

"WE HAD INVALUABLE SUPPORT FROM PSYBT IN THE VERY EARLY STAGES OF OUR BUSINESS, FROM WHERE WE WENT ON TO RAISE SEVERAL MILLION POUNDS IN DEVELOPMENT CAPITAL, AND TO SIGNING OVER £32 MILLION IN DISTRIBUTION AGREEMENTS FOR SALES OF OUR PRODUCT UNTIL 2012."

MATT MCGRATH, AIRCRAFT MEDICAL
WWW.AIRCRAFTMEDICAL.COM



THE PRINCE'S
SCOTTISH YOUTH
BUSINESS TRUST
**ANNUAL REPORT
& ACCOUNTS 2007**

**"THE MEDICAL DEVICES MARKET IS A
HIGHLY SPECIALIST SECTOR CURRENTLY
VALUED AT MORE THAN \$100 BILLION.
WE OPERATE IN A SMALL AREA
OF THIS SECTOR BUT ONE THAT
IS EXPECTED TO SEE SIGNIFICANT
GROWTH OVER THE NEXT FIVE TO
SEVEN YEARS. AS WE HAVE PROVEN
CAPABILITIES IN MEDICAL PRODUCT
DESIGN AND MINIATURISATION WE ARE
WELL PLACED TO TAKE ADVANTAGE OF
THAT GROWTH."**



MATT MCGRATH_ AIRCRAFT MEDICAL
WWW.AIRCRAFTMEDICAL.COM



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OUR PRESIDENT HRH, THE PRINCE CHARLES,
DUKE OF ROTHESAY PRESENTS MICHAEL
MCDONAGH OF LITTLE DEVILS DIRECT
WITH HIS CHEQUE - THE 8000TH BUSINESS
SUPPORTED BY PSYBT







CLARENCE HOUSE

I am delighted that my Scottish Youth Business Trust has had another very successful year, reaching out to over 2,500 young people and funding 659 of those who wish to pursue their business aspirations through self-employment. This would not have been achieved without the extensive Regional network of volunteers from the business community who provide so much encouragement and guidance. My Trust's reputation stems from the strength of this support and, as a result, P.S.Y.B.T. has a unique niche in the Enterprise arena in Scotland.

I visit a number of P.S.Y.B.T. supported businesses every year and meet a wide cross-section of those who have benefitted from the comprehensive support package available. This year, I was very pleased to present the loan funding to the 8000th business, marking £29million of direct investment in young people's futures over the last 18 years. At the same time, I was able to meet a group of other businesses, volunteers and staff and observe the close working relationship with The Prince's Trust Scotland. It is so reassuring to see the thought and energy that goes into the development of support systems for those who have significant personal and business challenges to overcome in order to turn their dreams of self-employment into reality.

While the core of all my personal aspirations is to help the most disadvantaged turn their lives around so that they can contribute more fully to the communities in which they live, I also recognize the economic impact that every successful business can bring to society by providing, for example, apprenticeships. I have long emphasized the need for training and skills development and this report identifies the many important ways that the P.S.Y.B.T. family provides support and positive influence on the lives of so many young people in Scotland.

The achievements outlined in this report would not be possible without the magnificent support of the Scottish Executive, Scottish Enterprise, European Structural Funds, the European Investment Fund and many Corporates, Individuals, Trusts and Foundations. Funding challenges have always been present and so I can only ask you all to continue to empower my Scottish Youth Business Trust to operate as widely as possible as 'lenders of last resort' and providers of business training, skills and guidance. This report strongly demonstrates the economic impact of P.S.Y.B.T. across Scotland and I am most grateful to all of you who have made this possible.



01_CASE STUDY

CHRISTINE MACINTOSH_HEB HOSTEL

After three years of travelling, Christine Macintosh, returned home to the Isle of Lewis in the Hebrides where she was born and brought up, knowing exactly what she wanted to do. Staying in numerous hostels, both good and bad, across Europe, Christine was perfectly placed to know what travellers looked for in a hostel.

Armed with that knowledge and a determination to provide a warm, welcome stay for visitors exploring the Hebrides, Christine set about finding the perfect location for her own hostel.

Following months of research to find the right premises and planning to make sure it met council and tourist regulations, Christine opened the doors of Heb Hostel in May. Located in the town centre of Stornoway on the Isle of Lewis and just five minutes walk from the ferry terminal, Heb Hostel is already attracting regular custom from families, tour groups, cyclists and travellers exploring the Hebrides.

Christine said, "I'm still in the early days of running my business but it is a wonderful feeling to be part of the Islands' tourism industry and to know you are helping to create a memorable stay on the Isle of Lewis, and a happy experience for the many thousands of tourists who visit us from all over the world. Although I've lived here all my life, I only now appreciate, through setting up the hostel, how important tourism is to the Islands and how much it contributes not only to our economic prosperity but also to our culture, and our way of life in our towns and villages."

The Heb Hostel building was built in the 1800's. Inside, it has beautiful period features, including the staircase and balustrades as well as Victorian fireplaces. One of the most commented on features by visitors so far has been the 26 unique hand carved beds which have been designed and crafted by Christine's cousin. Each bed has an individual carving relating to the Islands, ranging from Celtic knots to standing stones.

Now that the hostel is up and running, Christine is looking to expand her marketing activity to ensure that more and more visitors can easily find and book accommodation at the hostel. In addition to her website, which is attracting many visitors, the hostel is listed on the VisitScotland website. She is also working on inclusion in local guidebooks and tourist guides.

Providing tourist accommodation isn't the only thing that Christine wants to do. She is currently looking at working with a number of organisations on the Isle of Lewis to start a tailored bus service for tourists which will help make their visit to the Western Isles even more enjoyable. "I think that by offering additional services like bespoke bus tours with set pick up and drop off points at nearby attractions, we can help encourage more people to visit the Islands as it really is such a beautiful place."

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PROSPERITY BUT ALSO TO
OUR CULTURE AND OUR
WAY OF LIFE IN OUR TOWNS
AND VILLAGES."**

CHRISTINE MACINTOSH

Heb Hostel funded by PSYBT 2006
www.hebhostel.co.uk





REGION.
WESTERN ISLES

//£58,900 was invested in
Western Isles region in loans and
grants from July 2006 to June 2007

//15 young people started 14
businesses in the same period

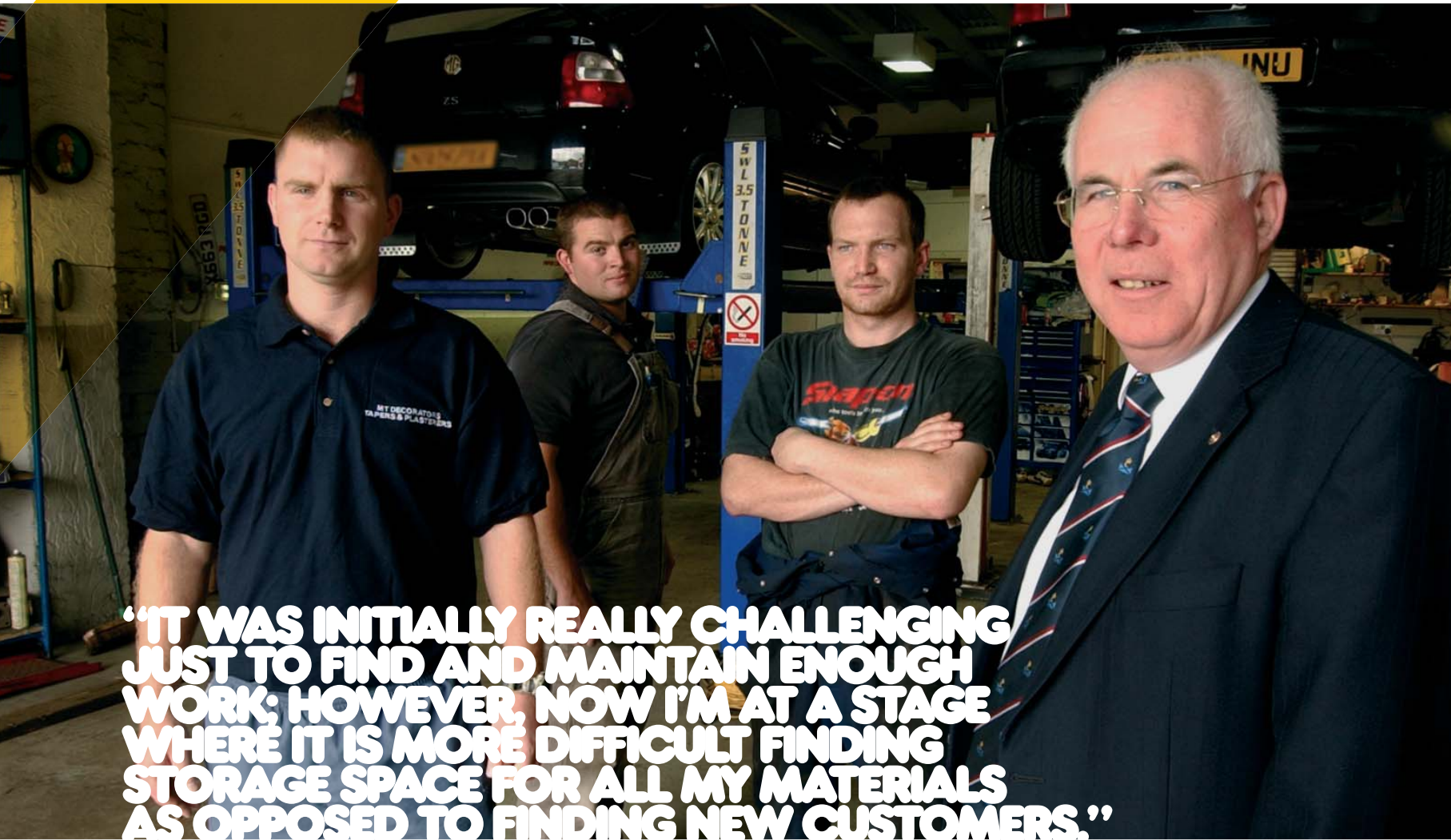
//40 Volunteer Aftercare Advisers/
Panel Members support/assess
all the young businesses





02_CASE STUDY

THE TRADE SECTOR



“IT WAS INITIALLY REALLY CHALLENGING JUST TO FIND AND MAINTAIN ENOUGH WORK; HOWEVER, NOW I’M AT A STAGE WHERE IT IS MORE DIFFICULT FINDING STORAGE SPACE FOR ALL MY MATERIALS AS OPPOSED TO FINDING NEW CUSTOMERS.”

DOUGLAS JACKSON
REGIONAL CHAIRMAN DUNBARTONSHIRE

By profession, Douglas Jackson is an accountant specialising in insolvency. However, at the other end of the spectrum, he is also PSYBT’s longest serving Regional Chairman and with the support of Pauline Bell, Regional Manager for Dunbartonshire, and a great team of volunteers, he has worked with hundreds of young people in Dunbartonshire to create successful and sustainable businesses.

“Unemployment is fairly high in Dunbartonshire but I do find it encouraging to see the number of young people who really have the talent, determination and dedication to create their own

success stories in their home towns and villages. The majority of young people we see are in the trades and this in itself is encouraging, as we will always need those services. They are so essential to today’s economic climate.

Within the trades, we need to encourage more apprenticeships so that young people can learn their skills in a structured environment. We also need to make sure we can support these apprentices once they are qualified, whether they enter employment or go on to set up for themselves and potentially become employers of the future.

I have lived and worked in this area all my life and it is truly wonderful to feel that I am putting something back into the region by giving the young people the support and backing to create great futures for themselves and their families.”

TAMBURRINI ELECTRICAL SERVICES_PAUL TAMBURRINI

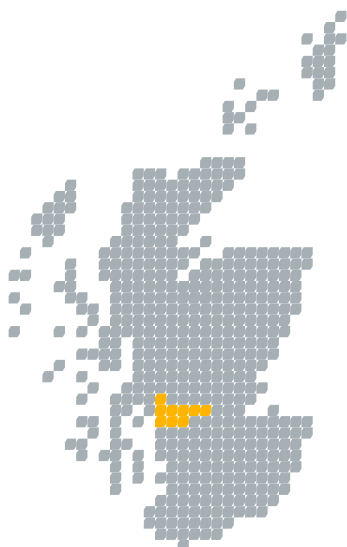
Electrician Paul Tamburrini has been running his own company for less than a year but business is so good he is already starting to think about finding his own workshop and perhaps recruiting an apprentice. Paul, 25, has worked as an electrician since leaving school; however, he left Scotland to spend a year working in Australia and, on his return, he decided to use his experience and knowledge to set up for himself and so formed Tamburrini Electrical Services.

From his home in Clydebank, Paul provides the entire remit of electrical services both domestic and commercial installations. Paul is now looking for premises to help him build his business.

"It was initially really challenging just to find and maintain enough work; however, now I'm at a stage where it is more difficult finding storage space for all my materials as opposed to finding new customers," says Paul. "I've now got a good variety of work and the size of the jobs has increased. More and more of my business is from repeat customers or recommendations to their friends and colleagues. In addition, sales from local advertising, flyers and branding on my van are building – it all helps!"

"It isn't easy trying to get a foothold in the electrical industry and many of the larger electrical companies are going under; but if I can keep going the way I have so far, I'm pretty sure I can build a really solid business.

"My aim now is to maintain a steady work flow and grow the business in size so that I am more able to tender for the larger jobs available both on a domestic and commercial basis."



REGION. DUNBARTONSHIRE

//£176,810 was invested in Dunbartonshire region in loans and grants from July 2006 to June 2007

//49 young people started 44 businesses in the same period

//35 Volunteer Aftercare Advisers/
Panel Members support/assess all the young businesses

SEMTECH MOTORS_ STEPHEN MELDRUM

Stephen Meldrum trained as a mechanic after leaving school, serving his apprenticeship and working for another company for a number of years. He then decided to set up his own workshop and repairs centre, Semtech Motors in Kirkintilloch, Glasgow.

"It was always my ambition to work for myself", says Stephen, "so it was a natural step to set up, although it was a slightly scary move at the time! However, things have turned out really well. I now employ three staff – one of whom is serving his apprenticeship with us. Business has continued to grow as we've become more established and we now have a loyal customer base which we've built up through word of mouth and local advertising.

Right now we are looking at moving to larger premises that we can purchase outright and I'm hoping to take more people on. We've also just become an approved LPG Gas conversion provider, making us one of only a few garages that can offer this service in Glasgow. More and more of our customers were enquiring about it and so it made commercial sense to offer the service. I think it is a sign that a lot of people now are matching environmental concerns with an economic case for reducing their ongoing fuel costs."

Alongside Semtech Motors, Stephen has more recently opened Pitstop, a retail outlet selling car accessories. Stephen has a team of four full-time staff working at Pitstop, one of whom he is sponsoring for his NVQ qualifications. With tough sales targets, Stephen and his team are working hard to build this business up and the future is looking very positive.

"It has been great to see both my businesses doing well and to have such a great team behind me. Although it was difficult at first, particularly getting to grips with the paperwork and accounts, I am really pleased with what has been achieved and how the business is evolving."

MT DECORATORS_ MARTIN TAIT

Since founding his Clydebank based company, MT Decorators two years ago, Martin Tait has been so successful at winning new customers and contracts that he has expanded his company from a one man band to employing ten staff – 2 of whom are serving their apprenticeships with him.

Commenting, Martin said, "It was a huge step for me to leave my job and work for myself. I was worried that I wouldn't find enough regular work to continue and keep paying the bills but I am really pleased at how well it's doing. PSYBT really helped in the early stages in terms of getting myself going as a business and helping me take on staff when I needed to, which actually happened quite quickly; and each year I have doubled my workforce. Because I didn't have any experience of running a business, having an adviser from PSYBT was great for me, just in terms of having someone to bounce ideas off and help me develop new services for my customers. The start-up grant I received from Business Gateway was also really helpful.

It means a lot to me to know that I'm now providing jobs for other local lads and giving them the opportunity to gain experience and learn a trade as well as hopefully enjoying being one of the team. The biggest issue I've had to face so far hasn't been finding work but adjusting to the role of becoming an employer and having the responsibility of giving my staff the right tools, and training them to become skilled workers - as well as making sure they have a regular wage to take home each month."

MT Decorators provides interior and exterior painting and decorating services, including floor and wall tiling, plastering, maintenance and wallpapering. The company works for both domestic and commercial clients, including shops, factories, offices and shopping malls. As a result, Martin works regularly with local authorities, architects and construction companies. In the past six months, Martin has completed a variety of projects and is seeing more and more work coming from the building and property sector, particularly in the area of new office developments and refurbishments.

www.mtdecorators.co.uk

10 TRUSTS & FOUNDATIONS



THE GRANT FUND IS AN ESSENTIAL PART OF PSYBT'S OVERALL PACKAGE OF SUPPORT: HELPING THOSE YOUNG PEOPLE WHO ARE FACING PARTICULAR DISADVANTAGE TO CREATE A MORE POSITIVE FUTURE FOR THEMSELVES BY STARTING UP THEIR OWN BUSINESSES.

PSYBT IS EXTREMELY PROUD OF THE REPAYMENT RATE TO THE REVOLVING LOAN FUND FOR YOUNG BUSINESSMEN AND WOMEN, ENABLING US TO EFFECTIVELY RE-INVEST VALUABLE DONATIONS FROM OUR SUPPORTERS MANY TIMES OVER INTO NEW BUSINESSES.

WE ARE ENORMOUSLY GRATEFUL TO THE MANY CHARITABLE TRUSTS AND FOUNDATIONS WHO SUPPORT OUR WORK. CONTRIBUTIONS TO SUPPORT PSYBT'S GRANT FUND AND REVOLVING LOAN FUNDS ARE ABSOLUTELY VITAL IN ENABLING THOSE YOUNG PEOPLE WHO NEED OUR HELP MOST TO GET INTO BUSINESS.

EACH DONATION TO PSYBT HAS A VERY REAL AND POSITIVE IMPACT ON A YOUNG PERSON'S FUTURE, THEIR FAMILIES AND THE COMMUNITIES IN WHICH THEY LIVE.

WE COULD NOT DO WHAT WE DO WITHOUT THE SUPPORT OF ALL OF OUR DONORS, LISTED ON PAGES 24 AND 25 OF THIS REPORT. THANK-YOU.



JOHN LAW
PRIVATE HIRE TAXI DRIVER
(WEST LOTHIAN)

Frustrated by regular periods of unemployment inbetween uninspiring and unskilled jobs, John decided to create a more stable future for himself by setting up his own business. As he enjoyed driving, he chose to start up as a private hire taxi driver. With the support of his family, he was able to buy a car through hire purchase and the grant from PSYBT helped him with the costs of installing a disabled seat and taxi meter, acquiring licences, as well as putting himself and the car through the necessary police tests.

LOUISE REID
WEE FURRIES
(INVERCLYDE)

At Wee Furries, Louise offers a home from home for small animals while their owners are on holiday, as well as a day boarding service for dogs. Close support from her family and PSYBT volunteer Aftercare Adviser, Annette Fitzpatrick, together with Louise's own hard work and determination to be self sufficient, are providing the important stepping stones she needs to help her run a successful business. Wee Furries is clearly filling a gap in the market, attracting customers from throughout Inverclyde and Renfrewshire.

www.weefurries.com



JOHN (PICTURED HERE WITH MALCOLM EVANS, HIS PSYBT REGIONAL MANAGER) STARTED HIS BUSINESS WITH A PSYBT GRANT OF £1,000, DONATED BY THE DULVERTON TRUST

LOUISE HAS NOT LOOKED BACK SINCE RECEIVING A £250 TEST MARKETING GRANT AND £750 START-UP GRANT, DONATED BY THE BARCAPEL FOUNDATION



ROSS MCKINNON
AMAZING DAYS SCOTLAND
(AYRSHIRE)

ROSS MCKINNON OF AMAZING DAYS SCOTLAND AND JAMIE MOFFAT OF THE MOFFAT CHARITABLE TRUST, LAUNCHING A NEW AWARDS' SCHEME FOR YOUNG PEOPLE SETTING UP BUSINESSES IN THE TRAVEL AND TOURISM SECTOR. THE MOFFAT CHARITABLE TRUST HAS BEEN A MOST IMPORTANT SUPPORTER OF PSYBT, INVESTING IN OUR GROWTH FUND AND ALSO ACROSS START-UP BUSINESSES IN AYRSHIRE

www.amazingdays-scotland.com

THE EQUAL PROJECT

PSYBT's participation in the Equal Enterprise Scotland Development Partnership was driven by one of the key focus areas from the Trust's latest strategic review: to extend our reach and ability to engage with the most disadvantaged young people across Scotland; and to respond to their individual needs by providing a menu of guidance, practical information and assistance to help overcome a range of barriers to sustainable self-employment.

Match funded by the Laidlaw Youth Trust, which supports charities in Scotland to transform young lives through collaborative working and funding support, the Equal project has covered a range of activities across PSYBT over the last 2 years, from our outreach and marketing effort to young people, through the pre start support and due diligence process for funding, up to the launch of a new business and ongoing mentoring and access to information and learning for the new business owner.

After extensive consultation across a wide range of PSYBT stakeholders, recommendations and practical outputs from the Equal project include: the re-development of the Trust's website, development of a new CD-ROM business card and the ongoing development of PSYBT's online training and support package for bookkeeping, Practical Books.

Support from the Equal Enterprise Scotland Development Partnership has also enabled PSYBT to examine and where appropriate re-engineer our model of support in preparation for the development and implementation of a new Relationship Management System and to achieve improvements to the organisation's business processes.

2007 sees the final stages of the Equal project, with all the partner organisations compiling and sharing best practice, as well as influencing policymakers so that mainstream enterprise support delivery can truly encompass the needs of all young people, specifically those young people who are not otherwise in education, employment or training.



"MY FIRST YEAR IN BUSINESS HAS BEEN TOUGH BUT I'VE LEARN'T SUCH A LOT AND I WOULDN'T CHANGE IT FOR ANYTHING. IT HAS GIVEN ME GREAT EXPERIENCE IN WORKING WITH CUSTOMERS, WORKING WITH MATERIAL TO PRODUCE BEAUTIFUL CLOTHES AND, DESPITE A STUMBLE AT THE BEGINNING, IT HAS HELPED ME REALLY FOCUS ON WHAT I WANT TO DO IN THE FUTURE."



03_CASE STUDY

NICOLA MELVIN_FASHION DESIGNER

After graduating from Heriot-Watt's School of Textiles in Edinburgh, Nicola Melvin, 24, had a choice; move to London to pursue her fashion career or stay in Scotland to set up her own design business.

Just over a year ago, Nicola made her decision and created Nicola Melvin Fashion Design. Her aim was to produce informal evening wear for women which she describes as 'flamboyant, fun and flirty', combining cocktail dresses and separates all made using 100% silk. Nicola moved into her own premises, but she increasingly found herself offering dressmaking and alteration services to cover the ongoing running costs of the studio. This meant that Nicola was spending less time focusing on her own designs and unable to spend the necessary time in establishing her reputation in the fashion industry.

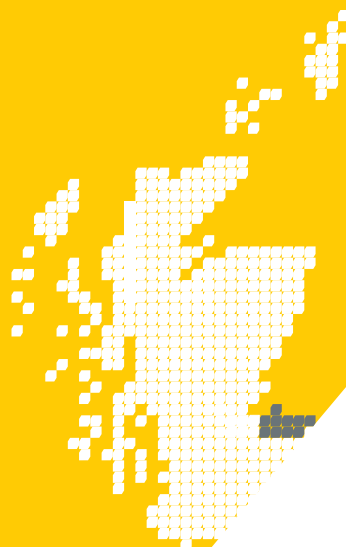
Nicola re-evaluated her business priorities and, as a result, she is now concentrating fully on her design career, devoting her time to producing a seasonal collection of her designs and taking on commissioned work only. Moving to a 'creative design hub' in Edinburgh which accommodates other artistic businesses such as Photographers, Graphic Designers and Make-Up Artists should help. This will not only provide her with a creative atmosphere to design her womenswear collections but also may offer the opportunity to collaborate with other businesses on joint projects in the future.

"My first year in business has been tough but I've learnt such a lot and I wouldn't change it for anything. It has given me great experience in working with customers, working with material to produce beautiful clothes and despite a stumble at the beginning, it has helped me really focus on what I want to do in the future.

I am hoping that moving to the 'hub' and reshaping my business will really help me move forward this year. I would love Nicola Melvin to be a recognised fashion label for informal evening wear through my collections.

The UK fashion industry is extremely difficult to break into and, even if you get signed up with one of the specialist companies in order to get your first job in the industry, often it is as a work placement which means you have to be financially secure to be able to work for a minimum of six months to a year just to get the experience to then secure a job. I didn't have that financial security, added to which I didn't want to have to move to London.

There is a growing fashion scene in Scotland supported by some brilliant independent boutiques. I think it is all being driven right now by the talent that is coming out of our fashion and textile colleges, not only in Edinburgh and Glasgow but the Borders too. One day I hope to have my own shop but for the present time I want to build my reputation as a creative designer."



REGION. EDINBURGH

//£229,325 was invested in Edinburgh region in loans and grants from July 2006 to June 2007

//113 young people started 97 businesses in the same period

//112 Volunteer Aftercare Advisers/ Panel Members support/assess all the young businesses

NICOLA MELVIN

Nicola Melvin Fashion Design
funded by PSYBT 2006

14_CASE STUDY 04_GROWING BUSINESSES



THE BUSINESSES SUPPORTED BY PSYBT ALL HAVE ONE THING IN COMMON: THEIR DETERMINATION. IT TAKES REAL DRIVE AND COMMITMENT TO SET UP A BUSINESS AND A HEALTHY DOSE OF COURAGE. FOR SOME YOUNG ENTREPRENEURS, THE BUSINESS WILL PROVIDE EMPLOYMENT ONLY FOR THEM IN AN AREA THAT THEY LOVE WORKING IN; FOR EXAMPLE, THE MANY TRULY GIFTED MUSICIANS, ARTISANS AND SERVICE PROVIDERS WHO HAPPILY WORK ON THEIR OWN.

SINCE WE LAUNCHED THE CHARITY IN 1989 HOWEVER, THERE HAVE BEEN SOME TRULY INSPIRING STORIES OF YOUNG PEOPLE WHO HAVE BUILT THRIVING BUSINESSES FROM SOME VERY HUMBLE BEGINNINGS; BUSINESSES THAT SET UP WITH JUST A FEW THOUSAND POUNDS, BUT WITH BAGS OF ENTHUSIASM. HERE WE FEATURE THREE CASE STUDIES OF ESTABLISHED ENTREPRENEURS WHO CONTINUE TO GROW AND DEVELOP THEIR BUSINESSES.

POWERDOORS_GRAEME SKELTON

Eleven years ago, after training and working as an electrician, Graeme, now 33, spent time visiting various family and friends in the United States, Canada and New Zealand and it was during this time that he was struck by how common remote control open and closing devices were on garage doors in these countries.

On returning to Scotland, Graeme conducted a survey on his friends and neighbours, three of whom had remote control fittings attached to their garage doors, and the findings demonstrated cost was the most off-putting factor. Recognising there was a gap in the market and a potential trend that was yet to hit the UK, Graeme set up Powerdoors, a company supplying, fitting, repairing and replacing garage doors for customers across Scotland's central belt, as well as providing the remote control device at a much reduced cost to any other such devices on the market.

"My aim was to make it as easy and affordable as possible for people to have remote control garage doors, whether they drove a Mazda or a Mini," says Graeme. "I've seen a lot of changes take place in the market since, but demand steadily increases. I suppose it ties in with how much value people are now putting into their homes."

Looking back on nearly twelve years of business, Graeme said, "It is always hard in the start-up phase of establishing your own business and winning customers from a standing still position, that said, Powerdoors continues to grow year on year. In our first year of trading, we reached an annual turnover of £40k and last year, we hit approximately £600k. I continue to look after sales but I now have a team of six installers working for me. It was a useful piece of market research that set me on my way."

www.powerdoors.co.uk





KERRS BAKERY_ **KAREN MURRAY**

Karen Murray is about to celebrate her tenth anniversary in business. From small beginnings as an independent bakery in Armadale, West Lothian, Kerrs Bakery has become one of Scotland's main producers of caramel cakes and other bakery products from its current base in Lanarkshire.

Recognising that there was an opportunity in the local marketplace following the closure of several individual bakeries in the area, Karen, with the support of her husband who had experience in the bakery trade, decided to open her own shop.

Karen's business today is focused solely on the wholesale trade. From her EFSIS accredited factory, Kerrs Bakery produces a wide range of hand-made products which are sold to customers throughout the UK, ranging from small grocers, coffee shops and delicatessens to large supermarkets groups. The business now employs 24 staff with a turnover of £1.4million.

Karen comments, "Demand for our products seems to be continually increasing. We provide the highest quality and have built up good relationships with our customers, based on trust, reliability and competitive pricing.

"We are fortunate because personally I think it is much harder nowadays for start-up businesses, particularly in the bakery industry, to experience such a level of growth and maintain it. From experience, I think that the level of health and safety, quality and employment standards and guidelines can sometimes make it very difficult for smaller businesses to establish their place in the market and trade with larger customers like the supermarkets.

"It is definitely not enough to just have a great product, you have to be able to meet numerous other guidelines and be able to demonstrate good business practise in every aspect."

Kerrs Bakery moves next year to larger manufacturing premises in Bellshill just outside Glasgow, in order to increase production. This will enable them to create more jobs and compete for larger contracts with major retailers across the UK.

www.kerrsbakery.com



LINGO24_ **CHRISTIAN ARNO**

Christian Arno from Aberdeen was on a study year in Italy as part of his language degree when he had an idea for a website business providing translation services for companies in the UK.

After graduating, he began focusing on this idea full-time and officially established Lingo24, a web based company providing translation services to international companies, government agencies and other translation agencies on a 24/7 basis.

Since its early days, Lingo24 has grown to become a company with an annual turnover of £2.5 million, employing almost 50 staff around the world with over 1500 freelance translators on its books. Now based in London, Christian and his business partner, Jack Waley-Cohen, have found that work is continuing to flow in, primarily through word of mouth from existing customers, the reputation that Lingo24 has built up in the industry in the last five years and through continued internet marketing.

Commenting on the growth of the business, Christian said, "From an initial idea, it has taken a lot of time and commitment to build the business to the size it is today. It is quite easy to let yourself get carried away with ideas but we've learned that the most important thing to focus on is making sure the business is financially sound. Flexibility and turning round short-term projects against very tight deadlines is one of the keys to our business success, however, this means that long-term projections can sometimes be difficult, so keeping costs low and balancing the business is essential. After five years, we have reached a very healthy point in our business and now we are looking to capitalise on all future opportunities."

www.lingo24.com



SPONSORSHIP THROUGH AWARDS

BT SCOTLAND_YOUNG E-NTREPRENEURS

THESE AWARDS ARE NOW IN THEIR SEVENTH YEAR, OFFERING AN UNRIVALLED OPPORTUNITY TO CELEBRATE THE ACHIEVEMENTS OF YOUNG PEOPLE IN BUSINESS, AS WELL AS INSPIRING OTHERS TO BECOME THEIR OWN BOSS. THE ANNUAL AWARDS RECOGNISE AND REWARD SUCCESSFUL ENTREPRENEURSHIP ACROSS THOSE PSYBT BACKED BUSINESSES MAKING GOOD USE OF COMMUNICATION TECHNOLOGY, ACROSS ALL SECTORS, AND ACROSS THE LENGTH AND BREADTH OF SCOTLAND.



PAULINE CLIFFORD STARSPARKLES (PAISLEY)

Pauline Clifford, 24, from Neilston, Paisley, established her business, Starsparkles, in May 2006. Pauline customises footwear, mostly Converse trainers, with genuine Swarovski crystals. Several of Pauline's designs have been registered as trademarks in Europe. Her eye-catching designs have attracted the attention of international celebrities, such as Paris Hilton, Kelly Osbourne and Justin Timberlake, as well as Colin & Justin and Sir Tom Hunter closer to home. Pauline currently sells her designs through Qube in Glasgow's Buchanan Galleries. You can also buy selected Starsparkles' designs from Office concessions in Selfridges, London and Manchester and also Harvey Nichols in London.

Customers can commission bespoke designs via her website www.starsparkles.com

PAULINE CLIFFORD,
WINNER OF BT SCOTLAND
YOUNG E-NTREPRENEURS
'MOST VISIONARY BUSINESS'
AWARD 2007



TOM BUCHANAN, CHAIR OF CAPITAL CITY PARTNERSHIP; NEIL MCKAY, MCKAY LANDSCAPING;
RACHEL MACKAY, CHANTILLY LACE; JOHN CONNOR; EMMA GIBB, NANA'S SOUP;
MARK STRUDWICK, PSYBT AND CRAIG ROBB, CRAIG ROBB GARDENING SERVICES



THE JOHN CONNOR AWARDS

The John Connor Awards were launched in May 2006 and are sponsored by Mr John Connor, owner of Kilsyth based Stirling Fibre Ltd, one of the UK's largest independent waste paper processors. The Scots entrepreneur has provided major support via Edinburgh's Capital City Partnership to set up a new fund that supports young people across areas of particular disadvantage in the city, promoting entrepreneurship, tackling social exclusion and encouraging business creation amongst young people.

Eighteen young PSYBT backed entrepreneurs were shortlisted for this year's inaugural ceremony, with awards being given for Growth Achievement, Innovation, Positive Impact and two awards for Personal Achievement.

Commenting, John Connor said, "I am delighted to be in a position to help all the Award finalists with their self-employment ambitions. They are inspiring individuals and deserve to be recognised and applauded for their outstanding achievements. They have shown great determination and entrepreneurial spirit and with the support of PSYBT are creating sustainable and successful businesses."

Winner of the main award for Growth Achievement is Dalkeith based Emma Gibb (24) who runs Nana's Soup, a commercial catering service with customers across Edinburgh. Emma established her business in October 2006 in Mayfield but has recently moved and is now managing a successful franchise at Gracemount Leisure Centre. Nana's Soup now employs 5 people and the company has a growing reputation for quality and reliability.

THE ROYAL BANK OF SCOTLAND

The Royal Bank of Scotland has supported PSYBT since its launch in 1989. The annual PSYBT/RBS Business Awards continue to be a highlight in Scotland's entrepreneurial calendar, and reward and recognise excellence across the 18 PSYBT regions.

Aberdeen based Stuart Ebdy of White Spark Promotions Ltd runs a successful design and print company, which includes a string of franchised websites for customers to directly manage their own design and print requirements online.

Presenting Stuart with the award, Sean Rowles of RBS said: "Stuart is a very worthy winner. He has shown himself to be a true entrepreneur in his approach to building and expanding his business. Within months of setting up, he identified a new opportunity to grow his customer base and structured his business appropriately. We are delighted to support the work of PSYBT in recognising young entrepreneurs like Stuart across Scotland. These talented young people are at the heart of Scotland's economic future."

www.whitesparks.co.uk

STUART EBDY WITH HIS PSYBT/RBS
YOUNG ENTREPRENEUR OF THE YEAR AWARD





LIGHTWEIGHT MEDICAL_

Lightweight Medical is a multi award winning design business, developing healthcare products – most notably the neo-capsul™, a portable incubator for premature babies. ELEMENT 06 specialises in sustainable design of socially and environmentally responsible products.

www.lightweight-medical.co.uk

LIGHTWEIGHT MEDICAL'S
AWARD-WINNING NEO-CAPSUL™

CORPORATE SUPPORT_

PSYBT'S CORPORATE SUPPORT SCHEME CONTINUES TO GROW, OFFERING OUR RANGE OF CORPORATE PARTNERS AND DONORS THE OPPORTUNITY TO SUPPORT PSYBT'S CORE ACTIVITIES IN YOUTH ENTREPRENEURSHIP. THE CORPORATE SUPPORT SCHEME ALSO ENABLES SCOTLAND'S BUSINESS COMMUNITY TO HELP MAKE A DIFFERENCE IN THEIR LOCALE, OR ACROSS A BUSINESS SECTOR THAT IS RELEVANT TO THEM.

ANNUAL DONATIONS RANGE FROM £500 FOR AN ALUMNI MEMBER, UP TO £10,000 FOR BUSINESS PARTNERS AND MAJOR INVESTORS.

INNOVATION CENTRES SCOTLAND_

Innovation Centres Scotland (ICS) are strong supporters of PSYBT through the Corporate Support Scheme, but also lend their very special assistance to those young entrepreneurs through their facilities and network of advisers at business incubator units in Hillington Park, Glasgow and Alba Innovation in Livingston.

Neil Farish, of PSYBT backed Lightweight Medical and a Director of ELEMENT 06, comments: "The centre is more than an office property – it's all about the people. We came to ICS as an early stage start-up with issues to resolve and they helped sort us out really quickly. Without them, we wouldn't be where we are today."



JACK PERRY
CHIEF EXECUTIVE
SCOTTISH ENTERPRISE

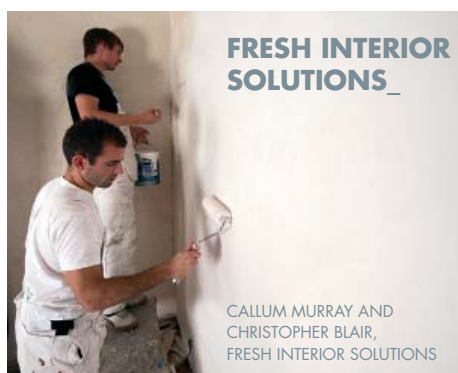
“PSYBT CLEARLY MAKES AN IMPORTANT STRATEGIC CONTRIBUTION IN SUPPORT OF THE ENCOURAGEMENT OF A STRONGER CULTURE OF ENTREPRENEURSHIP AMONGST YOUNG PEOPLE. THE COMPREHENSIVE ECONOMIC EVALUATION WE COMMISSIONED DURING THE LATTER PART OF 2006 ALSO ILLUSTRATES THAT THE WORK OF PSYBT IN PARTNERSHIP WITH THE BUSINESS GATEWAY HAS A SIGNIFICANT IMPACT ON THE SCOTTISH ECONOMY”



THE SOLUTION WORKS_ (INVERCLYDE)

John Shiveral, Russell Sneddon and Andrew McKelvie met at High School aged 11. A few years later, their shared interest and expertise led to them setting up The Solution Works, a software company delivering information systems, consulting and training to businesses across different sectors around the UK. John says, “We were always grateful for the support and encouragement we received from PSYBT when we started, and we were delighted to have the opportunity to repay their belief in us.” Their clients now include government departments and the NHS; and they also have a strong presence in the waste and recycling sector. They have been recognised as one of Scotland’s fastest-growing technology companies, now employing 22 staff and constantly recruiting.

www.solutionworks.co.uk



FRESH INTERIOR SOLUTIONS_

CALLUM MURRAY AND
CHRISTOPHER BLAIR,
FRESH INTERIOR SOLUTIONS

Regional Chairman for Forth Valley, John Rae, has been involved with PSYBT for over 10 years. Working closely with the Regional Manager and local volunteers, he uses his contacts and networks to encourage self-employment for young people in and around the Forth Valley.

“As well as giving my time to support PSYBT, I wanted to also practically demonstrate my support through a financial donation; not just to directly enable a young person to start their business, but also to illustrate to other local companies that a relatively modest amount of money can really help to change someone’s life.”

John’s membership of the Corporate Support Scheme, through his own business ventures, Dalriada Investments and Cameron Developments, has enabled Callum Murray and Christopher Blair to start up their own interior decoration company, Fresh Interior Solutions.



PSYBT VOLUNTEERS ENJOY A DAY OUT AT THE RANDOX INTERNATIONAL POLO TOURNAMENT

THE RANDOX INTERNATIONAL POLO TOURNAMENT_

Randox Laboratories Ltd, based in Northern Ireland and operating globally with an important client base across Scotland, are one of PSYBT’s latest recruits to the Corporate Support Scheme. PSYBT is also the charity beneficiary of the company’s annual polo tournament hosted by The Dundee and Perth Polo Club. This year, the event marks Randox’s 25th Anniversary and celebrates the company being awarded (for the fifth time) the prestigious Queens Award for Enterprise. Randox is a privately owned business led by Managing Director, Dr Peter FitzGerald – a strong and enthusiastic supporter of PSYBT and Ernst & Young Entrepreneur of the Year alumni. We are delighted to be working with everyone at Randox and to have their support.



ALUMNI AND AMBASSADORS_

PSYBT'S ABILITY TO PROVIDE LAST-RESORT FUNDING AS WELL AS A COMPREHENSIVE PACKAGE OF BUSINESS MENTORING AND PEER SUPPORT, IS ENABLING YOUNG PEOPLE TO PROVIDE ECONOMIC SECURITY FOR THEMSELVES AND, IN MANY CASES, EMPLOYMENT FOR OTHERS IN THEIR LOCAL COMMUNITIES. PSYBT RECOGNISES THAT OFTEN THE KEY TO A SUCCESSFUL BUSINESS IS IN ESTABLISHING AND MAINTAINING RELATIONSHIPS, AND SO IS CAPITALISING ON THE GROWING NETWORK OF OUR ALUMNI BUSINESSES TO HELP NEW ENTREPRENEURS AS THEY ARE STARTING OUT, THROUGH INITIATIVES SUCH AS THE BUSINESS BUDDY AND AMBASSADOR SCHEMES.

WE ARE PARTICULARLY PROUD THAT A GROWING NUMBER OF PSYBT ALUMNI BUSINESSES ARE CONTRIBUTING AN EVER-INCREASING SUM TO OUR ANNUAL FUNDRAISING EFFORT, DIRECTLY SUPPORTING THE NEXT GENERATION OF ASPIRING YOUNG ENTREPRENEURS AS THEY COME TO US FOR HELP. THE LEADERSHIP AND INSIGHT OF OUR ALUMNI SUPPORTERS UNDERPINS PSYBT'S CORPORATE SUPPORT SCHEME, AND IS JUST ONE OF THE WAYS THAT THE PSYBT ENTREPRENEURIAL NETWORK OF YOUNG BUSINESS OWNERS SUSTAINS AND INFORMS OUR WORK AS WE GROWS AND DEVELOP.

CLAIRE ROSS_ RETROSPECT (GRAMPIAN AND TAYSIDE)

Young entrepreneur Claire Ross, owner of Retrospect, successful vintage and retro clothing shops in Aberdeen and Dundee, also supports PSYBT as a volunteer Regional Ambassador. Her role is to support the PSYBT Regional Manager locally – for instance, by attending presentations and taking the PSYBT message out to school pupils and students.

www.retrovintageclothing.co.uk



"PSYBT HAS REALLY PUSHED THIS YEAR TO BUILD THE AMBASSADORIAL SIDE OF OUR VOLUNTEER NETWORK. IT IS POSSIBLE FOR A PERSON TO BE A PANEL MEMBER, AN AFTERCARE ADVISER OR AN AMBASSADOR – OR A COMBINATION OF ALL OF THESE. IT IS GREAT TO SEE AN INCREASING NUMBER OF AMBASSADORS WHO ARE THEMSELVES ENTREPRENEURS PREVIOUSLY ASSISTED BY PSYBT." PETER MAWVER, AFTERCARE MANAGER

THE FIRST EVER YOUNG SCOTTISH MUSLIMS CONFERENCE WAS HELD IN GLASGOW IN JUNE AND PSYBT PARTICIPATED IN THE DAY LONG EVENT AND SPONSORED AN AWARD AT A GLITTERING CEREMONY IN THE EVENING



GET STARTED_ YOUR FIRST STEPS INTO BUSINESS

The "Get Started" programme at Heriot Watt University's Scottish Borders Campus in Galashiels has been an important part of the PSYBT calendar in the Borders for five years. The partnership between PSYBT and the Careers Department of the University co-ordinates an annual event to raise awareness of setting up in business and alert students to the support that is available to them. This year's event was extended and attracted students from Borders College, Galashiels Academy and Selkirk High School.

The day started with registration and a motivational session presented by PSYBT supported business, Tree of Knowledge. Students were then given the opportunity to attend various workshops on marketing and finance as well as an interactive panel session featuring four businesses, three of which were started by former University students.

The event is now a firm favourite in the Heriot Watt calendar and as one enthusiastic participant commented in her feedback, "I am so grateful for the chance to take part in this programme. I have learned many new skills and I feel really confident that I will be able to start my own business someday. I know where to go for help, both financial and practical, and Get Started has really made me feel confident in my own abilities. Thank you."

PSYBT MARKETING MATERIALS WERE TRANSLATED INTO POLISH TO HELP RAISE AWARENESS OF OPPORTUNITIES

**CHCESZ BYĆ SZEFE
SAM DLA SIEBIE?**

ZRÓB PIERWSZY KROK...

ZALÓŻ FIRMĘ W SZKOCJI

23 listopad 2006, 19.00 - 21.00
Broadford Hotel, Skye

MIGRANT WORKERS_

A major development in Highlands & Islands has been the arrival of a significant number of migrant workers, predominantly from Eastern Europe

Many are within the PSYBT target age group and have considerable skills, qualifications and experience. Recognising this pool of untapped potential, PSYBT, in conjunction with Highlands & Islands Enterprise and the UHI Millennium Institute, has taken steps to identify those seeking to leave or augment low-paid/low skill jobs by starting their own business ventures.

One of these entrepreneurs is Pavla Sykorova, originally from the Czech Republic, who was recently assisted by PSYBT to start her business

"The Highland Language School". With a Masters Degree in Ecology and qualifications in English, she still found it difficult to obtain relevant employment.

Pavla comments, "I moved to the Highlands two years ago and have been working in a restaurant but PSYBT has given me the support I need to use my qualifications and experience to increase my income and to provide a language service to migrants - and to organisations and businesses who wish to trade with Eastern Europe. PSYBT is enabling me to stay in my adopted country and hopefully make my own contribution to the development of the Highlands".



VOLUNTEERS CONFERENCE_

SIR TOM FARMER CBE
ADDRESSES THE DELEGATES

DUMFRIES & GALLOWAY
REGIONAL CHAIRMAN
ANNE CHAUDHRY WITH
RUGBY INTERNATIONALIST
DODDY WEIR PREPARING
FOR A STADIUM TOUR

In May 2007, over two hundred volunteers, staff and clients were in attendance at PSYBT's Volunteers Conference, held this year at Edinburgh's Murrayfield Stadium.

Supported by the Laidlaw Youth Trust, a long-standing supporter of PSYBT and now focusing on assisting the Trust to deliver its unique Aftercare business mentoring package, the day long conference comprised workshops, training and networking to update and to inspire the PSYBT volunteer network, who lend their support to:

- // give advice & mentoring support to newly started businesses,
- // serve on funding panels that adjudicate on applications for PSYBT funding,
- // become ambassadors to promote youth entrepreneurship on behalf of PSYBT.

Delegates attended interactive sessions including working with the disadvantaged client group; a client open discussion session; marketing on a limited budget; and sales - simple skills for young businesses.

One happy delegate commented "A well organised and informative day. The Conference demonstrates PSYBT's recognition of volunteers and the organisation's intentions to keep stakeholders involved and improve the services provided to young people in the future."

The conference keynote speaker was Sir Tom Farmer CBE, who told delegates about the value of surrounding oneself with the "right people", recognising the achievements of colleagues and providing support and incentives to help them to become successful.

Tours of Murrayfield Stadium were also available to the conference delegates, kindly sponsored by Arnold Clark Automobiles Limited.



THE PRINCE'S CHARITIES_

IN MAY WE WERE ONE OF THE PRINCE'S SCOTTISH CHARITIES INVITED TO ATTEND A RECEPTION AT THE PALACE OF HOLYROOD HOUSE. OUR PRESIDENT CHATS TO PSYBT BACKED NATASHA MARSHALL AND ANDREW MEEK ALONGSIDE BOARD MEMBER JOHN ANDERSON



OUR FORMER CHAIRMAN BILL HUGHES CBE PROUDLY HOLDS A PAINTING BY ANDREW SINCLAIR OF PSYBT SUPPORTED RESIPOLE STUDIOS, A RETIREMENT GIFT FROM FRIENDS AND COLLEAGUES



VISIT OF OUR PRESIDENT TO PSYBT HEAD OFFICE



PICTURED WITH OUR PRESIDENT IS GYLEN BOARDMAN OF CORIOLIS MEDIA AND PSYBT CHIEF EXECUTIVE MARK STRUDWICK



MEMBERS OF THE PRINCE'S TRUST SCOTLAND (PTS) COUNCIL AND THE PSYBT BOARD ENJOY HEARING ABOUT EACH OTHER'S WORK

Volunteers, a group of young entrepreneurs and staff from PSYBT and PTS had the great pleasure of meeting HRH The Prince Charles, Duke of Rothesay during a visit to the Trust's head office. He greatly enjoyed meeting with and speaking to the young people who have battled really hard to get their businesses up and running.



SUPPORTERS DURING 2006/2007_

THE PRINCE'S SCOTTISH YOUTH BUSINESS TRUST

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COMPANIES

Aberdeen Asset Management
 Abode Hotel
 Angus Grant Jewellery*
 Arnold Clark
 Art Hire*
 Baillie Gifford & Co
 Bank of Scotland
 The Barm Pottery*
 Bedlam Paintball
 Borders Embroidery*
BT Scotland
The Buccleuch Group
 Cameron Developments
 Canine Cuts*
 Cannon's Retreat*
 Carrick Bathrooms*
 Clydesdale Bank PLC
 Component Sense Ltd*
 Craigleith Ltd
 Cynosure*
 D8 Ltd*
 Dada Events Ltd*
 Dallas and Dallas
 Dalraida Investments
 Deloitte & Touche LLP
 Doodles Ceramic Workshop*
 Dundee and Perth Polo Club
 EnviroSan*
 everyclick
 Ewen Gillespie Quality Joiners*
 Fleurtations*
 GA Engineering (Scotland) Ltd*
 Genesis Properties (Scotland) Ltd*
 Graham's Diaries Ltd
 Habitat
 Harvey Nicholls
 IVAD*
 James Keiller Estates Ltd
 Jamie Gardner - Adventures in Golf*

John Wood Group plc
 The Laid Table
 Leighton Printing Co
 Main Motors*
Microsoft Scotland
 Natasha Marshall Fabrics
 and Wallcoverings*
 Nationwide Gas Care Limited*
 NextDoor.com*
 Powerdoors*
PricewaterhouseCoopers LLP
 Ramada Jarvis
Randex Laboratories
The Royal Bank of Scotland Group plc
 Rutherford Limited
The Scotsman
 Scottish & Newcastle
 Scottish Borders
 Manufacturing Corporation
 Seric Systems Ltd*
 Shepherd+ Wedderburn
 The Solution Works*
 St. James's Place Partnership
 Strung Out Guitars*
 Thom Bell Polo
 Thomas Tunnock Ltd
 Thorpe Molloy Recruitment Ltd*
 Tiro Ltd*
 Truly Scrumptious Designer Cakes*
 Tulloch Ltd
 Whites Financial Management
 William Grant & Sons Limited

TRUSTS & FOUNDATIONS

Aberbrothock Charitable Trust
 Acorn Fund
 Miss Agnes H Hunter's Trust
 Alexander Moncur Trust
 AM Pilkington's Charitable Trust
AMW Charitable Trust
 Andrew Salvesen Charitable Trust
 Astor of Hever Trust
Barcapel Foundation
 Baxters Foundation
Binks Trust
 Cattanach Charitable Trust
City Charitable Trust
 Darroch Charitable Trust
 Ecton Trust
 Gordon Cook Foundation
 Gordon Fraser Charitable Trust
 HD Wills 1965 Charitable Trust
 Hugh and Mary Miller Bequest Fund
 Imlay Foundation
 James Weir Foundation
 James Wood Bequest Fund
 John Mather Charitable Trust
Laidlaw Youth Trust
 Leng Charitable Trust
 Martin Connell Charitable Trust
 Miller Foundation
Moffat Charitable Trust
 MV Hillhouse Trust
 Northwood Charitable Trust
 PF Charitable Trust
 Robertson Ness Trust
Robertson Trust
 Scotbelge Charitable Trust
 Sir Iain Stewart Foundation
Stewart Ivory Foundation
 Turnberry Trust
 Victoria Charitable Trust

You can help PSYBT to help young people across Scotland turn their dreams of self-employment into reality by making a secure online donation at: www.psybt.org.uk/giving

All donations, no matter how small, have a very real and positive impact in the lives of the young people who ask for our help.

Thank you.



PSYBT is a member of the Fundraising Standards Board, and is committed to the highest standards in fundraising practice. As such, we aim to adhere to the Fundraising Standards Board's Fundraising Promise and the Codes of Fundraising Practice, as established by the Institute of Fundraising.

SUPPORTERS DURING 2006/2007

THE PRINCE'S SCOTTISH YOUTH BUSINESS TRUST

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INDIVIDUALS

Pauline Bell
Stuart Bell
John Connor
Rev Canon Philip Crosfield OBE
Malcolm Evans
Bill Fraser
Alexander S Frew*
Margaret Gibson
Miss F Little
Rebecca Logan
Brian Malsberger
Tina MacLeod*
Steven McKay
Martin McPhie
Elizabeth Millar
James Mutch
Damian Pike
Gordon Shalliday
Isabella Smith
Mark Strudwick
Mark Taylor
Mary Will
Mrs E J Urie

AMBASSADORS

Richard Emanuel MBE
Charan Gill MBE
Viv Lumsden
Natasha Marshall*
Fred MacAulay
Stuart Macdonald*
Judith Thorpe*
Chris van der Kuyl*
Caspian Woods*

ORGANISATIONS

Aberdeenshire City Council
Aberdeenshire Council
ACCA Scotland
Alba Smart Thinking
Angus Council
Argyll & Bute Council
Business Development Advisers
Building Design Partnership
Capital City Partnership
City of Edinburgh Council
Clackmannanshire Business Liaison Initiative
Comhairle Nan Eilean Siar
Dumfries and Galloway Council
Dunbartonshire Chamber of Commerce
Dundee City Council
East Ayrshire Council
East Dunbartonshire Council
East Renfrewshire Council
Edinburgh Chamber of Commerce & Enterprise
Enterprise North East Trust
Equal Enterprise Scotland
Essential - Strathclyde University
Entrepreneurial Network
European Investment Fund
European Regional Development Fund
European Social Fund
Falkirk Council
Fife Council
Glasgow Business Services Ltd
Glasgow City Council
Glasgow Science Centre

Grampian District Council
Highlands & Islands Enterprise
Highland Council
Highland Opportunity Ltd
Innovation Centres Scotland
Inverclyde Council Provost Fund
Lanarkshire Business Services Ltd
Midlothian Council
North Ayrshire Council
Orkney Island Council
Perth and Kinross Council
Renfrewshire Council
Scottish Borders Council
Scottish Chambers of Commerce
Scottish Enterprise
Scottish Enterprise Ayrshire
Scottish Enterprise Borders
Scottish Enterprise Dumfries & Galloway
Scottish Enterprise Fife
Scottish Enterprise Glasgow
Scottish Enterprise Renfrewshire
Scottish Enterprise Tayside
Shell Livewire Scotland
South Lanarkshire Council
Stirling Council
The Entrepreneurial Exchange
The Scottish Government
West Dunbartonshire Council
West Lothian Chamber of Commerce
West Lothian Council

* PSYBT-supported businesses





PSYBT VOLUNTEERS 2006/2007_

THE PRINCE'S SCOTTISH YOUTH BUSINESS TRUST

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Ms Lynn Abril	Mr David Bremner	Mr John Cooper	Mrs Mary Dunsmore	Ms Rachael Grassick	Ms Shona Jackson
Ms Jai Adami	Mrs Mairi Bremner	Mr Steven Cooper	Mr Paul Durrant	Ms Fiona Gray	Mr Sandy Jamieson
Mr John A'Hara	Mrs Susan Broatch	Ms Sophy Copland	Ms Mary Dyce	Mr Nicholas Gray	Mr Stuart Jamieson
Mr Brian Aitken	Mr Gordon Brodie	Mr David Copp	Mr Russell Eadie	Mr Tom Gray	Mr George Jeffray
Mr George Aitken	Mr Ian Brodie	Mr Gordon Cowan	Mr Fraser Edgar	Mr David Green	Ms Andrea Jeffrey
Mr Charles Alexander	Ms Janine Brodie	Mr David Cowie	Ms Jennifer Elliot	Mr Roddy Greig	Mrs Liz Jeffrey
Cllr Duncan Allan	Mr Ian Brooks	Mr Gordon Cowie	Mr Richard Emanuel MBE	Mr Clive Grewcock	Ms Miari Jeffrey
Mr Gordon Allan	Mr Peter Brooks	Mr Randal Coyne	Mr Alex Emslie	Mr Steven Grier	Mr Brian Johnston
Mr Graeme Allan	Mrs Audrey Brown	Mr Alan Craig	Ms Catherine Erskine	Mr David Griffin	Ms Grace Johnston
Mr John Allan	Mr David Brown	Ms Laura Craig	Mr George Espie	Mr Keith Halcro	Mr Roy Johnston
Mr Robert Allan	Ms Doreen Brown	Mr Michael Craig	Mr Frank Esposito	Mrs Grace Halliday	Mr Tom Johnston
Mr Mario Alonzi	Ms Georgia Brown	Mr Neil Craig	Mr Norman Esslemont	Mr Jim Hamilton	Ms Caroline Johnstone
Mr Bob Anderson	Mr Gordon Brown	Mr Bill Crawford	Mr Malcolm Fair	Ms Maria Hamilton	Mr Ronald CB Johnstone
Mr David Anderson	Mrs Olive Brown	Mr Ian Crichton	Mr John Fairlie	Ms Sheila Hamilton	Ms Tracey Johnstone
Mr Jock Anderson	Mr Robin Brunton	Mrs Tina Crookston	Mr Robert Farmer	Mr Tony Hammock	Mrs Elaine Jones
Mr John Anderson	Mr Colin Bryce	Ms Christine Cruickshanks	Angus DM Farquharson OBE	Mr Alistair Hammond-Chambers	Mr Trevor Jones
Ms Maggie Anderson	Mr Andrew Buchanan	Mr Derek Cullen	Mr Neil Faulds	Mr Gavin Hands	Mr Svend Kamming
Mrs Maureen Anderson	Mr Douglas Buchanan	Ms Suzanne Cumiskey	Mr Henry Faure-Walker	Mr Greg Hannah	Mr David Kaye
Ms Sheena Anderson	Mr Hugh Bunten	Mr Graeme Currie	Ms Catherine Feechan	Ms Susan Harkins	Mr Anthony Keating
Mr Stuart Anderson	Ms Joyce Bunton	Mr Bob Dalgarno	Ms Linda Fenwick	Ms Lesley Hart MBE	Mr Michael Keating
Ms Carol Andrew	Mr Richard Burnett	Mr David Dalgely	Mr Bill Ferguson	Mr John Harvey	Mr Alex Keay OBE
Mr Robert Andrews	Mr David Burnie	Mr Bill Dalziel	Mr Hugh Ferguson	Ms Lucy Harvey	Mr George Keen
Mr Les Archibald	Mr Geoff Burns	Mr Alistair Danter	Mr Leo Ferris	Mrs Pat Hastings	Ms Alison Keith
Mr Alistair Armstrong	Ms Ellen Byers	Ms Margaret Darling	Ms Kate Findlater	Mr William Haughey OBE	Mr Bob Kelly
Mr Tom Armstrong	Ms Gayle Cafferty	Mr Nigel Davey	Ms Caroline Findlay	Mr Kevin Havelock	Mr John Kelly
Ms June Arthur	Mr John Cahill	Mr Bruce Davidson	Mr Bob Finlayson	Mr Harry Hay	Ms Claire Kemp
Ms Shona Austin	Mr Ronnie Caird	Mr Craig Davidson	Mr Willie Finlayson	Ms Karin Hayhow	Mr Bob Kennedy
Mr Martin Avison	Ms Julie Calder	Mr Neil Davidson	Mr John Finnie	Mr Richard Heathwood	Mr Ken Kennedy
Mr Paul Aylott	Mr David Caldwell	Mr Tom Davidson	Ms Annette Fitzpatrick	Mr Alastair Henderson	Mr Rory Kennedy
Ms Shirley Bain	Mr Raymond Caldwell	Ms Heather Davis	Ms Linda Fitzsimmons	Mrs Catriona Henderson	Dr Bill Kerr
Mr Bob Ballantyne	Mr Stewart Cameron	Mr Neil Dawson	Mr Stephen Foster	Mr David Henderson	Mr John Kiddie
Mr Ronnie Balmer	Mr Alastair Campbell	Mr Alastair K Denholm	Mr Craig Fotheringham	Ms Denny Henderson	Mr Peter King
Mr Ian Bankier	Mr Andy Campbell	Mr Campbell Denholm	Ms Karen Foubister	Mr Grahame Henderson	Mr John Kinnaird
Mrs Bertha Barbour	Mr Craig Campbell	Mr John Dennett	Mr Michael Fraser	Ms Lauren Hendry	Mr Ron Kitchen
Mr Kenneth Barker	Mr David Campbell	Mr Gordon Deuchars	Mr Bill Fraser MBE	Mr Bill Hercus	Mrs Joan Knight
Mr Marcus Barnett	Mrs Elaine H Campbell	Ms Sheila Devlin-Thorp	Mr Ronnie Freedman	Mr David Hicks	Mr James Knowles
Ms Liz Barrett	Mr Hamish Campbell	Ms Fiona Dewar	Mr Peter Freer	Mr Colin Hill	Mr Bill Kowbel
Ms Alison Barrie	Ms Janet Campbell	Mr Paul Di Mambro	Ms Tracey Fulton	Ms Grace Hill	Mr Derek Laidlaw
Mr Malcolm Bateman	Mr John Campbell	Mr Charles Dickson	Mr Alastair Fyall	Ms Jennifer Hill	Mr Grant Laidlaw
Ms Barbara Beaton	Ms Lisa Campbell	Ms Kirsty Dickson	Mr Mohit Gajri	Mr Cameron Hodgson	Mr George Laing
Mr Gordon Beattie	Ms Lorna Campbell	Mr Gary Dinsdale	Mr Robert Galbraith	Ms Alison Holden	Ms Catriona Lang
Ms Cynthia Beckwith	Mr Neil Campbell	Ms Isabel d'Inverno	Mr Gordon Gallacher	Mr Simon Holden	Mr Andrew Lapping
Mr Graham Begg	Mr Peter Campbell	Mr Malcolm Dix	Ms Angela Geddes	Ms Christine Hollas	Ms Carol Laula
Mr David Bell	Ms Seonag Campbell	Mrs Aline Dobbie	Mr Emilio Giannini	Mr Miles Hopperton	Ms Evelyn Laurie
Mr Graham Bell	Mr David R Campbell CBE	Mr Paul Doleman	Ms Gaynor Gibson	Mr Jim Hossack	Mr Alan J Laverock
Mr Simon Bell	Mr Michael Cannon	Mr Robert Donald	Mr Jim Gilchrist	Ms Margaret Houston	Ms Catherine Lavery
Mr Stuart Bell	Mr Michael Carmichael	Mr Sandy Donald	Mr John Gilchrist	Mr Richard Howard	Mr Frank Lawrence
Mr Gio Benedetti CBE	Mr Michael Carry	Mr Craig Donnelly	Mr Charan Gill MBE	Mr William Howes	Mr Stephen Leach
Ms Tricia Benzie	Mrs Sally Cartwright MBE	Mr Tony Donnelly	Mr Mike Gillen	Mr William Y Hughes CBE	Ms Shirley Lee
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Ms Michelle Berry	Mr Pete Cawston	Mr Jim Dott	Mr Mike Gilmour	Mr Percy Hunt	Mr Peter Leggate
Mr David Best	Mr Mike Chaplin	Mr Tony Douglas	Mr Bob Giulianotti	Mr Brian Hunter	Ms Margaret Leggett
Mr Alistair Black	Ms Anne Chaudhry	Ms Pauline Dow	Mr Gerry Glancey	Mr Richard Hunter	Ms Brenda Lillcrap
Mr Michael Black	Mr Martin Cherry	Mr John Downie	Mr Alan Glass	Sir Tom Hunter	Dr George Lindsay
Mr Scott Black	Ms Fiona Chisholm	Ms Lorraine Downs	Mr Donald Goldie	Mr John Huson	Ms Paula Lindsay
Mr Allan Blacklay	Mr Paul Chowdhry	Mr Brian Drinkwater	Ms Annabel M Goldie MSP	Mr Steven Hutton	Ms Julia Linstead
Councillor Alan Blair	Mr David Christie	Mr John Drysdale	Mr Sean Gordon	Mr George Inglis	Ms Sarah Littlejohn
Ms Gail Boardman	Ms Karen Clark	Ms Helen Duff	Ms Elaine Gorin	Mr Peter Inglis	Mr Kerr Livingston
Mr Andrew Bonar	Mr Bill Clelland	Ms Lorna Duguid	Mr Finlay Gorman	Mr Donald Innes	Ms Jo Lloyd
Mr Ian Bond	Ms Michelle Clelland	Mr Michael Duncan	Ms Linda Gosden	Ms Jane Innes	Mr Harry Locherty
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Ms Sue Bowman	Mr Roy Clunie	Ms Anne Dunlop	Mrs Margaret Graham	Mr Edward Isaacs	Mr Tony Lodge
Mr Iain Boyd	Mr John Coll	Ms Alec Dunn	Ms Florence Grant	Mr Jim Jack	Mr David Logan
Mr Adrian Brady	Mrs Sue Cook	Mr Graham Dunn	Dr Neil Grant	Mr Douglas B Jackson	Mr Detlef Lorenz

PSYBT VOLUNTEERS 2006/2007

THE PRINCE'S SCOTTISH YOUTH BUSINESS TRUST

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Mrs Joy Love
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Ms Donalda Macaskill
Mr Alistair Macaskill CBE
Mr David MacAulay
Mr Fred MacAulay
Mr Iain Macaulay
Mr John MacAulay
Mrs Anne MacCorquodale
Mr Donald MacDonald
Ms Shona MacDonald
Mr Stuart Macdonald
Mr Hamish
MacDonald Lockhart
Mr Hamish MacDougall
Mr Alistair MacFarlane
Mr John MacGregor
Ms Kate MacInnes
Ms Rosemary MacInnes
Mr Edward MacKay
Mr Kenny MacKay
Mrs Maureen MacKay
Mr Roddie MacKay
Ms Claire MacKenzie
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Mr Norman MacKenzie
Mr Bruce Mackie
Ms Kate Mackie
Mr Stephen Mackie
Ms Marion MacKinnon
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Mr Donald MacLean
Ms Gillian MacLean
Mr Norman MacLean
Mr Roderick MacLean
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Mr Murdo MacLeod
Mr Roddy MacLeod
Mrs Lynne MacMillan
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Ms Shonaig Macpherson CBE
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Mr Alan Maddock
Mr Steve Maguire
Mr Robert Main
Mr Waheed Malik
Ms Gayle Mann
Ms Natasha Marshall
Ms Julie Martin
Mr Ian Mathers
Mr Ken Matheson
Mr Neil Matheson
Mr Alastair Mathieson
Mr Stewart Matthews
Mr Malcolm McArdle
Mrs Betty McAtear
Mr David McAuley
Ms Diane McCall
Mr Jim McCall
Mr Lee McCallum
Ms Doreen McCamley

Ms Patricia McClay
Mr David McConachie
Mr David McCormack
Ms Helen McCormick
Mr Douglas McCreath
Mr Ken McCrorie
Mr Alex McCulla
Mr Charles McCullagh
Ms Caroline McCulloch
Mr David McCutcheon
Mr William McDaid
Ms Shairon Murray
Mr John McDougall
Mr Ron McDowall
Mr Gary McEwan
Ms Melanie McEwan
Mr Duncan McFadzean
Mr Bob McFarlane
Mr Kenny McGee
Mr Paul McGettrick
Mr Bill McGilliard
Mr Kenny McGregor
Ms Peggy Ann McGregor
Ms Janet McIntyre
Mr Douglas McKay
Mr Robert McKendrick
Mr Ian McKillop
Ms Kirsty McKinnon
Ms Joanne McLaren
Ms Margaret McLaren
Mr Scott McLean
Mr Ron McLean OBE
Ms Mairi McLellan
Miss Kath McMahon
Mr Jim McMillan
Mr Ken McNeil
Mr Murray McNicol
Ms Fiona McRobbie
Mr Euan McVicar
Mr Matt McWhirter
Mr Neil Menzies
Mr Robert Menzies
Mr Andrew Middlecote
Dr George Mieras
Mr Alastair Millar
Mr Lyall Millar
Mr Jamie Miller
Ms Marion Miller
Ms Susan Miller
Mr Colin Milligan
Mr Neil Milloy
Mr Roger Mills
Mrs Caroline Milne
Mr Graham Mirtle
Mr Andrew Mitchell
Mr Les Mitchell
Ms Michelle Mone
Mr Ronald Montgomery
Mr Peter Moodie
Mr George Moore
Mr Andrew More
Mr Kenny Morrice
Ms Alison Morris
Mr Bruce Morrison

Mr George Morrison
Mr Roddy Morrison
Mr Ronnie Morrison
Ms Theona Morrison
Mr Tommy Morrow
Mr Mahyar Mortazavi
Ms Karen Moseley
Mr Charles Mouat
Mr Urfan Moughal
Ms Margaret Moyse
Mrs Catherine Muir
Mr Stuart Muir
Ms Jacqueline Mulholland
Mr Duncan Munro
Mr Eric Munro
Ms Maureen Munro
Ms Sheila Munro
Ms Alexa Murray
Mr Paul Neill
Mr Donald Ness
Mr Leon Newman
Ms Sandra Newman
Ms Deirdre Nicholls
Mr Ian Nicol
Mr Ricky Nicol
Mr Alasdair Northop
Mr Michael O'Connor
Mr Alan Oliver
Mr Richard Oliver
Ms Bernadette O'Neill
Ms Anne Orr
Mr Calum Osborne
Mr Zehrid Osmani
Mr Kevin O'Sullivan
Mr Stuart Overend
Mr Guillaume Pacteau
Mr Ian Palmer
Mr Richard Palmer
Mr Gareth Parry
Mr Paul Parry
Mrs Lesley Pate
Mr Frank Paterson
Ms Patricia Paterson
Mr Jack Paton
Mr David Paton
Mr Brian Pattinson
Mr David Paul
Mr Kim Payne
Mr John Peace
Ms Gill Pearce
Mr Mike Penfold
Mr Jim Pennington
Mrs Carolyn Petrie
Mr Tom Pettigrew
Mr Charles Philip
Mr David Phillips
Ms Rebecca Pilch
Ms Fay Plain
Mr Steve Pollard
Lord Polworth
Mr Gordon Potts
Mrs Gail Pow
Mrs Monica Prenter
Mr Barclay Price

Mr Hamish Primrose
Ms Aileen Pringle
Ms Ann Proven
Mr John Rae
Mr John Ray
Mr Andy Reid
Mrs Ann Reid
Mr David Reid
Mr Eric Reid
Mr Frank Reid
Ms Gillian Reid
Mr Robert Reid
Ms Catherine Reilly
Ms Shauna Reith
Ms Alison Rennie
Ms Audrey Rennie
Mr Paul Rennie
Mr Sandy Rennie
Mr Andrew RENNISON
Ms Catherine Richards
Mr Stuart Riddell
Mr Philip Riddle
Ms Marilyn Rieley
Mr Steven Rieley
Mr Iain Rigby
Mr Cameron Ritchie
Mr Mike Ritchie
Mr Tony Ritchie
Ms Helen Robertson
Mr Kenny Robertson
Ms Lesley Robertson
Mrs Lynne Robertson
Ms Morag Robertson
Mr Peter Robertson
Mr Stewart Robertson
Ms Elaine Rodger
Mr Tom Rodgers
Mr David Rollo
Mr David Rose
Ms Claire Ross
Mr David Ross
Ms Fiona Ross
Mr William Ross
Mr Bill Roxburgh
Mr David Rule
Mr James Runcie
Mr Alan Runciman
Ms Ann Rushforth MBE
Ms Ailsa Russell
Mr Gordon Rutherford
Mr Scott Rutherford
Mrs Collette Saez
Ms Judith Sagar
Ms Kavitha Santosh
Mr Jan Schmidt
Ms Gillian Scholes
Ms Karen Scholes
Mr Peter Schoonenberg
Mr Bill Scott
Mr David Scott
Ms Fiona Scott
Mr George Scott
Mr Graham Scott
Mr Iain Scott

Mr Kenneth Scott
Ms Linda Scott
Mr Neil Scott
Mr Sandy Scott
Mr Gordon Shalliday
Mr George Shanks
Ms Barbara Sharp
Mr David Shaw
Cllr Jack Shiels
Ms Ramandeep Sidhu
Mr Fred Silver
Mr Iain Sim
Mr Chris Simmonds
Mr John Simpson
Ms Keira Simpson
Ms Margaret Sinclair
Mr Kevin Slabber
Mr Billy Smellie
Mr Adrian Smith
Mr Alex Smith
Ms Isabel Smith
Ms Jen Smith
Mr Michael Smith
Mr Cameron Sommerville
Mr Michael Spence
Mr John Stevens
Mr Ian Stewart
Mr Jim Stewart
Mr Kenneth Stewart
Mr Erik Stien
Mr Barrie Stobo
Mr Bruce Stott
Mr Graham Stuart
Ms Moira Stuart
Mr Andrew Sturgess
Mr David Sutherland
Mr Justin Swabey
Ms Lucy Swabey
Mr Ewen Swinton
Ms Alison Sykora
Ms Maggie Symonds
Mr Anthony Tait
Mr Ken Tait
Mr Hugh Tasker
Mr Frank Taylor
Mr Gary Taylor
Mr Jim Taylor
Ms Pauline Taylor
Mr Ian Templeton
Mrs Claire Thompson
Ms Lucy Thomson
Mr Renton Thomson
Mr Robert Thorburn
Ms Karen Thornton
Mr Cyril Thorpe
Ms Judith Thorpe
Mr Jim Timmone
Mr Chris Tiso
Ms Lisa Tobias
Ms Susan Todd
Mr Dominic Traynor
Mr Mike Treanor
Mr Derek Tyson
Ms Janet Unsworth

Mr Ken Urquhart MBE
Mr Chris van der Kuyl
Ms Susan Vessey
Ms Sue Vizard
Mr Graham Waddell
Ms Lindsay Wake
Mr Colin Walker
Mr David Walker
Mr Paul Walker
Mr Alan Walker
Dr Jim Wallace
Ms Rachel Walters
Mr Peter Wands
Mr Brendan Waters
Mr Ian Watson
Mr Jim Watson
Ms Lorna Watson
Mr Tom Watson
Mr David Watt
Ms Evelyn Watt
Mr Jeremy Webb
Mr Scott Webb
Ms Ruth Webber
Mr Matthew Wheeler
Mr Andrew Weir
Mr Malcolm Wetherill
Mr Matthew Wheeler
Ms Fiona Whelpdale
Ms Pauline Wilkie
Mr Alan Williams
Mrs Karen Williams
Mr David Williamson
Prof Alan Wilson
Mr John Wilson
Ms Lena Wilson
Mr Mark Wilson
Ms Susan Windram
Ms Sam Withall
Mr Leon Wolk
Mrs Alex Wood
Ms Christine Wood
Mr Caspian Woods
Mr Iain Wright
Dr Tony Wright
Mrs Heather Wyllie
Ms Lorna Wyllie
Mr David Yeoman
Mr Bob Young



FINANCIAL SUMMARY

FOR THE YEAR ENDED 30 JUNE 2007

Investment in Young People	£
Start-up loans made during the year	1,606,551
Grants given to disadvantaged young people	206,052
	1,812,603
Less Repayments and interest to Start-up loans	1,432,408
Funding Gap 1	380,195

Growth Fund	
Loans advanced to growing businesses	252,500
Less Repayments and interest to Growth Fund loans	222,633
Funding Gap 2	29,867

Running Costs	
Regional Managers & Aftercare costs	578,785
Governance costs	863,833
Fundraising costs	111,838
Marketing, events & publications	284,980
	1,839,436
Less Scottish Enterprise Grants	800,000
Funding Gap 3	1,039,436
Total Funding Gap 1+2+3	1,449,498

Met this year by	
Funds from Europe	665,545
Donations	694,384
Bank interest	152,255
Other income	20,481
	1,532,665

During this year we:

- Helped 633 young people to start up 549 businesses
- Helped 30 young people in 23 businesses access growth funding
- Arranged 2905 aftercare visits to 830 businesses
- Managed 1,637 loan accounts

The average cost of each start-up business was:

- £3,302 of funds invested/granted
- £2,401 admin costs

The Financial Summary is not in a statutory format and therefore does not form part of the audited financial statements for the Financial Year to 30th June 2007.

CHAIRMAN'S REPORT

FOR THE YEAR ENDED 30 JUNE 2007



I am pleased to present my first report as Chairman of PSYBT. Bill Hughes handed over as Chairman to me at the end of July after seven very focused and committed years. Through a period of exceptional change, Bill brought the ideal combination of vision and financial rigour to bear on PSYBT's development.

I relish the opportunity to continue his work and build on the close relationship with The Prince's Trust Scotland (PTS) as Chairman of the PTS Council.

The theme of this year's annual report is Economic Impact. Early in this financial year, Scottish Enterprise instigated an in-depth analysis of PSYBT's work and our impact in addressing youth unemployment. DTZ Consulting and Research submitted a most encouraging and far reaching report which underlines the impact of the Trust on so many young people and provides clear guidance for the future development of our work.

The enterprise arena and the business community have adapted to the falling levels of unemployment and are constantly adjusting to the pace of technological change while pursuing economic growth. The younger generation have real entrepreneurial spirit but the opportunities to start up in business are fraught with very real challenges. As a result the PSYBT niche has become even more closely defined and fundamentally important to the young people who have the ideas and determination to follow the self-employment route. We have a strong Regional Network supported by a highly responsive group of volunteers who provide encouragement to our young businesses and to our own staff through our delivery processes. We are grateful for the ongoing commitment of our volunteers.

As PSYBT evolves, the Board is very conscious of the importance of the volunteers and the steadily increasing influence from our alumni; both key elements of the PSYBT family at the very heart of the organisation to enhance our ability to reach out to the most disadvantaged.

In the forthcoming year there will be significant changes in the Business Gateway and a reduction in 'one to one' individual support, with group sessions, 'one to many' advice for lifestyle/micro businesses. PSYBT has benefitted from many referrals from our partnerships in the Enterprise Network and the increased emphasis on access through the Business Gateway website and the new call centre will challenge all of us to ensure that we do not lose potential clients who really need our help.

Our own internal Strategic Review in 2005 placed considerable emphasis on improving PSYBT's communications. The introduction of new management information systems in this financial year will have a critical impact on our ability to pioneer new ways of communicating with each other and the young people we support. We have to be able to adapt to ensure that our engagement is stimulating and relevant, while retaining the efficiency of the PSYBT reporting systems.

PSYBT's involvement with Youth Business International (YBI) has been the catalyst for further visits from developing programmes. We are delighted that the YBI Global Conference planned for November 2008 will be held in Scotland. It will be a wonderful opportunity to showcase what young people in Scotland are achieving in the business world.

The increasing array of special PSYBT Awards for young people's achievement in business continues to offer unparalleled opportunities for profile and much deserved celebration. Particular thanks to RBS Group plc, BT Scotland, Mr John Connor and to The Bank of Scotland.

I am very conscious that the future of our work and PSYBT's economic impact across Scotland amongst those who face particular social and economic challenges depends on the support of a wide cross section of funders and donors. It is the strength of the Revolving Loan Fund and Growth Fund that underpins our future levels of investment. By its very nature our work is high risk but the potential results far outweigh these risks – so I would ask you all to continue your magnificent support and encourage others to do so too.

Our sincere thanks to our auditors PricewaterhouseCoopers LLP who continue to carry out our annual audit without charge and give us a most proactive service throughout the year in the areas of accountancy, charity law and VAT.

We are all most grateful to our President HRH The Prince Charles, Duke of Rothesay for the real and deep interest that he takes in regular visits to young people who have benefitted from PSYBT's support. HRH's recent visit to 15 Exchange Place to be updated on PSYBT and PTS projects was particularly stimulating.

I am in no doubt that the young people in Scotland are ready for the challenges of growing the economy and that with your support PSYBT's niche will flourish.

SHONAIG MACPHERSON CBE FRSE
CHAIRMAN
21ST SEPTEMBER 2007



DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2007

THE DIRECTORS, WHO ACT AS TRUSTEES FOR CHARITABLE PURPOSES, PRESENT THEIR REPORT AND THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007.

THE INFORMATION WITH RESPECT TO DIRECTORS AND ADVISERS SET OUT ON PAGE 42 FORMS PART OF THIS REPORT. THE FINANCIAL STATEMENTS COMPLY WITH CURRENT STATUTORY REQUIREMENTS, THE MEMORANDUM AND ARTICLES OF ASSOCIATION, APPLICABLE ACCOUNTING STANDARDS IN THE UNITED KINGDOM AND THE STATEMENT OF RECOMMENDED PRACTICE (SORP) "ACCOUNTING AND REPORTING BY CHARITIES" ISSUED IN OCTOBER 2005 AND THE CHARITIES ACT 1993.

PRINCIPAL ACTIVITIES_

The Prince's Scottish Youth Business Trust's (PSYBT) principal activity continues to be the provision of essential finance and professional support to young people in Scotland aged between 18 and 25, whoever they are and wherever they come from, so that they can set up their own business. The Trust has a particular concern for the disadvantaged.

To achieve this aim, the Trust specifically:

- // promotes the idea of enterprise to young people, and to those individuals and organisations able to influence young people;
- // provides unsecured finance to establish viable new businesses and to fund the expansion of existing ones;
- // provides grants to disadvantaged young people starting up in business;
- // arranges the provision of appropriate support services to young people starting up, trading and expanding in business. This includes pre start advice and counselling, business training and aftercare;
- // supports government initiatives designed to promote the idea of enterprise and self-employment among young people.

REVIEW OF ACTIVITIES_

The Trust continues to fund and invest in all the businesses who approach it which meet the Trust's criteria and which successfully pass through the regional funding process. As a result of PSYBT's fundraising efforts and our wide panoply of supporters, no limit is placed on the number of young people that we support; although we aspire to fund some 600 businesses per annum across Scotland. This year, 572 businesses (2006 – 592) were funded, involving 663 individuals (2006 – 662) and £2,065,103 invested (2006 – £2,181,761).

1,637 businesses (2006 – 1,554) are repaying their loans on a regular basis and £1,655,040 (2006 – £1,631,000) has been paid back this year – a record amount. It is vital that the Trust optimises this repayment figure. It is money already raised which need not be lost if we do all we can to help the businesses succeed and which will be re-invested many times over in new businesses. The Revolving Loan Fund has proved to be a unique and most successful funding mechanism.

We can celebrate another most successful year in terms of the number of young people we have supported and the impact of PSYBT's marketing efforts, raising the awareness of youth entrepreneurship amongst our key audiences.

There is a considerable level of political and strategic importance placed on increasing entrepreneurial activity and encouraging new start businesses for Scotland's future economic prosperity. PSYBT will continue to play its unique role within the enterprise network in Scotland, ensuring that resources are always available to help those young people with the imagination, energy and determination to start and grow their own business.

ECONOMIC EVALUATION_

The evaluation of PSYBT's strategic contribution and impact carried out by DTZ Consulting & Research during the latter part of 2006 and the early months of 2007 clearly demonstrated the economic impact and the good value of PSYBT in the generation of new businesses. The report confirmed that PSYBT has a clear fit with Scottish Government, Scottish Enterprise and Highlands & Islands Enterprise policy to encourage a culture of entrepreneurship, support the start of new businesses and in our contribution to the flow of growing businesses across Scotland.

It was also very encouraging to see recognition of PSYBT's key strengths and in particular the flexibility to tailor our support to meet the needs of the client. The strength and depth of the network of volunteers and the one-to-one approach are crucial when dealing with the many disadvantaged young people who have very little confidence and self-esteem.

The evaluation also calculated the economic impact of PSYBT based on a survey of almost 400 young people we supported between 2004 and 2006. Allowing for knock-on indirect effects, the total annual impact of PSYBT was estimated at £22.6million in 2005/2006 and 489 new jobs.

KEY INITIATIVES_

Our participation in the **EQUAL** Enterprise Scotland Development Partnership has been the catalyst for examining and where appropriate re-engineering our model of support in preparation for the development and implementation of the PSYBT Relationship Management System. The project has involved a broad cross-section of PSYBT stakeholders and we will be introducing improvements to our business processes during the next year alongside the implementation of the new system.

Our business networking clubs, known as **Elevator**, provide stimulating interaction between a wide cross section of Scotland's entrepreneurs and many young people who have already started or are thinking about their business potential.

A **Growth Fund Supper Club** has been introduced into the rapidly expanding programme of events to give those considering growing their business the opportunity to share and to discuss challenges amongst a small group of kindred spirits.

The **website** has been fully overhauled and provides considerable access to the PSYBT Regional Network and programme of events. It is high on our priorities to extend this further during the forthcoming year.

PSYBT look forward to our next **18-30 Enterprise Show** on 9th February 2008 in Edinburgh and will continue to provide a platform for young entrepreneurs to inform, motivate and entertain those interested in the option of self employment

GROWTH FUND_

When we launched the Growth Fund 5 years ago, we knew from detailed research that this product would fill a very real gap in the market for those businesses with growth potential. However, the success of the Fund has surpassed our expectations and we are delighted to report that almost £1.2million has been invested, 96 businesses have benefitted, in excess of 160 new jobs have been created and the businesses collectively predict an increase in turnover of £12million in the first 12 months following expansion funding. We could not have launched it at all without the generosity of Sir Tom Hunter whose contribution was matched by Scottish Enterprise and Highlands & Islands Enterprise and we are also indebted to the European Regional Development Fund, The Binks Trust, The Moffat Trust, The City Charitable Trust and the Entrepreneurial Exchange for their considerable input.

EUROPEAN FUNDING_

PSYBT has received significant support from the European Union via the 2000-2006 Structural Funds programmes. During the last year, grant funding from the European Social Fund and European Regional Development Fund helped PSYBT to deliver a package of support measures to new and aspiring young business owners. Additional grant funding from the European Investment Fund under the European Union's Multi-annual Programme for Small and Medium Enterprises was instrumental in supporting start-up loans provided by PSYBT.

Although there is still some uncertainty about the programme content for the 2007-2013 European Structural Funds programme, we do envisage that there will be a continued focus on young people and enterprise activity. PSYBT makes a very clear strategic contribution to economic growth in Scotland and this was reinforced by the recent economic evaluation. We will put forward a strong case for support from the new programme of European Structural Funds.

FUTURE DEVELOPMENT_

Youth Business International (YBI) asked us to pilot their new accreditation process and this has just been completed. It was very interesting two days and will provide the basis for the next year's analysis of 20 fully accredited and 19 pilot programmes from around the world.

FUTURE PLANS_

PSYBT are undertaking a re-engineering of their business processes and supporting **IT systems**. This programme has 3 main solution areas – financial accounting, award management and the implementation of a CRM solution to manage our relationship with clients, volunteers and other stakeholders.

The year ahead will see the implementation of a technology platform which will provide better support to PSYBT in offering a quality, consistent service, and meet the expectations of our clients, volunteers, funders, supporters and staff. It will be a period of significant change in the way we manage and administer the business, change that will impact right across the organisation but importantly provide real improvements in efficiency and service. We are grateful for the support that **Microsoft Scotland** and **Accenture** continue to provide, guiding us through a complex and ever-changing technology environment.

Our approach to the implementation of this technology platform is measured with a phased roll out of component parts. There are some exciting features that we are aiming to share amongst the young businesses we support; in particular the opportunity to build online connections between businesses and to develop informal business networks. It is vital, however, that we get the basic platform in place first.

FUNDRAISING_

In this financial year, a total of £694,384 (2006 – £522,505) has been donated by our supporters; Corporates, Trusts & Foundations and Individuals all playing their part. A full list of those who have helped us achieve this impressive amount and the public sector grants are on pages 24 and 25. Our target in the coming year is £740,000.

RESULTS FOR THE YEAR_

The Statement of Financial Activities shows a net movement of funds of £105,118 (2006 – £240,241). The provision for doubtful debt in this financial year is £395,814 (2006 – £663,054), relating to defaulters' loans only. The current loan book stands at £3,560,438 (2006 – £3,744,684). Current repayment experience indicates that 79.8% (2006 – 81.2%) of loans are repaid and the Trust continues to actively encourage all clients to repay. The Trust is a lender of last resort and as such takes no security on loans made.

RESERVES POLICY_

PSYBT has a net cash balance of £2,683,912 (2006 – £3,055,931) as at 30th June 2007. At this level, operations could only be funded for around 18 months. The Board considers this a modest level of reserves considering the commitment the Trust makes to each business and the provision of aftercare for at least 2 years. This maintains the level of liquidity just under the Board's target range of £2.75m to £3.25m.

The Trust needs to plan to further its ability to have reserves equivalent to 2 years operating and investment costs.



DIVIDENDS_

As a charitable organisation and a company limited by guarantee, there will be no payment of a dividend. Net incoming resources of £105,118 (2006 – net outgoing resources £240,241) arising during the year will be dealt with through the accumulated fund.

GOVERNANCE OF THE CHARITY_

The Board consists of 3 directors appointed by Scottish Enterprise and 2 appointed by Scottish Business in the Community; these directors can in turn collectively appoint up to 4 additional individuals from the Scottish business community to be directors of the company.

The induction and training of directors is based on an assessment of each new director's training needs and briefings are tailored to meet their requirements.

The Trust, as one of HRH The Prince Charles, Duke of Rothesay's charities, works closely with HRH's other charities (see page 43 for a comprehensive list).

There was one change to the Board during the year. A list of Directors can be found on page 42.

CHARITABLE STATUS_

The company has been granted relief from Corporation Tax under Section 505 of the Income and Corporation Taxes Act 1988.

RISK MANAGEMENT_

The Board recognises the need to develop sound systems of internal risk control and to implement effective risk management across the organisation and its operations. Since PricewaterhouseCoopers LLP's review of the Trust's risk management process and the creation of a new risk register database in 2006, the Board have been updated on risk management twice per year. The Board now review the risk register annually and the Executive Management Board of the Trust, which meets monthly, identifies new risk events on a continuing basis.

STATEMENT OF DIRECTORS' RESPONSIBILITIES_

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

The directors are responsible for preparing financial statements for each financial year which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- // select suitable accounting policies and then apply them consistently;
- // make judgements and estimates that are reasonable and prudent;
- // state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- // prepare the financial statements on the ongoing concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with applicable Accounting Standards and the Companies Act 1985, the Statement of Recommended Practice 'Accounting and Reporting by Charities 2005' and the governing document. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DISCLOSURE OF INFORMATION TO THE COMPANY'S INDEPENDENT AUDITOR_

The Director who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information. This information is given and should be interpreted in accordance with the provisions of s243ZA of the Companies Act 1985.

AUDITORS_

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the Annual General Meeting on 26th October 2007.

Mark Strudwick

By order of the Board
Mark Strudwick CBE
Secretary
(21 September 2007)

AUDITORS' REPORT

TO THE MEMBERS OF THE PRINCE'S SCOTTISH YOUTH
BUSINESS TRUST (A COMPANY LIMITED BY GUARANTEE)

We have audited the financial statements of The Prince's Scottish Youth Business Trust for the year ended 30 June 2007, which comprise the statement of financial activities, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the accounting policies therein.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors also act as trustees for the charitable activities of The Prince's Scottish Youth Business Trust. As described in the Statement of Directors' Responsibilities the directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume any responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the Directors' Report is consistent with the financial statements. We also report to you, if in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Chairman's Statement and the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors

in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion:

- //the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs at 30 June 2007 and of its net incoming resources, including its income and expenditure and cash flows for the year then ended;
- //and the financial statements have been properly prepared in accordance with the Companies Act 1985, and;
- //the information given in the Directors' Report is consistent with the financial statements.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Glasgow
21st September 2007

The maintenance and integrity of the PSYBT web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

34_ STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 JUNE 2007



	Notes	Unrestricted Funds 2007	Restricted Funds 2007	Total Funds 2007	Total Funds 2006
		£	£	£	£
Incoming resources					
Voluntary income:					
Donations	2	619,384	-	619,384	453,755
Donations to growth fund		-	75,000	75,000	68,750
Grants received		1,345,545	120,000	1,465,545	1,523,157
Bank interest received		152,255	-	152,255	131,484
Interest received from loans to businesses	3	180,237	33,518	213,755	179,468
Other incoming resources		20,481	-	20,481	35,768
Total incoming resources		2,317,902	228,518	2,546,420	2,392,382
Resources expended					
Costs of generating funds:					
Fundraising costs		111,838	-	111,838	96,772
Marketing and events	4	170,536	114,444	284,980	341,774
		282,374	114,444	396,818	438,546
Charitable expenditure					
Costs in furtherance of the charity's activities:					
Grants payable	5	206,052	-	206,052	227,017
Operating costs	6	578,785	-	578,785	550,426
Governance costs	7	842,316	21,517	863,833	753,580
Movement in provision for doubtful debts	8	395,814	-	395,814	663,054
		2,022,967	21,517	2,044,484	2,194,077
Total resources expended		2,305,341	135,961	2,441,302	2,632,623
Net income/(expenditure) for the year	9	12,561	92,557	105,118	(240,241)
Net movements in funds					
		12,561	92,557	105,118	(240,241)
Fund balances brought forward at 1 July 2006		5,722,287	504,913	6,227,200	6,467,441
Fund balances carried forward at 30 June 2007		5,734,848	597,470	6,332,318	6,227,200

- All incoming resources and resources expended are derived from continuing activities. The continuing activities are split between the provision of start up loans and grants, designated as unrestricted funds, and the provision of additional funding, designated as restricted funds.
- The Trust has no recognised gains and losses other than those included in the surplus above, and therefore no separate statement of total recognised gains and losses has been presented. There is no difference between the surplus for the year stated above and its historical cost equivalent.
- The notes on pages 37 to 41 form part of these financial statements.

BALANCE SHEET

AS AT 30 JUNE 2007

	Note	2007	2006
		£	£
Fixed assets			
Tangible assets	12	108,978	122,717
Loans			
Start-up loans	13	3,012,610	3,178,152
Growth fund loans	14	547,828	566,532
		3,669,416	3,867,401
Current assets			
Debtors: amounts falling due within one year	15	733,882	231,583
Cash at bank and in hand		2,814,554	3,165,384
		3,548,436	3,396,967
Creditors: amounts falling due within one year			
Creditors	16	(754,892)	(910,215)
Provisions for liabilities and charges	18	-	(17,500)
Bank overdraft		(130,642)	(109,453)
		(885,534)	(1,037,168)
Net current assets		2,662,902	2,359,799
Net assets		6,332,318	6,227,200
The funds of the charity			
Restricted growth fund	19	597,470	504,913
General unrestricted funds	20	5,734,848	5,722,287
Total funds		6,332,318	6,227,200

The financial statements on pages 29 to 42 were approved by the board of directors on 21st September 2007 and were signed on its behalf by:



SHONAIG MACPHERSON CBE FRSE
CHAIRMAN

36_CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2007



	Note	2007 £	2006 £
Net cash (outflow)/inflow from operating activities	21	(343,565)	698,433
Returns on investments and servicing of finance			
Start-up loans advanced	13	(1,606,551)	(1,667,244)
Start-up loan repayments	13	1,252,171	1,321,907
Start-up loan interest received		180,237	155,617
Growth fund loans advanced	14	(252,500)	(287,500)
Growth fund loan repayments	14	189,115	129,625
Growth fund loan interest received		33,518	23,851
Bank interest received		152,255	131,484
Bank interest paid		(1,426)	(1,032)
Total returns on investments and servicing of finance		(53,181)	(193,292)
Capital expenditure			
Purchase of tangible fixed assets	12	(50,273)	(129,684)
Total capital expenditure		(50,273)	(129,684)
Financing			
Repayment of term loan		-	-
Receipt of funding for growth fund		75,000	68,750
Total financing		75,000	68,750
(Decrease)/Increase in cash in the year	22	(372,019)	444,207

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2007

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1. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Companies Act 1985, applicable Accounting Standards in the United Kingdom and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in October 2005. A summary of the principal accounting policies, which have been applied consistently, with the exception of those noted below, are set out below.

BASIS OF ACCOUNTING

The financial statements are prepared in accordance with the historical cost convention.

RESTRICTED FUNDS

Restricted funds are funds which are earmarked by the donor for specific purposes. Such purposes are within the overall aims of the organisation. These funds may be income only (where the capital must be retained) or income and capital (where the donation and income deriving therefrom may be utilised).

ACCRUALS BASIS

The financial statements are prepared on an accruals basis with the exception of donations which are accounted for on a cash basis.

INCOMING RESOURCES

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

GRANTS

Grants received and individual grants awarded are accounted for on an accruals basis.

RESOURCES EXPENDED

Direct charitable expenditure in relation to the operation of the activities of the Trust is accounted for separately from governance costs and any cost in respect of fundraising and publicity.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support for charities. Direct charitable expenditure are those costs incurred directly in support of expenditure on the activities of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

TANGIBLE FIXED ASSETS

Capitalisation

The cost of fixed assets is their purchase cost together with any incidental costs of acquisition. Any with a cost below £100 are not capitalised.

Depreciation

Depreciation is calculated so as to write off the cost of tangible fixed assets on a straight-line basis over the expected useful economic lives of the assets concerned. The rate of depreciation for all classes of assets is 25% per annum.

VOLUNTEERS AND DONATED SERVICES AND FACILITIES

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the trustees' annual report.

Where services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity. Donated services and facilities are analysed in note 2.

PROVISION FOR DOUBTFUL DEBTS

The provision for doubtful debts reflects all loans that are deemed to be irrecoverable.

LOAN DEBTORS

Loans are capitalised once the loan has been granted to an individual. When loan repayments are received the capital amount reduces the loan balance and the loan interest is accounted for through the SOFA.

DEFERRED INCOME

Deferred income represents that portion of European Investment Fund (EIF) income, which may be repayable under the terms of the agreement with the Fund.

OPERATING LEASES

All leases are treated as operating leases, the cost of which is charged on a straight-line basis over the lease term.

38_ NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2007



2. VOLUNTARY INCOME

	2007	2006
	£	£
Donations	594,384	428,755
Donated services	25,000	25,000
	619,384	453,755

Donated services relate to the value attributed to the services provided by the auditors, PricewaterhouseCoopers LLP. The income equivalent was recognised within incoming resources as a donation, and an equivalent charge included within governance costs.

3. INTEREST RECEIVED FROM LOANS TO BUSINESSES

	2007	2006
	£	£
Start-up fund loan interest	180,237	155,617
Growth fund loan interest	33,518	23,851
	213,755	179,468

4. MARKETING AND EVENTS

	2007	2006
	£	£
Events	60,203	58,860
Young Persons Enterprise Show	114,444	223,685
Marketing	85,142	34,597
Publications	25,191	24,632
	284,980	341,774

5. GRANTS PAYABLE

	2007	2006
	£	£
Start-up grants	171,783	195,630
Marketing test grants	34,269	31,387
	206,052	227,017

A Marketing Test Grant is a grant of up to £250, which individuals can apply for, prior to applying for start-up awards, in order to undertake market research to determine if their business plans are feasible.

During the year ended 30 June 2007 the Trust awarded grants totalling £206,052 (2006: £227,017) in making 207 (2006: 188) start-up grants and 142 (2006: 132) Marketing Test Grants.

All grants are made to individuals.

6. OPERATING COSTS

	2007	2006
	£	£
Regional operating costs	508,774	489,124
Aftercare and business development	70,011	61,302
	578,785	550,426

7. GOVERNANCE COSTS

	2007	2006
	£	£
Salaries and office costs	733,826	598,697
Growth fund costs	21,517	24,411
European funding costs	23,445	37,330
Legal and professional fees	26,602	43,436
Depreciation	58,443	49,706
	863,833	753,580

8. MOVEMENT IN PROVISION FOR DOUBTFUL DEBTS

	2007	2006
	£	£
Increase in provision for start-up doubtful debts*	313,725	632,309
Increase in provision for growth fund doubtful debts	82,089	30,745
	395,814	663,054

*Increase in provision for start-up doubtful debts was £519,472 (2006: £767,038) less the EIF income received for claimed bad debts of £205,747 (2006: £134,729).

9. NET (EXPENDITURE)/INCOME FOR THE YEAR

The balance transferred to the general unrestricted funds and the restricted growth fund for the year is stated after charging depreciation of £59,652 (2006: £49,696). Fees to the auditors for non-audit services during the year amounted to £nil (2006: £nil).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2007

10. EMPLOYEE INFORMATION

The average monthly number of persons employed by the company during the year was:

By activity	2007 Number	2006 Number
Governance	7	7
Operations	7	7
Fundraising	4	4
Marketing	3	2
Aftercare	1	1
Growth Fund	1	0
Europe	1	1
	24	22

Staff costs (for the persons above) 2007 £	2006 £
Wages and salaries	538,060
Social security costs	53,989
Other pension costs*	82,794
	674,843
	591,143

*As part of the remuneration package offered to all employees, the Trust makes a 10% contribution to approved personal pension plans as recommended by the PSYBT pension advisor. The Trust has no rights or obligations in respect of these plans.

No directors received any remuneration or reimbursements from the charity during the year.

One (2005: one) employee has aggregate emoluments of between £80,000 and £90,000.

11. TAXATION

The Inland Revenue has accepted charitable status of the company and has granted relief from corporation tax under Section 505 of the Income and Corporation Taxes Act 1988.

The charity is not registered for VAT and accordingly, all their expenditure is recorded inclusive of any VAT incurred.

12. TANGIBLE FIXED ASSETS

	Motor vehicles	Office equipment	ERDF equipment	Computer hardware/ software	Leasehold improvements	Total
	£	£	£	£	£	£
Cost						
At 1 July 2006	22,273	50,333	1,122	121,542	88,317	283,587
Additions	26,030	5,163	-	19,080	-	50,237
Disposals	(22,273)	-	-	-	-	(22,273)
At 30 June 2007	26,030	55,496	1,122	140,622	88,317	311,587
Depreciation						
At 1 July 2006	11,136	20,125	1,122	106,407	22,080	160,870
Charge for the year	12,024	11,389	-	12,950	22,080	58,443
Disposals	(16,704)	-	-	-	-	(16,704)
At 30 June 2007	6,456	31,514	1,122	119,357	44,160	202,609
Net book value						
At 30 June 2007	19,574	23,982	-	21,265	44,157	108,978
At 30 June 2006	11,137	30,208	-	15,135	66,237	122,717

40_ NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2007



13. START-UP LOANS

	£
Loans at 1 July 2006	3,178,152
Loans awarded	1,606,551
Repayments received	(1,252,171)
Increase in provision for doubtful debts	(519,922)
Loans outstanding at 30 June 2007	3,012,610

During the year ended 30 June 2007 the Trust approved start-up loans amounting to £1,606,551 (2006: £1,667,244) to 549 (2006: 570) young businesses. At 30 June 2007 the cumulative total number of active start-up loan accounts was 1,637 (2006: 1,554) with a net value of £3,012,610 (2006: £3,178,152).

The gross value of loans outstanding is £6,935,704 (2006: £6,582,273) within which £126,682 (2006: £143,469) of loans are repayable to Highland Opportunity Ltd. Loans repayable to PSYBT therefore amount to £6,809,022 (2006: £6,438,804) against which there is a provision for doubtful debts of £3,923,094 (2006: £3,404,121). During the year loans to the value of £205,747 were written off (2006: £179,639).

14. GROWTH FUND LOANS

	£
Loans at 1 July 2006	566,532
Loans awarded	252,500
Repayments received	(189,115)
Increase in provision for doubtful debts	(82,089)
Loans outstanding at 30 June 2007	547,828

The Trust approved Growth Fund loans amounting to £252,500 (2006: £287,500) to 23 businesses (2005: 22). Of these loans there were 6 accelerator loans (2006: 11) totalling £125,000 (2006: £213,000) and there were 17 development loans (2006: 11) totalling £127,500 (2006: £74,500). The total provision against Growth Fund loans amounts to £196,055 (2006: £113,477).

15. DEBTORS

	2007	2006
	£	£
Amounts falling due within one year		
Prepayments	18,962	31,180
Accrued income	711,908	188,725
Tax recoverable on covenants	3,012	11,678
	733,882	231,583

16. CREDITORS: AMOUNTS FALLING DUE WITHIN 1 YEAR

	2007	2006
	£	£
Highland Opportunity Ltd*	126,682	143,470
Tax and social security	15,755	14,694
Accruals and sundry creditors	89,478	69,878
Deferred income (see note 17)	522,977	682,173
	754,892	910,215

*Highland Opportunity Ltd match PSYBT loans and the PSYBT carries out all subsequent administration. This includes relevant loan repayments to Highland Opportunity Ltd paid quarterly in arrears. Therefore, the creditor shown represents future loan repayments due to Highland Opportunity Ltd as relevant loans mature.

17. DEFERRED INCOME

Deferred income, which relates to income received from the European Investment Fund (EIF) during the year, may be repayable under the terms of the agreement with the Fund. Deferred income relating to the European Social Fund (ESF) relates to an advance of income for the 2006/07 period. The deferred balance relating to the lease is a result of an eight month rent free period. The deferred balance is released over the period of the lease. The movement in deferred income, included within creditors: amounts falling due within one year, is analysed below:

	Lease	ESF	EIF	Total
	£	£	£	£
At 1 July 2006	34,502	175,238	472,433	682,173
Incoming resources	-	-	362,469	362,469
deferred in the year				
Amounts released	(8,040)	(175,238)	(338,387)	(521,665)
At 30 June 2007	26,462	-	496,515	522,977

18. PROVISIONS FOR LIABILITIES AND CHARGES

	2007	2006
	£	£
Dilapidation provision	-	17,500
	-	17,500

The provision for dilapidation comprises the estimated costs of dilapidation of the previous offices occupied by PSYBT at Mercantile Chambers, 53 Bothwell St. No charge has yet be levied on PSYBT and no communications received with respect to this in the period since PSYBT vacated the property. As a result the provision has been released to the Statement of Financial Activities in the year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2007

19. RESTRICTED GROWTH FUND

A separate fund has been established to assist successful PSYBT supported businesses that require additional funding.

	£
Balance at 1 July 2006	504,913
Net income for the year	92,557
Balance at 30 June 2007	597,470

20. GENERAL UNRESTRICTED FUNDS INCORPORATING THE REVOLVING LOAN FUND

	£
Balance at 1 July 2006	5,722,287
Net income for the year	12,561
Balance at 30 June 2007	5,734,848

21. RECONCILIATION OF NET INCOMING/ (OUTGOING) RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2007	2006
	£	£
Continuing activities		
Net income/(expenditure) for the year	105,117	(240,241)
Bank interest received	(152,255)	(131,484)
Bank interest paid	1,425	1,032
Interest received from loans to businesses	(213,754)	(179,468)
Increase in provision for doubtful debts	602,011	797,783
Depreciation of tangible fixed assets	58,443	49,696
Profit on disposal of fixed assets	5,569	-
(Increase)/Decrease in debtors	(502,298)	40,747
(Decrease)/Increase in creditors	(172,823)	429,118
Receipt of funding for growth fund	(75,000)	(68,750)
Net cash (outflow)/inflow from operating activities	(343,565)	698,433

22. ANALYSIS OF CHANGES IN NET FUNDS DURING THE YEAR

	At 1 July 2006	Cash flow	At 30 June 2007
	£	£	£
Cash at bank	3,165,384	(350,830)	2,814,554
Overdrafts	(109,453)	(21,189)	(130,642)
	3,055,931	(372,019)	2,683,912

23. FINANCIAL COMMITMENTS

At 30 June 2006 the company had annual commitments under non-cancellable leases as follows:

	2007		2006	
	Land & buildings	Other	Land & buildings	Other
	£	£	£	£
Expiry date:				
Less than one year	-	-	-	1,135
Between two and five years	60,296	-	60,296	-
	60,296	-	60,296	1,135

24. CAPITAL

The Charity is a company limited by guarantee. Each member has undertaken to contribute £1 to the assets of the company to meet its liabilities if called to do so. The total amount guaranteed by members at 30 June 2007 is £2 (2006: £2).

25. RELATED PARTY TRANSACTIONS

No related party transactions were entered into during the current year or the prior year.

42_ DIRECTORS & ADVISERS

FOR THE YEAR ENDED 30 JUNE 2007



PRESIDENT

HRH The Prince Charles,
Duke of Rothesay

DIRECTORS

William Y Hughes CBE (Chairman) +
(resigned 24 July 2007)

Shonaig Macpherson CBE FRSE +
(appointed Chairman 25 July 2007)

Giovanni Benedetti CBE

Alastair K Denholm *+

Annabel Goldie

Sir Thomas Hunter

Gordon Beattie

Michelle G Mone

Lena Wilson *+

John Anderson *+
(appointed 25 August 2006)

SECRETARY

Mark Strudwick CBE

AUDITORS

PricewaterhouseCoopers LLP
Kintyre House
209 West George Street
GLASGOW G2 2LW

BANKERS

The Royal Bank of Scotland plc
Tay House
300 Bath Street
GLASGOW G2 4RS

REGISTERED OFFICE

1st Floor
15 Exchange Place
Glasgow G1 3AN

SOLICITORS

Kerr Barrie
3rd Floor
Mercantile Chambers
53 Bothwell Street
GLASGOW G2 6TA

HEAD OFFICE

Mark Strudwick CBE
(Chief Executive)

Nancy Pearson
(Executive Assistant)

Douglas Bowie
(Director of Finance)

Margaret Gibson
(Director of Marketing & Communications)

Sara Luxmoore
(Regional Operations Manager)

Rebecca Logan
(Head of Fundraising)

Evelyn McDonald
(Growth Fund Manager)

Martin Ferry
(Head of Development)

Peter Mawer
(Aftercare Manager)

Steven O'Neill
(IT Manager)**

Paul Bowtle
(Human Resources Business Partner)***

Lesley Scott
(Operations Support Manager)

Elizabeth Millar
(Trusts & Foundations Manager)

Katherine Malcolm
(Corporate Development Manager)

Gina Wallace
(Corporate Development Manager)****

Nichola Beith
(Assistant to the Director of Finance)

Louise Moore
(Marketing Manager)

Michelle McMeekin
(Assistant Fundraiser)

Fiona McBain
(Loan Fund Coordinator)

Margaret Sinclair
(General & Aftercare Administrator)

Jamie Ross
(Business Administrator)

DESIGN. D8

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D8 & Clive Grewcock are
PSYBT supported businesses

PHOTOGRAPHY. CLIVE GREWCOCK

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clive.photo@themail.co.uk

* Members of the
Audit Committee

+ Members of the
Board Committee

** Seconded from the
Scottish Government

*** Seconded from RBS

**** Seconded from
Youth Business
International

Registered Number
SC097426

Charity Number
SC007066



THE PRINCE'S CHARITIES

The Prince's Charities is a group of not-for-profit organisations of which The Prince of Wales is President: 17 of the 19 Charities were founded personally by The Prince.

The group is the largest multi cause charitable enterprise in the United Kingdom, raising over £119 million annually.

The organizations are active across a broad range of areas including opportunity and enterprise, education, health, the built environment and responsible business.

The charities reflect The Prince of Wales's long term and innovative perspective, and seek to address areas of previously unmet need.

OPPORTUNITY AND ENTERPRISE

The Prince's Trust
www.princes-trust.org.uk
 +44 (0)20 7543 1234

The Prince's Scottish Youth Business Trust
www.psybt.org.uk
 +44 (0)141 248 4999

PRIME
www.primeinitiative.org.uk
www.primebusinessclub.com
 +44 (0)20 8765 7833

PRIME-Cymru
www.prime-cymru.co.uk
 +44 (0)1550 721 813

EDUCATION

The Prince's Drawing School
www.princesdrawingschool.org
 +44 (0)20 7613 8568

The Prince's School of Traditional Arts
www.princesschooltraditionalarts.org
 +44 (0)20 7613 8500

The Prince's Teaching Institute
www.princes-ti.org.uk
 +44 (0)20 3170 7926

The Prince of Wales Arts & Kids Foundation
www.artsandkids.org.uk
 +44 (0)20 7379 9752

HEALTH

The Prince's Foundation for Integrated Health
www.fih.org.uk
 +44 (0)20 3119 3100

THE BUILT ENVIRONMENT

The Prince's Foundation for the Built Environment
www.princes-foundation.org
 +44 (0)20 7613 8500

The Prince's Regeneration Trust
www.princes-regeneration.org
 +44 (0)20 7462 6440

Turquoise Mountain Foundation
www.turquoisemountain.org
 +44 (0)1764 650 888

The Great Steward of Scotland's
 Dumfries House Trust
 (launched in November 2007)

RESPONSIBLE BUSINESS

Business in the Community
www.bitc.org.uk
 +44 (0)870 600 2482

The Prince of Wales's Business
 and the Environment Programme
www.cpi.cam.ac.uk/bep
 +44 (0)1223 342 100

Scottish Business in the Community
www.sbcscot.com
 +44 (0)131 451 1100

The Prince of Wales International
 Business Leaders Forum
www.iblf.org
 +44 (0)20 7467 3600

In Kind Direct
www.inkinddirect.org
 +44 (0)20 7714 3930

Arts & Business
www.AandB.org.uk
 +44 (0)20 7378 8143

THE PRINCE'S SCOTTISH YOUTH BUSINESS TRUST

PRESIDENT HRH THE PRINCE CHARLES, DUKE OF ROTHESAY

HEAD OFFICE

Mark Strudwick CBE, Chief Executive

The Prince's Scottish Youth Business Trust
1st Floor, 15 Exchange Place
Glasgow G1 3AN

tel : 0141 248 4999
email : team@psybt.org.uk

1 : TAYSIDE

Regional Chairman : Bruce Linton
Regional Manager : Catherine Hill
tel : 07917 738 213
email : tayside@psybt.org.uk

2 : PAISLEY & RENFREW

Regional Chairman : Barrie Stobo
Regional Manager : Tony Dorrington
tel : 0141 248 4999
email : paisley@psybt.org.uk

3 : EDINBURGH

Regional Chairman : Calum Osborne
Regional Manager : Brian Baillie
tel : 0131 221 2990
email : edinburgh@psybt.org.uk

4 : FORTH VALLEY

Regional Chairman : John Rae
Regional Manager : Alison Gee
tel : 01324 483 300
email : central@psybt.org.uk

5 : GLASGOW

Regional Chairman : Brian Hunter
Regional Manager : Gillian Stewart
tel : 07917 398 864
email : glasgow@psybt.org.uk

6 : ORKNEY & SHETLAND

Regional Chairman : Bill Fraser MBE
Regional Manager : David Knight
tel : 01463 228 343
email : highland@psybt.org.uk

7 : INVERCLYDE

Regional Chairman : Jack Paton
Regional Manager : Edith Baird
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8 : WEST LOTHIAN

Regional Chairman : Sue Cook
Regional Manager : Malcolm Evans
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email : westlothian@psybt.org.uk

9 : GRAMPIAN

Regional Chairman : David Paton OBE
Regional Manager : Kate Mackie
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10 : LANARKSHIRE

Regional Chairman : John Fairlie
Regional Manager : Alan Murray
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11 : AYRSHIRE

Regional Chairman : David Campbell CBE
Regional Manager : Calum McPhail
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email : ayrshire@psybt.org.uk

12 : FIFE

Regional Chairman : Catherine Erskine
Regional Manager : Fiona Turnbull
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email : fife@psybt.org.uk

13 : DUMFRIES & GALLOWAY

Regional Chairman : Anne Chaudhry
Regional Manager : Christine Brown
tel : 07776 296 094
email : dumfriesandgalloway@psybt.org.uk

14 : DUNBARTONSHIRE

Regional Chairman : Douglas B Jackson
Regional Manager : Pauline Bell
tel : 07917 305 553
email : dunbartonshire@psybt.org.uk

15 : HIGHLAND

Regional Chairman : Bill Fraser MBE
Regional Manager : David Knight
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email : highland@psybt.org.uk

16 : WESTERN ISLES

Regional Chairman : Roddie Mackay
Regional Manager : Jane Campbell
tel : 01851 707 475
email : westernisles@psybt.org.uk

17 : ARGYLL AND ISLANDS

Regional Chairman : Murdo MacLeod
Regional Manager : Kate Fraser
tel : 01546 606 584
email : argyll@psybt.org.uk

18 : BORDERS

Regional Chairman : Peter Leggate
Regional Manager : Geoff Leask
tel : 07774 014 933
email : borders@psybt.org.uk



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