | 46,030       | 46,297       |
| Provision for liabilities and charges          | 18   | (2,877)      | (2,943)      | (2,877)      | (2,943)      |
| Defined benefit pension liability              | 27   | –            | (1,302)      | –            | (1,302)      |
| Net assets                                     |      | 43,511       | 42,655       | 43,153       | 42,052       |
| Funds                                          |      |              |              |              |              |
| Restricted funds                               | 19   | 1,229        | 1,881        | 1,229        | 1,881        |
| Unrestricted funds                             | 19   | 34,398       | 34,191       | 34,040       | 33,588       |
| Designated funds – strategic investment        | 19   | 2,800        | 1,878        | 2,800        | 1,878        |
| Designated funds – pension                     | 19   | 5,084        | 4,705        | 5,084        | 4,705        |
| Total funds                                    |      | 43,511       | 42,655       | 43,153       | 42,052       |

We have a defined benefit pension scheme which is closed and in surplus. See note 27 for details.

The notes on pages 51 to 75 form part of these financial statements.

The financial statements on pages 48 to 75 were approved by the Board of Trustees on 25 June 2021 and signed on its behalf by:



Robin Millar  
Trustee



Mark Johnstone  
Trustee

Company number: 520866

# Group cash flow statement

For the year ended 31 March 2021

|                                                             | Group   |         |
|-------------------------------------------------------------|---------|---------|
|                                                             | 2021    | 2020    |
|                                                             | £000    | £000    |
| Cash flows from operating activities:                       |         |         |
| Net cash used in operating activities                       | (1,816) | (5,477) |
| Cash flows from investing activities:                       |         |         |
| Investment income received                                  | 526     | 771     |
| Purchase of tangible fixed assets                           | (204)   | (300)   |
| Sale of tangible fixed assets                               | –       | 569     |
| Purchase of fixed asset investments                         | (100)   | (380)   |
| Sale of fixed asset investments                             | 2,000   | 4,880   |
| Net cash provided by investing activities                   | 2,222   | 5,540   |
| Change in cash and cash equivalents in the reporting period | 406     | 63      |
| Cash brought forward at 1 April                             | 1,230   | 1,167   |
| Cash carried forward at 31 March                            | 1,636   | 1,230   |

## Note to group cash flow statement

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

|                                                                                                     | Group   |         |
|-----------------------------------------------------------------------------------------------------|---------|---------|
|                                                                                                     | 2021    | 2020    |
|                                                                                                     | £000    | £000    |
| Net movement in funds for the reporting period                                                      | 856     | (4,080) |
| Adjustments for:                                                                                    |         |         |
| Net (gains)/losses on investments                                                                   | (2,753) | 344     |
| Investment income received                                                                          | (526)   | (771)   |
| Depreciation charges                                                                                | 561     | 714     |
| Loss/(profit) on sale of tangible fixed assets                                                      | 13      | (431)   |
| Other gains                                                                                         | –       | (4)     |
| Increase in stock                                                                                   | (93)    | (90)    |
| Increase in debtors                                                                                 | (432)   | (359)   |
| Increase/(decrease) in creditors                                                                    | 1,926   | (1,664) |
| (Decrease)/increase in provisions for liabilities and charges and defined benefit pension liability | (1,368) | 864     |
| Net cash used in operating activities                                                               | (1,816) | (5,477) |

# Notes to the financial statements

## 1. Accounting policies

### Basis of preparation

The financial statements are prepared in accordance with:

- the Charities Act 2011
- the 'Accounting and Reporting by Charities: Statement of Recommended Practice 2015' ('Charities SORP')
- applicable accounting and reporting standards in the United Kingdom, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102')
- the Companies Act 2006

The particular accounting policies adopted by the Board of Trustees are applied consistently year on year across the Group and are described below.

The financial statements are prepared on a going concern basis, under the historical cost convention as modified by the revaluation of investments.

The Board of Trustees of Scope has assessed the implications of the Covid-19 pandemic to the financial health of the charity and continues to support the appropriate use of the going concern basis of accounting in the preparation of Scope's financial statements. The charity has been able to adapt its service delivery and put in place mitigations to support the financial stress caused by the closure of its stores for part of 2020/21, including taking advantage of government interventions available. Based on the actions taken, the level of unrestricted reserves, cash investments and the charity's financial forecasts, the trustees expect the charity to continue in operation and to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

The charity has taken advantage of the exemption from preparing a cash flow statement under FRS 102. The cash flows of the charity are included in the consolidated financial statements. The charity is a public benefit entity.

### Basis of consolidation

The consolidated financial statements of the group incorporate the financial statements of Scope and its subsidiary undertakings on a line-by-line basis. The total incoming resources attributable to the charity were £33.9 million (compared to £40.2 million in 2019/20). The net movement in funds attributable to the charity include:

- pension scheme actuarial gains of £304,000 (compared to £247,000 in 2019/20)
- investment gains of £2,753,000 (compared to losses of £344,000 in 2019/20)

There were no other recognised gains and losses attributable to the charity.

As permitted by section 408 of the Companies Act 2006, and FRS 102, no separate statement of financial activities is presented in respect of the parent charity.

## Incoming resources

All income is recognised in the statement of financial activities when:

- the conditions for receipt have been met (that is, there is entitlement to the funds)
- it is at least probable that the funds will be received
- the funds can be reliably measured

The following accounting policies are applied to income:

## Donations including events and individual giving

As a public benefit entity, Scope receives various donations as non-exchange transactions.

General donations and donations from fundraising events are included in income when received. Gift Aid to which Scope is entitled, but is not yet received at the year-end, is included in incoming resources and shown as a debtor in the balance sheet.

Other income from fundraising events is recognised on delivery of the event.

## Individual giving, face-to-face

Regular donations from individuals are recognised on receipt. Income is recognised gross and any fees charged for fundraising including by a third party are recorded as a fundraising expense.

## Legacies

Legacy income is recognised when the amount receivable can be reliably measured and it is probable that it will be received. Receipt is normally probable when:

- there has been grant of probate
- the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy, and
- any conditions attached to the legacy are either within the control of the charity or have been met



Where Scope may have entitlement to a legacy but there is uncertainty as to the amount of the payment, for example, if the interest of the charity in a pecuniary or residuary legacy cannot be measured reliably, details of the legacy will be disclosed as a contingent asset until the criteria for income recognition are met.

## Restricted donations including corporate donations

Donations are restricted when donors put specific conditions on how the funds are to be used. Restricted donations are recognised when the conditions for entitlement are within our control or have been met.

## Mindful Monsters, subscription and donation

This is a subscription product that customers pay for monthly or annually by direct debit. Income is recognised over the period to which it relates. After 12 months, some subscribers choose to alter their subscription to a donation, recognition is then on receipt.

## Donations in kind

Donations in kind (including pro-bono work) are recognised at their value to Scope when received and an equivalent amount is included in the appropriate category of expenditure.

The financial statements do not include volunteer time used in preparing items for sale as this cannot be reliably estimated.

## Retail income

Retail income, including income from the sale of donated goods in our shops, is recognised as income when the sale takes place. Estimated associated Gift Aid is accrued at the point of sale. Once consent has been obtained the income claimed from HM Revenue & Customs is recognised and the accrual reversed.

## Concession and bought-in goods income

Concession and bought-in goods income is recognised at the point of sale. All concession income is subject to output VAT and is recognised in the retail trading company Scope Central Trading Limited.

## Investment income

Investment income is recognised when receivable.

## Fees for services

Fees are recognised when the services have been provided. Income received in advance is deferred until the service has been provided.

## Grants receivable including government grants

Grants are recognised when the conditions for entitlement have been met. Evidence of entitlement will usually exist when the formal offer of funding is communicated in writing to us. Where grants contain terms or conditions that must be met before we have entitlement to the resources, the income is deferred and included in creditors until the conditions have been met.

Grant funding agreements may contain performance conditions, for example, payments are linked to the achievement of a particular level of service or units of output delivered. In these circumstances, income is only recognised when the performance-related conditions are within our control and there is sufficient evidence that they have been or will be met.

Conditions imposed may also specify the time period over which the expenditure of resources on a service can take place. Specification of a time period may amount to a pre-condition for use that limits the charity's ability to spend the grant until it has performed the activity related to the specified time period.

## Sales and ancillary income

Sales income comprises income for rent receivable, sponsorship and other incoming resources from charitable activities. Sales and ancillary income is recognised on the date of sale. Rent receivable is recognised over the rental period.

## Profit and loss on sale of asset

The net book value of the asset being disposed is allocated to the associated receipt. If the receipt exceeds the net book value, the profit is recognised as income. If the net book value exceeds the receipt, a loss is recognised as reduced income.

## Intellectual property licencing

Royalties are payments made by one company (the licensee) to Scope (the licensor) in exchange for the right to use intellectual property or physical assets owned by Scope.

Royalty income is recognised on the date of the related sale and invoices are raised by Scope (IP) Limited.

## Resources expended

All resources expended have been accounted for on an accruals basis. Irrecoverable VAT is included with the expense item to which it relates.

## Charitable expenditure

This includes all expenditure directly related to the delivery of our mission.

## Support costs

Our support costs include staff costs, rent and other operational costs. All costs are allocated between the costs of raising income, activities in furtherance of the charity's objects and other costs. Most costs incurred by Scope are directly attributable to individual activities. Where costs are not directly attributable to particular activities, they are apportioned on an appropriate basis (note 10).

## Grants payable

Grants payable are recognised in the statement of financial activities when the conditions for disbursement have been met. Grants paid before the conditions have been met are deferred and included in debtors at year end.

## Tangible fixed assets

Freehold properties and other tangible assets are stated in the balance sheet at cost or the fair value at the date of receipt (if donated) less accumulated depreciation.

Depreciation is charged evenly over the estimated useful lives of the assets at the following rates:

- freehold land – no depreciation
- freehold property – 2%
- leasehold property and improvements to leasehold property – 2% or over the term of the lease if less than 50 years
- improvements to property – 6.66%
- motor vehicles – 20%
- fixtures and equipment – 20%
- computer equipment and software – 25% or 33.33%

Gains or losses from the disposal of tangible fixed assets are recognised in other income.

## Asset impairment

At each reporting date, fixed assets are reviewed to assess whether they have suffered impairment. The recoverable amount of any affected asset is estimated and compared with its carrying amount.

If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the statement of financial activities.

## Funds

Scope maintains various funds as follows:

### Restricted funds

Restricted funds are the unspent balances on grants, donations and legacies received where the donor has stipulated they be used for specific purposes.

### Unrestricted funds

Funds that can be spent at the discretion of the Board of Trustees to help fulfil our objectives. Such funds may be held to finance working capital and strategic investment.

### Designated funds

Funds that have been set aside at the discretion of the Board of Trustees for specific purposes. They would otherwise form part of the general unrestricted funds.

## Financial assets and liabilities

Investments are stated at fair value. Net gains and losses that have resulted from both changes in holdings and in their fair value are shown in the appropriate section of the statement of financial activities.

Debtors and creditors treated as financial assets and liabilities (notes 16 to 18) are measured at transaction price, less any impairment. Cash balances are stated at present value.

## Leases

Assets held under finance leases are capitalised at their fair value at the start of their term. They are depreciated over their useful lives or lease term if shorter. The finance charges are allocated over the periods of the leases in proportion to the outstanding capital amount. Operating lease costs are charged directly in the period to which they relate.

## Stocks

Stocks are stated at the lower level of cost and net realisable value. They are valued using the weighted-average method. Stock is reviewed regularly throughout the year with a provision made for stock that is unlikely to be sold. Stocks of unsold donated goods are not valued for balance sheet purposes, since their cost is nil, and their value is uncertain until sold.

## Pension costs

The statement of financial activities includes:

- the cost of benefits accruing during the year in respect of current and past service (charged against net outgoing resources)
- the expected return on the pension scheme's assets and the increase in the present value of the scheme's liabilities, shown as pensions finance charge
- actuarial gain recognised in the pension scheme (shown within net movement of funds)

In accordance with FRS 102, the scheme value is calculated taking assets at their year-end fair values and liabilities at their actuarially calculated values discounted at year-end AA-rated corporate bond interest rates. The scheme surplus is disclosed as nil value in accordance with the FRS 102 balance sheet limitation. Further details regarding all pension schemes are disclosed in note 27.

We participate in a defined contribution scheme. Contributions to the scheme are recognised in the period in which they become payable.

Pension costs other than finance charges and actuarial gains or losses, disclosed in note 27, are allocated to expenditure by charitable activity, in line with other salary costs.

## Irrecoverable Value Added Tax (VAT)

Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

## 2. Critical accounting judgements and estimation

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events.

Provision is made for retirement obligations (including pension buy out), stock obsolescence, doubtful debts and dilapidations on leased properties. These provisions require management's best estimate of the costs that will be incurred, based on legislative and contractual requirements.

Management considers whether fixed assets are impaired. Where an indication of impairment is identified, the recoverable value of those assets requires the estimation of the future cash contribution that can be realised from those assets.

Management has considered the grants received from various government bodies in connection with Covid-19 and interpreted the published guidance to assess whether conditions have been met for recognition of income. Where clarification is ongoing, amounts received have not been recognised as income.

Legacy income for which confirmation of the amount has not been received as at the balance sheet date has not been included in the incoming resources. The value of these legacies is estimated as £1,101,000 (compared to £491,000 in 2019/20).

## 3. Donations and legacies

|                                         | Group        |              |
|-----------------------------------------|--------------|--------------|
|                                         | 2021<br>£000 | 2020<br>£000 |
| Donations and gifts:                    |              |              |
| Retail                                  | 102          | 249          |
| Individual giving                       | 7,025        | 7,403        |
| Events fundraising                      | 348          | 896          |
| Philanthropy and corporate partnerships | 1,262        | 1,382        |
| Trusts                                  | 256          | 57           |
| Donations in kind*                      | 19           | 156          |
| Digital engagement                      | –            | 14           |
| Other voluntary fundraising             | –            | 37           |
|                                         | 9,012        | 10,194       |
| Legacies                                | 4,850        | 4,382        |
|                                         | 13,862       | 14,576       |

\*Donations in kind are for professional advice received by Scope in relation to our retail estate from Deloitte.

## 4. Other trading activities

|                                                            | Group  |        |
|------------------------------------------------------------|--------|--------|
|                                                            | 2021   | 2020   |
|                                                            | £000   | £000   |
| Gift Aid commission                                        | 482    | 1,331  |
| Sale of donated and bought-in goods                        | 8,847  | 19,599 |
| Raffles in shops                                           | 56     | 140    |
| Other income                                               | 74     | 112    |
| Government grants (Job retention scheme and shop closures) | 5,011  | –      |
|                                                            | 14,470 | 21,182 |

## 5. Income from investments

|                                | Group |      |
|--------------------------------|-------|------|
|                                | 2021  | 2020 |
|                                | £000  | £000 |
| Income from listed investments | 526   | 771  |

## 6. Grants receivable (excluding job retention scheme and shop closures)

|                                                  | Unrestricted<br>funds<br>£000 | Restricted<br>funds<br>£000 | 2021<br>total<br>£000 | 2020<br>total<br>£000 |
|--------------------------------------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| Central government grants:                       |                               |                             |                       |                       |
| Statutory and EU                                 | –                             | –                           | –                     | 10                    |
| Department for Health and Social Care            | –                             | 568                         | 568                   | –                     |
| Total central government grants                  | –                             | 568                         | 568                   | 10                    |
| Local authority grants:                          |                               |                             |                       |                       |
| Leeds Activities                                 | –                             | –                           | –                     | (20)                  |
| Retail holding account                           | 12                            | –                           | 12                    | 38                    |
| Total local authority grants                     | 12                            | –                           | 12                    | 18                    |
| Other grants:                                    |                               |                             |                       |                       |
| Working on Wellbeing                             | –                             | 460                         | 460                   | –                     |
| People's Health Trust – Local People's Programme | –                             | 192                         | 192                   | 292                   |
| Kickstart London HIC                             | –                             | 18                          | 18                    | 73                    |
| Energy Saving Trust                              | –                             | 80                          | 80                    | –                     |
| Other grants < £50,000                           | (14)                          | 153                         | 139                   | 117                   |
| Total other grants                               | (14)                          | 903                         | 889                   | 482                   |
| Total grants receivable                          | (2)                           | 1,471                       | 1,469                 | 510                   |

As at the balance sheet date, there were no unfulfilled conditions for any of the government grants detailed above. Grants received in relation to the job retention scheme and shop closures are presented in note 4.

## 7. Sales and ancillary income from charitable activities

|                                   | Group |       |
|-----------------------------------|-------|-------|
|                                   | 2021  | 2020  |
|                                   | £000  | £000  |
| Ancillary services income         | 23    | 6     |
| Lottery, raffles and other income | 2,745 | 2,887 |
|                                   | 2,768 | 2,893 |

## 8. Other income

|                                                                      | Group |      |
|----------------------------------------------------------------------|-------|------|
|                                                                      | 2021  | 2020 |
|                                                                      | £000  | £000 |
| (Loss)/gain on sale of fixed assets                                  | (13)  | 431  |
| Fee and other income relating to divested regulated and day services | 405   | 111  |
|                                                                      | 392   | 542  |

## 9. Subsidiaries' income and costs

The income and costs of Scope Central Trading Limited and Scope (IP) Limited:

|                                | Scope Central<br>Trading Limited | Scope (IP)<br>Limited | 2021<br>total | 2020<br>total |
|--------------------------------|----------------------------------|-----------------------|---------------|---------------|
|                                | £000                             | £000                  | £000          | £000          |
| Turnover                       | 763                              | 2                     | 765           | 1,522         |
| Cost of sales                  | (424)                            | (1)                   | (425)         | (916)         |
| Gross profit                   | 339                              | 1                     | 340           | 606           |
| Administration and other costs | (4)                              | –                     | (4)           | (5)           |
| Other operating income         | 40                               | –                     | 40            | 2             |
| Operating profit/(loss)        | 375                              | 1                     | 376           | 603           |
| Taxation                       | –                                | –                     | –             | –             |
| Net income                     | 375                              | 1                     | 376           | 603           |

Income and expenditure raised by the subsidiaries has been incorporated into the appropriate sections in the statement of financial activities, under the relevant department.

As at 31 March 2021 Scope Central Trading Limited had £356,522 net assets (compared to £601,456 in 2019/20). This comprised assets of £607,919 (compared to £754,190 in 2019/20) and liabilities of £251,397 (compared to £152,734 in 2019/20).

As at 31 March 2021 Scope (IP) Limited had net assets of £1 (compared to £1 in 2019/20). This comprised assets of £3,097 (compared to £406 in 2019/20) and liabilities of £3,096 (compared to £405 in 2019/20).

Scope holds 100% of the share capital of Scope Central Trading Limited and Scope (IP) Limited (see note 15).



## 10. Analysis of total expenditure and support costs

| The Group                                              | Activities undertaken directly<br>£000 | Support costs<br>£000 | 2021 total<br>£000 | 2020 total<br>£000 |
|--------------------------------------------------------|----------------------------------------|-----------------------|--------------------|--------------------|
| Cost of raising funds:                                 |                                        |                       |                    |                    |
| Cost of raising donations and legacies                 | 3,041                                  | 1,234                 | 4,275              | 7,319              |
| Cost of trading activities                             | 17,449                                 | 2,995                 | 20,444             | 25,454             |
| Total cost of raising funds                            | 20,490                                 | 4,229                 | 24,719             | 32,773             |
| Charitable activities                                  |                                        |                       |                    |                    |
| Be financially secure                                  | 958                                    | 435                   | 1,393              | 1,347              |
| Cross theme                                            | 451                                    | 247                   | 698                | 1,743              |
| Get the best start in life                             | 616                                    | 307                   | 923                | 1,166              |
| Live the life I choose                                 | 222                                    | 34                    | 256                | 239                |
| Delivery of services                                   | 3,394                                  | 280                   | 3,674              | 2,093              |
| Information and advice                                 | 750                                    | 132                   | 882                | 629                |
| Influencing and campaigning                            | 2,683                                  | 346                   | 3,029              | 2,118              |
| Strategic spend                                        | 612                                    | 24                    | 636                | 2,751              |
| Governance                                             | 112                                    | –                     | 112                | 175                |
| Total cost of charitable activities                    | 9,798                                  | 1,805                 | 11,603             | 12,261             |
| Total expenditure                                      | 30,288                                 | 6,034                 | 36,322             | 45,034             |
| Total expenditure excluding cost of trading activities | 12,839                                 | 3,039                 | 15,878             | 19,580             |

| Support costs                                | Management overhead, HR and Communications<br>£000 | Finance and purchasing<br>£000 | Information technology<br>£000 | Property and Facilities<br>£000 | 2021 total<br>£000 | 2020 total<br>£000 |
|----------------------------------------------|----------------------------------------------------|--------------------------------|--------------------------------|---------------------------------|--------------------|--------------------|
| Cost of raising funds:                       |                                                    |                                |                                |                                 |                    |                    |
| Donations and legacies                       | 452                                                | 240                            | 304                            | 238                             | 1,234              | 459                |
| Cost of trading activities                   | 1,098                                              | 583                            | 737                            | 577                             | 2,995              | 5,130              |
|                                              | 1,550                                              | 823                            | 1,041                          | 815                             | 4,229              | 5,589              |
| Charitable activities:                       |                                                    |                                |                                |                                 |                    |                    |
| Be financially secure                        | 159                                                | 85                             | 107                            | 84                              | 435                | 330                |
| Cross theme                                  | 92                                                 | 48                             | 60                             | 47                              | 247                | 333                |
| Get the best start in life                   | 112                                                | 60                             | 76                             | 59                              | 307                | 325                |
| Live the life I choose                       | 12                                                 | 7                              | 8                              | 7                               | 34                 | 33                 |
| Delivery of services                         | 103                                                | 54                             | 69                             | 54                              | 280                | 230                |
| Information and advice                       | 48                                                 | 26                             | 33                             | 25                              | 132                | 79                 |
| Influencing and campaigning                  | 127                                                | 67                             | 85                             | 67                              | 346                | 370                |
| Strategic spend                              | 8                                                  | 5                              | 6                              | 5                               | 24                 | 118                |
| Total support costs – charitable activities: | 661                                                | 352                            | 444                            | 348                             | 1,805              | 1,818              |
| Total support costs for 2021                 | 2,211                                              | 1,175                          | 1,485                          | 1,163                           | 6,034              | 7,407              |
| Total support costs for 2020                 | 2,467                                              | 1,577                          | 1,978                          | 1,385                           |                    |                    |

During the year we have reviewed the basis of support cost allocation to ensure that it is reasonable and fairly reflects the nature of the costs and how they are incurred following the change in organisational structure after divestment and restructuring. In prior years

support costs have been allocated based on departmental headcount. The revised basis for allocation of support costs is as follows:

- According to usage or transactional data where this is relevant and available
- Departmental headcount where the cost is related to the number of staff
- In proportion to the size of the cost base where the size of the departmental activity is more relevant
- Evenly allocated across departments where this is considered a more appropriate indicator for corporate costs

We believe that the revised allocation more accurately and fairly reflects the way in which support costs are now generated. Prior year analysis has not been restated as the organisation was in a period of transition to the new structure, the update does not represent a change in accounting policy and the difference in presentation is not material to the financial statements.

## 11. Net income/expenditure

|                                                                           | Group |       |
|---------------------------------------------------------------------------|-------|-------|
|                                                                           | 2021  | 2020  |
|                                                                           | £000  | £000  |
| Net income/expenditure for the year is stated after charging/(crediting): |       |       |
| Auditors' remuneration:                                                   |       |       |
| Audit of these financial statements                                       | 44    | 40    |
| Audit of the charity's subsidiaries                                       | 6     | 5     |
| Non-audit fees*                                                           | 16    | –     |
| Loss/(profit) on sale of tangible assets:                                 |       |       |
| Loss/(profit) on the sale of fixed assets                                 | 13    | (431) |
| Depreciation of tangible fixed assets:                                    |       |       |
| Owned assets                                                              | 561   | 714   |
| Net pension finance cost                                                  | 304   | 247   |
| Operating lease rentals:                                                  |       |       |
| Equipment                                                                 | 100   | 60    |
| Property                                                                  | 4,594 | 5,214 |
| Motor vehicles                                                            | 204   | 236   |

\* Non-audit fees relate to advice in relation to VAT matters

## 12. Information regarding employees and trustees

|                                                                       | Group  |        |
|-----------------------------------------------------------------------|--------|--------|
|                                                                       | 2021   | 2020   |
|                                                                       | £000   | £000   |
| Staff costs comprise:                                                 |        |        |
| Wages and salaries                                                    | 17,928 | 19,343 |
| Social security costs                                                 | 1,427  | 1,627  |
| Other pension costs                                                   | 259    | 1,121  |
|                                                                       | 19,614 | 22,091 |
| Payments made to independent third parties for the provision of staff | 232    | 327    |
| Total payroll and staff related costs                                 | 19,846 | 22,418 |

In addition to the payroll and staff costs set out in the table, there were redundancy payments of £62,900 (compared to £88,806 in 2019/20) and ex-gratia (goodwill) payments of £56,260 (compared to £36,750 in 2019/20). Ex-gratia payments were made as part of settlement agreements with ex-employees at the time of leaving and were fully paid in the year. These payments are managed through the Human Resources Team in line with approved policy and procedure and authorised in accordance with the Scheme of Delegation based on the size of payment.

Payments made to independent third parties for the provision of staff are costs to cover staff vacancies pending recruitment, short-term sickness cover and certain projects.

| Average number of employees during the year: | 2021 | 2020 |
|----------------------------------------------|------|------|
| Cost of raising donations and legacies       | 29   | 44   |
| Cost of trading activities                   | 472  | 557  |
| Be financially secure                        | 40   | 31   |
| Cross theme                                  | 23   | 30   |
| Get the best start in life                   | 28   | 44   |
| Live the life I choose                       | 3    | 4    |
| Delivery of services                         | 22   | 21   |
| Information and advice                       | 10   | 7    |
| Influencing and campaigning                  | 36   | 34   |
| Strategic spend                              | –    | 4    |
| Support costs                                | 59   | 75   |
| Governance                                   | 1    | 1    |
|                                              | 723  | 852  |

The average full-time equivalent headcount for the year was 709 (compared to 745 in 2019/20). The full-time equivalent excludes hourly paid casual workers due to the variable nature of the hours worked.

The number of senior staff whose salary for the year (including taxable benefits in kind and redundancy payments, but not employer pension costs) exceeded £60,000 was:

|                     | 2021<br>No longer<br>employed | 2021<br>Still<br>employed | 2021<br>Number | 2020<br>Number |
|---------------------|-------------------------------|---------------------------|----------------|----------------|
| £60,000 – £70,000   | –                             | 4                         | 4              | 10             |
| £70,001 – £80,000   | 2                             | 4                         | 6              | 2              |
| £80,001 – £90,000   | –                             | –                         | –              | 3              |
| £90,001 – £100,000  | –                             | –                         | –              | 2              |
| £100,001 – £110,000 | –                             | 1                         | 1              | –              |
| £110,001 – £120,000 | –                             | –                         | –              | 1              |
| £120,001 – £130,000 | –                             | –                         | –              | 1              |
| £130,001 – £150,000 | –                             | 1                         | 1              | 1              |
|                     | 2                             | 10                        | 12             | 20             |

We operate an auto enrolment defined contribution scheme as our main pension plan.

Nine senior staff are accruing retirement benefits from the defined contribution scheme (compared to 17 in 2019/20). Contributions paid for the year in respect of senior staff included in the table above for all schemes amounted to £38,081 (compared to £75,147 in 2019/20).

One executive director left during the year (compared to seven during 2019/20).

All directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Group are considered to be key management personnel. Total remuneration paid in respect of these individuals was £702,080 including salary £608,946, employer's national insurance contributions £71,920 and employer's pension contributions £21,214 (compared to total remuneration of £812,208 in 2019/20 including salary £677,061, employer's national insurance contributions £99,631 and employer's pension contributions £35,516).

In 2020/21, no trustee or person closely related or connected to them has received any remuneration or other benefit from Scope other than as a beneficiary on non-preferential terms (same as 2019/20). During the year, we reimbursed £68 of travel, subsistence and accommodation expenses to one trustee (compared to £4,038 between four trustees in 2019/20).

### 13. Tangible fixed assets for use by the group and charity

| Group and charity        | Freehold and<br>leasehold<br>property<br>£000 | Motor vehicles<br>£000 | Fixtures,<br>equipment and<br>computers<br>£000 | Total<br>£000 |
|--------------------------|-----------------------------------------------|------------------------|-------------------------------------------------|---------------|
| Cost                     |                                               |                        |                                                 |               |
| At 1 April 2020          | 5,686                                         | 15                     | 8,894                                           | 14,595        |
| Additions                | –                                             | –                      | 204                                             | 204           |
| Disposals                | (433)                                         | –                      | (353)                                           | (786)         |
| At 31 March 2021         | 5,253                                         | 15                     | 8,745                                           | 14,013        |
| Accumulated depreciation |                                               |                        |                                                 |               |
| At 1 April 2020          | 5,681                                         | 15                     | 6,614                                           | 12,310        |
| Charge for the year      | –                                             | –                      | 561                                             | 561           |
| Disposals                | (432)                                         | –                      | (341)                                           | (773)         |
| At 31 March 2021         | 5,249                                         | 15                     | 6,834                                           | 12,098        |
| Net book value           |                                               |                        |                                                 |               |
| At 1 April 2020          | 5                                             | –                      | 2,280                                           | 2,285         |
| At 31 March 2021         | 4                                             | –                      | 1,911                                           | 1,915         |

We have not adopted a policy of revaluing our properties. The carrying amount of our tangible fixed assets is held at depreciated cost.

## 14. Investments

|                       | Group        |              | Charity      |              |
|-----------------------|--------------|--------------|--------------|--------------|
|                       | 2021<br>£000 | 2020<br>£000 | 2021<br>£000 | 2020<br>£000 |
| Total investments:    |              |              |              |              |
| Financial investments | 40,031       | 39,178       | 40,031       | 39,178       |
|                       | 40,031       | 39,178       | 40,031       | 39,178       |

|                                                     | Group and charity |              |
|-----------------------------------------------------|-------------------|--------------|
|                                                     | 2021<br>£000      | 2020<br>£000 |
| Total financial investments:                        |                   |              |
| Market value at 1 April                             | 39,178            | 44,022       |
| Additions at cost                                   | 100               | 380          |
| Sale of fixed asset investments                     | (2,000)           | (4,880)      |
| Net investment unrealised gains/(losses)            | 2,753             | (344)        |
| Market value at 31 March                            | 40,031            | 39,178       |
| Investments comprise the following:                 |                   |              |
| Investments listed on a UK stock exchange           |                   |              |
| Fixed interest                                      | 7,561             | 7,065        |
| Equities                                            | 11,057            | 9,245        |
| Cash deposits held as part of investment portfolio  | 13,164            | 12,872       |
| Cash deposits held separate to investment portfolio | 8,249             | 9,996        |
| Market value at 31 March                            | 40,031            | 39,178       |
| Being at market value:                              |                   |              |
| Investment assets in the United Kingdom             | 40,031            | 39,178       |
| Historical cost at 31 March                         | 36,916            | 38,644       |

Financial investments are measured at fair value through income and expenditure.

The equity holdings are held as a proportion of a fund, rather than direct share holdings. No single equity investment exceeds 5%. The trustees consider the value of the investments to be supported by their underlying assets.

There is no difference between fair value and market value as the investments are either fixed interest, equities or cash deposits. Market valuation shows the fair value for these assets.

## 15. Subsidiaries

Results for the subsidiaries listed below are included in the group balances of these accounts:

| Subsidiary undertaking                                                                 | Country of registration and/or operation | Principal activities                                                                                                           | Authorised and issued share capital |
|----------------------------------------------------------------------------------------|------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| Scope Central Trading Limited<br>100% direct holding<br>(Company no. 1108300)          | England and Wales                        | Purchase of general merchandise and sale to Scope, the distribution and sale of clothing and gifts and sales of greeting cards | £100                                |
| Scope Pension Scheme Trustee Limited*<br>100% direct holding<br>(Company no. 01814430) | England and Wales                        | Dormant                                                                                                                        | £100 – £2 issued and fully paid     |
| The Spastics Society* Common control<br>(Company no. 2908452)                          | England and Wales                        | Dormant                                                                                                                        | By guarantee                        |
| Illetas Properties Limited<br>(Company no. 07401156)                                   | England and Wales                        | Dormant                                                                                                                        | £100                                |
| Scope (IP) Limited<br>(Company no. 11774613)                                           | England and Wales                        | Exploitation of intellectual property                                                                                          | £1                                  |

\*Entitled to audit exemption by virtue of section 480 of the Companies Act 2006, as dormant companies.

## 16. Debtors

|                                    | Group        |              | Charity      |              |
|------------------------------------|--------------|--------------|--------------|--------------|
|                                    | 2021<br>£000 | 2020<br>£000 | 2021<br>£000 | 2020<br>£000 |
| Trade debtors*                     | 200          | 308          | 200          | 154          |
| Gift Aid recoverable*              | 424          | 528          | 424          | 528          |
| Staff loans*                       | 8            | 21           | 8            | 21           |
| Amounts owed by group undertaking* | –            | –            | 230          | –            |
| Other debtors*                     | 1,373        | 776          | 1,395        | 960          |
| Accrued income                     | 3,795        | 3,468        | 3,794        | 3,659        |
| Prepayments                        | 1,670        | 1,937        | 1,670        | 1,937        |
|                                    | 7,470        | 7,038        | 7,721        | 7,259        |

\*Financial assets measured at amortised cost.

Trade debtors are shown net of a £2,615 provision (compared to none in 2019/20).

Staff loans include season ticket loans of £nil (compared to £19,904 in 2019/20), which are repayable over a 12-month period. They also include imprests of £1,100 (compared to £1,100 in 2019/20) to be repaid on leaving Scope or when the individual's employment changes.

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

## 17. Creditors: amounts falling due within one year

|                                     | Group        |              | Charity      |              |
|-------------------------------------|--------------|--------------|--------------|--------------|
|                                     | 2021<br>£000 | 2020<br>£000 | 2021<br>£000 | 2020<br>£000 |
| Trade creditors*                    | 789          | 358          | 787          | 307          |
| Taxation and social security*       | 350          | 371          | 350          | 371          |
| Amounts owed to group undertakings* | –            | –            | –            | 242          |
| Other creditors*                    | 2,875        | 830          | 2,875        | 994          |
| Accruals                            | 1,163        | 1,692        | 1,163        | 1,686        |
|                                     | 5,177        | 3,251        | 5,175        | 3,600        |

\*Financial liabilities measured at amortised cost.

Amounts owing in respect of pension schemes as at 31 March 2021 included above are £79,162 (compared to £55,378 in 2019/20).

## 18. Provisions for liabilities and charges

|                                                         | Balance 31<br>March<br>2020<br>£000 | Charged to<br>income and<br>expenditure<br>£000 | Utilised<br>£000 | Balance 31<br>March<br>2021<br>£000 |
|---------------------------------------------------------|-------------------------------------|-------------------------------------------------|------------------|-------------------------------------|
| Group and charity:                                      |                                     |                                                 |                  |                                     |
| Provisions for dilapidations                            | 1,675                               | –                                               | (155)            | 1,520                               |
| Provision for onerous leases for shops vacated by Scope | 157                                 | –                                               | (55)             | 102                                 |
| Provision for rent free periods                         | 1,111                               | 248                                             | (104)            | 1,255                               |
|                                                         | 2,943                               | 248                                             | (314)            | 2,877                               |

Where an onerous lease commitment exists, the provision for future lease commitments has been calculated as the net present value of rent payable less rent receivable to the end of the period. This has been estimated after accounting for vacant periods, lease incentives and discounted market rates designed to ensure future tenancy.

As part of the group's property leasing arrangements there is an obligation to repair damages on certain properties, incurred during the life of the lease, such as wear and tear. The cost is charged to the statement of financial activities as they arise. The provision is expected to be used as the leases terminate.



## 19. Funds

|                                           | Balance 31<br>March<br>2020<br>£000 | Incoming<br>resources<br>£000 | Expenditure<br>gains and<br>losses<br>£000 | Transfers<br>£000 | Balance 31<br>March<br>2021<br>£000 |
|-------------------------------------------|-------------------------------------|-------------------------------|--------------------------------------------|-------------------|-------------------------------------|
| Group:                                    |                                     |                               |                                            |                   |                                     |
| Unrestricted funds:                       |                                     |                               |                                            |                   |                                     |
| Unrestricted funds – general              | 34,191                              | 31,226                        | (30,636)                                   | (383)             | 34,398                              |
| Designated funds – strategic investment** | 1,878                               | –                             | –                                          | 922               | 2,800                               |
| Designated funds – pension                | 4,705                               | 379                           | –                                          | –                 | 5,084                               |
| Restricted funds:                         |                                     |                               |                                            |                   |                                     |
| Restricted funds                          | 1,871                               | 2,516                         | (2,629)                                    | (539)*            | 1,219                               |
| Permanent endowment                       | 10                                  | –                             | –                                          | –                 | 10                                  |
| Total funds                               | 42,655                              | 34,121                        | (33,265)                                   | –                 | 43,511                              |

|                                         | Balance 31<br>March<br>2020<br>£000 | Incoming<br>resources<br>£000 | Expenditure<br>gains and<br>losses<br>£000 | Transfers<br>£000 | Balance 31<br>March<br>2021<br>£000 |
|-----------------------------------------|-------------------------------------|-------------------------------|--------------------------------------------|-------------------|-------------------------------------|
| Charity:                                |                                     |                               |                                            |                   |                                     |
| Unrestricted funds                      |                                     |                               |                                            |                   |                                     |
| Unrestricted funds – general            | 33,588                              | 31,038                        | (30,203)                                   | (383)             | 34,040                              |
| Designated funds – strategic investment | 1,878                               | –                             | –                                          | 922               | 2,800                               |
| Designated funds – pension              | 4,705                               | 379                           | –                                          | –                 | 5,084                               |
| Restricted funds:                       |                                     |                               |                                            |                   |                                     |
| Restricted funds                        | 1,871                               | 2,516                         | (2,629)                                    | (539)*            | 1,219                               |
| Permanent endowment                     | 10                                  | –                             | –                                          | –                 | 10                                  |
| Total funds                             | 42,052                              | 33,933                        | (32,832)                                   | –                 | 43,153                              |

\*Transfer reflects a correction for misanalysis between funds identified during the year.

\*\*Designated funds for strategic investment are planned to be spent in the next three years.

Restricted funds are mostly restricted grants (see note 6) and restricted donations. These are all accounted for in line with the limitations placed on each fund.

A designated fund of £4.25 million is in place as security for the Scope Pension Scheme. At 31 March 2021, the value of this fund was £5.1 million (£4.7 million in 2019/20). Any value more than the £4.25 million is not additional security and is retained by Scope.

A designated fund of £2.8 million is held for investment in our Everyday Equality strategy in the next three years. We will designate further funds as we develop and authorise detailed investment business cases to deliver the strategy

## 20. Analysis of assets and liabilities between funds

|                                        | Restricted<br>funds<br>£000 | Designated<br>strategic<br>£000 | Designated<br>pension<br>£000 | Unrestricted<br>funds<br>£000 | Total 2021<br>£000 |
|----------------------------------------|-----------------------------|---------------------------------|-------------------------------|-------------------------------|--------------------|
| Group:                                 |                             |                                 |                               |                               |                    |
| Fixed assets                           | –                           | 2,800                           | 5,084                         | 34,062                        | 41,946             |
| Current assets                         | 1,229                       | –                               | –                             | 8,390                         | 9,619              |
| Current liabilities                    | –                           | –                               | –                             | (5,177)                       | (5,177)            |
| Net current assets                     | 1,229                       | –                               | –                             | 3,213                         | 4,442              |
| Provisions for liabilities and charges | –                           | –                               | –                             | (2,877)                       | (2,877)            |
| Net assets                             | 1,229                       | 2,800                           | 5,084                         | 34,398                        | 43,511             |

|                                        | Restricted<br>funds<br>£000 | Designated<br>strategic<br>£000 | Designated<br>pension<br>£000 | Unrestricted<br>funds<br>£000 | Total 2021<br>£000 |
|----------------------------------------|-----------------------------|---------------------------------|-------------------------------|-------------------------------|--------------------|
| Charity:                               |                             |                                 |                               |                               |                    |
| Fixed assets                           | –                           | 2,800                           | 5,084                         | 34,062                        | 41,946             |
| Current assets                         | 1,229                       | –                               | –                             | 8,030                         | 9,259              |
| Current liabilities                    | –                           | –                               | –                             | (5,175)                       | (5,175)            |
| Net current assets                     | 1,229                       | –                               | –                             | 2,855                         | 4,084              |
| Provisions for liabilities and charges | –                           | –                               | –                             | (2,877)                       | (2,877)            |
| Net assets                             | 1,229                       | 2,800                           | 5,084                         | 34,040                        | 43,153             |

## 21. Free reserves

|                                              | Group        |              |
|----------------------------------------------|--------------|--------------|
|                                              | 2021<br>£000 | 2020<br>£000 |
| Net assets                                   | 43,511       | 42,655       |
| Less:                                        |              |              |
| Restricted funds                             | (1,229)      | (1,881)      |
| Designated funds                             | (2,800)      | (1,878)      |
| Investments held for defined benefit pension | (5,084)      | (4,705)      |
| Amount represented by tangible fixed assets  | (1,915)      | (2,285)      |
| Free reserves of group                       | 32,483       | 31,906       |
| Free reserves of charity                     | 32,125       | 31,303       |

## 22. Commitments

### Operating lease commitments

| Group                    | Land and buildings |              | Vehicles and equipment |              |
|--------------------------|--------------------|--------------|------------------------|--------------|
|                          | 2021<br>£000       | 2020<br>£000 | 2021<br>£000           | 2020<br>£000 |
| Leases which expire:     |                    |              |                        |              |
| Within one year          | 2,965              | 3,025        | 201                    | 133          |
| Within two to five years | 5,158              | 6,076        | 248                    | 74           |
| After five years         | 669                | 447          | –                      | –            |
|                          | 8,792              | 9,548        | 449                    | 207          |

## 23. Taxation

As a registered charity, Scope is exempt from taxation under Part 11, Chapter 3 of the Corporation Tax Act 2010. Any taxation liabilities of the group are managed through the policy of the trading subsidiary company to gift all taxable profits to Scope. During the year ended 31 March 2021 no charge to tax has been incurred.

## 24. Members

The charity is incorporated as a company limited by guarantee having no share capital. In accordance with the Memorandum of Association, each one of the 641 Members, (compared to 634 in 2019/20), is liable to contribute £5 if the company is wound up.

## 25. Related party disclosures

During the year ended 31 March 2021, the group had the following related party transactions.

Alex Massey, Trustee – Scope, became a Charity Partner with his employer, Deloitte, in 2019/20. The relationship is managed by another Deloitte partner and Alex is not part of the team working with Scope.

We paid PA Consulting Services Limited, where Andrew Hooke, Trustee, is the Chief Operating Officer, £14,575 for consulting services in relation to strategic planning.

During the year ended 31 March 2021, the following transactions occurred between the companies within the group:

- Gift Aid is to be paid to Scope from Scope Central Trading Limited as per note 9 which includes the results of group entities

Scope received donations of £nil from its trustees and directors during 2020/21, compared to £nil in 2019/20.

## 26. Ultimate parent undertaking and controlling party

There is no immediate or ultimate parent undertaking or controlling party.

Scope is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of Scope are available from Here East Press Centre, 14 East Bay Lane, London, E15 2GW.

## 27. Pension scheme

Scope operates the following pension schemes.

1. A single employer defined benefit pension scheme. The Scope Pension Scheme was closed to new members and new accruals in 2007. Current membership of the Scheme is 919 pensioners and 757 deferred members (compared to 869 pensioners and 868 deferred members in 2019/20). The Scheme is managed separately to Scope's finances by Scope Pension Scheme Trustee Limited, which delegates services to a variety of bodies. Contributions to cover expenses and to recover any deficit in the Scheme are paid from time to time to the Scheme. This is in accordance with the Schedule of Contributions agreed between the trustees and Scope.
2. The Defined Contribution Stakeholder Pension Scheme was opened on 1 October 2003, when the existing Scope Pension Scheme was closed to new members. The stakeholder scheme was closed to further contributions on 30 June 2013. On 1 July 2013, and to comply with government legislation on auto enrolment, a defined contribution Group Personal Pension Plan was opened to replace the stakeholder pension scheme. Employees were able to join when it began, or after a deferred period of three months. There are currently 738 active members compared to 663 in 2019/20.
3. Scope decided to exit The Pensions Trust's Growth Plan based on a payment under section 75 as at 31 July 2019. Final payments were made in the year and there are no liabilities outstanding. The Plan was fully funded and is not contracted-out of the state scheme.

Additional details are provided for the primary schemes as follows:

### A. Scope Pension Scheme

We operate a defined benefit pension scheme, the Scope Pension Scheme. The scheme funds are administered by trustees and are independent of Scope's finances.

Contributions are paid to the scheme in line with the schedule of contributions agreed between the trustees and Scope.

Initial results of the actuarial valuation as at 31 December 2017 were updated to the Scheme's accounting date by an independent qualified actuary. The value of the defined benefit liabilities has been measured using the projected unit method.

Under FRS 102, the pension asset that can be recognised on the balance sheet is limited to nil as Scope does not have an unconditional right to a refund as per the Trust Deed and consultation with our actuaries. The impact of this limit on the balance sheet and the actuarial gains and losses entry is shown in the figures below.

| Assumptions                                                             | 31 March<br>2021 | 31 March<br>2020 | 31 March<br>2019 | 31 March<br>2018 | 31 March<br>2017 |
|-------------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|
| RPI inflation (per annum)                                               | 3.4%             | 2.7%             | 3.3%             | 3.2%             | 3.2%             |
| CPI inflation (per annum)                                               | 2.4%             | 1.9%             | 2.2%             | 2.1%             | 2.2%             |
| Discount rate (per annum)                                               | 2.0%             | 2.5%             | 2.4%             | 2.7%             | 2.5%             |
| Pension increases (PPI – 3% per annum minimum,<br>5% per annum maximum) | 3.7%             | 3.5%             | 3.7%             | 3.7%             | 3.6%             |

On the basis of the assumptions used for life expectancy, a male pensioner currently aged 65 would be expected to live for a further 22 years (the same as 2019/20) and a female pensioner aged 65 would be expected to live a further 24 years (the same as 2019/20). Allowance is made for future improvements in life expectancy.

#### Asset distribution and expected return:

|                              | 31 March 2021         |                    | 31 March 2020         |                    |
|------------------------------|-----------------------|--------------------|-----------------------|--------------------|
|                              | Current<br>allocation | Fair value<br>£000 | Current<br>allocation | Fair value<br>£000 |
| Liability driven investments | 22%                   | 25,505             | 31%                   | 35,873             |
| Diversified growth funds     | 7%                    | 8,205              | 4%                    | 4,594              |
| Corporate bonds              | 14%                   | 16,560             | –                     | –                  |
| Multi-asset credit           | 11%                   | 13,096             | 22%                   | 25,580             |
| Cash                         | 12%                   | 13,184             | 11%                   | 12,055             |
| Insured pensions             | 34%                   | 39,032             | 32%                   | 36,295             |
| Total                        | 100%                  | 115,582            | 100%                  | 114,397            |

|                                     | 31 March<br>2021<br>£000 | 31 March<br>2020<br>£000 |
|-------------------------------------|--------------------------|--------------------------|
| Balance sheet                       |                          |                          |
| Present value of Scheme liabilities | 107,504                  | 96,136                   |
| Total fair value of Scheme assets   | (115,582)                | (114,397)                |
| Surplus                             | (8,078)                  | (18,261)                 |
| Adjustment to reflect asset limit   | 8,078                    | 18,261                   |
| Pension asset                       | –                        | –                        |

Under FRS 102, the Scheme is represented on the balance sheet at 31 March 2021 as a £nil asset (£nil 2019/20) as Scope does not have an unconditional right to a refund as per the Trust Deed and consultation with our actuaries.

The following amounts have been included as 'Resources expended' under FRS 102.

|                                        | 31 March<br>2021<br>£000 | 31 March<br>2020<br>£000 |
|----------------------------------------|--------------------------|--------------------------|
| Running costs                          | 304                      | 247                      |
| Past service cost                      | –                        | –                        |
| Net return to charge to finance income | 304                      | 247                      |

The following amounts have been put under the 'actuarial gains and losses on pension scheme assets and liabilities' heading within the statement of financial activities.

|                                           | At 31 March<br>2021<br>£000 | At 31 March<br>2020<br>£000 |
|-------------------------------------------|-----------------------------|-----------------------------|
| Remeasurements                            | 10,336                      | (7,072)                     |
| Change in asset limit other than interest | (10,640)                    | 6,825                       |
| Actuarial gains recognised                | (304)                       | (247)                       |

Changes in the present value of the Scheme liabilities:

|                                             | 31 March<br>2021<br>£000 | 31 March<br>2020<br>£000 |
|---------------------------------------------|--------------------------|--------------------------|
| Opening present value of Scheme liabilities | 96,136                   | 102,363                  |
| Interest on Scheme liabilities              | 2,361                    | 2,417                    |
| Past service cost                           | –                        | –                        |
| Actuarial loss/(gain)                       | 12,454                   | (5,323)                  |
| Benefits paid                               | (3,447)                  | (3,321)                  |
| Closing present value of Scheme liabilities | 107,504                  | 96,136                   |

Changes in the fair value of the Scheme assets:

|                                                               | At 31 March<br>2021<br>£000 | At 31 March<br>2020<br>£000 |
|---------------------------------------------------------------|-----------------------------|-----------------------------|
| Opening fair value of the Scheme assets                       | 114,397                     | 113,531                     |
| Interest on Scheme assets                                     | 2,817                       | 2,685                       |
| Actual return on Scheme assets less interest on Scheme assets | 2,119                       | 1,749                       |
| Contributions by the employer                                 | –                           | –                           |
| Running costs                                                 | (304)                       | (247)                       |
| Benefits paid                                                 | (3,447)                     | (3,321)                     |
| Closing fair value of the Scheme assets                       | 115,582                     | 114,397                     |

## Changes in the net balance sheet position:

|                                    | 31 March<br>2021<br>£000 | 31 March<br>2020<br>£000 |
|------------------------------------|--------------------------|--------------------------|
| Opening net asset                  | –                        | –                        |
| Return to charge to finance income | 304                      | 247                      |
| Actuarial gains recognised         | (304)                    | (247)                    |
| Employer contributions             | –                        | –                        |
| Closing net asset                  | –                        | –                        |

## Changes in the impact of the asset ceiling:

|                                                  | 31 March<br>2021<br>£000 | 31 March<br>2020<br>£000 |
|--------------------------------------------------|--------------------------|--------------------------|
| Effect of asset ceiling at the start of the year | 18,261                   | 11,168                   |
| Interest on asset limit                          | 457                      | 268                      |
| Change in asset limit other than interest        | (10,640)                 | 6,825                    |
| Pension asset                                    | 8,078                    | 18,261                   |

## B. Group Personal Pension Plan

Members may contribute as much as they want to the Group Personal Pension Plan subject to Her Majesty's Revenue and Customs (HMRC) rules.

We provide employers' contributions to the Group Personal Pension Plan, in line with legislation and based on contributions matched by the employee. The following table illustrates the contribution rates payable. Employees can receive enhanced contributions based on their length of service.

| Membership eligibility           | Scope contribution %      | Employee contribution %                         |
|----------------------------------|---------------------------|-------------------------------------------------|
| Basic                            | 3% of qualifying earnings | 5% of qualifying earnings                       |
| Upgrade – after 2 years' service | 4% of total earnings      | Employee must match the employer % contribution |
| Upgrade – after 4 years' service | 6% of total earnings      | Employee must match the employer % contribution |

We deduct employee contributions on a salary exchange basis approved by HMRC. Details of the pension plan are provided to employees under the rules of auto enrolment, or on request.

Scope's contributions to the Group Personal Pension Plan amounted to £1,079,545 (compared to £987,905 in 2019/20).