



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

2010





“PSYBT has been there to share the load in many different ways. Our adviser was brilliant, gave us advice and was able to look at our business from a different angle. We are now looking to expand into a new sector; which requires a fair bit of research. PSYBT has been very generous helping us financially to attend a few trade shows and gather really useful information. They are a fantastic organisation and we cannot thank them enough for all of their support.”

CAMERON & STRUAN SMITH
www.coastal-connection.co.uk

“I was delighted to receive a market test grant from PSYBT which was a vital starting point in helping me identify that there was a demand for my marketing and PR services in the west coast of Scotland. What has been even more valuable is the support I have received since day one - fantastic networking opportunities, excellent advice and support and the reassurance that you can do it! Thank you PSYBT for helping me get to where I am today.”

PAULINE FOSTER
www.pureshorespr.co.uk

“Ben Scrimgeour Building Workshop’s first year in business has been exciting, stressful, rewarding and a very steep learning curve, but being a PSYBT-supported business has meant that we have a wise mentor with lots of experience who is always happy to come and see us, helpful advice whenever we need it, and Elevator networking events to inspire us!”

ROSEMARY & BEN SCRIMGEOUR
T: 07801 166784

“I would like to thank PSYBT for all their support and guidance. Quite simply, my business wouldn’t be here without them.”

ASIF ALI
www.palladiumexecutivehire.com

“PSYBT has helped more than I could have imagined; without them I would have never been able to launch my business when I did. Over the past year they have supported me with all aspects of my business from networking, administrative skills and have even gotten me a few orders!”

LESLEY NIEZYNSKI
www.lillywiggler.com

“PSYBT helped us launch our business by offering advice and much-needed funding. We opened T & J Newsagents and have recently received additional Growth Funding to open a second outlet. Without the financial backing of PSYBT we couldn’t have started the business and we are excited about the new shop which we will open late 2010.”

TAMMY RUSH , T & J NEWSAGENTS
t.jnewsagents@yahoo.com

“I have been able to grow my business substantially over a period where our economy experienced major uncertainty. With the consistent support of the PSYBT growth team, I have built a strong company that has created many jobs for the local community as well as a comfortable life for me and my young family.”

MARION LITHGOW
www.a1transportayr.co.uk

“I would like to thank everyone connected to PSYBT for all of their hard work and assistance, without which my idea would have been a non-starter. The support from my aftercare advisor has helped me create a real and sustainable living for myself. I would also like to thank the PSYBT marketing team for their support at the recent Rob Roy Challenge event, which helped me further raise the profile of my business.”

CHRIS MCCLUSKIE
www.redbaguk.com

“I appreciate the help and encouragement so much. I feel very fortunate for all the experiences I’ve had with PSYBT, and to have your support – that’s what’s allowed my business to get off the ground and grow.”

DIANE HOUSTON
www.gildapearl.co.uk

“I can’t speak highly enough of the help from the Trust; not only did they support me with funding, but they gave invaluable assistance in securing my premises. I have a fantastic aftercare adviser who is supportive and enthusiastic and through the bookkeeping training provided by PSYBT, I now feel much more confident about my business management skills. And the local Elevator group is a great way of meeting other young business people and staying motivated. I thought PSYBT was just about funding, but it’s so much more than that - I am very thankful for all the help I’ve had and continue to receive.”

MATTHEW NEVE
www.nevephotography.co.uk

“I approached PSYBT for help and advice to start my hairdressing business. Their guidance and advice has been invaluable in the early stages of my business and I am so grateful that they have helped me achieve my long-term ambition to be self-employed. My future is looking very bright!”

CREE HOLNESS, BEE CREEATIVE
T: 01896 360521

“PSYBT really was one of my main guiding lights when I first started out in business. At the time I felt like I was almost stumbling around in the dark but it wasn’t so scary when I knew I was part of an organisation that offered support and guidance; that helped me make sense of all those new things. Knowing PSYBT was there for me gave me priceless confidence in those first few years.”

AISHA KASIM
www.madamehair.co.uk

“Over the last couple of years PSYBT has been instrumental in giving me the business and personal support that I needed to help me to continue to grow the business. I am delighted that the Accelerator Loan Panel supported my growth plans. It feels good to know that experienced businesspeople see the potential in Dalbeattie Fine Foods.”

ALLAN ELLIOT
www.dalbeattiefinefoods.co.uk

“PSYBT gave me tremendous support not only with funding to get my photography service up and running, but with the guidance of some fantastic and helpful business people in Perth and Kinross. The Trust’s ongoing and practical guidance has made all the difference to me.”

AMY LEES
www.pinkeggphotography.com

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HRH THE PRINCE CHARLES, DUKE OF ROTHESAY

I am delighted that my Scottish Youth Business Trust continues to grow and to meet the ever-increasing demand for the provision of support to young people wishing to start their own businesses, despite the challenges faced over the last two years – the banking crisis, recession and level of indebtedness which have impacted on everyone. While the challenges are greater, there is no doubt that the enthusiasm of the younger generation is as strong as ever and their aspirations to take the route to self-employment are undiminished. As ‘Lenders of Last Resort’, P.S.Y.B.T. reaches out to a wide cross-section of young entrepreneurs. Half of those supported, for example, have faced unemployment for nearly six months and over a quarter live within the bottom 25% of areas as measured by the Scottish Index of Multiple Deprivation. I am most heartened by the determination of these individuals to overcome adversity and turn their dreams of self-employment into reality, and I am indebted to everybody who has contributed to the delivery of my vision of creating more opportunities for those whose challenges are greatest.

I feel I must emphasize a recurring theme which underlines the importance of my Youth Business Trust’s work across Scotland – its achievements in helping so many young people develop the skills and confidence to start their own businesses simply would not be possible without the magnificent support of its volunteers whose commitment in time and energy makes such a fundamental impact on so many young people’s lives. The Scottish business community clearly has a propensity to give something back and it seems to me that the fabric and economy of the country benefits enormously from this.

Year on year, I have emphasized that without the vital backing of the Scottish Government, Scottish Enterprise, Highlands & Islands Enterprise, the European Funding and support from many Corporates, Individuals (including Alumni) and so many Trusts and Foundations, it simply would not be possible for my Scottish Youth Business Trust to deliver so strongly in its accredited niche of helping young people in Scotland to start up and continue in business. As always, my heartfelt thanks is due to you all.

CASE STUDY

FORMER POLICE OFFICER ROBERT KIRKPATRICK FROM GREENOCK, WAS ON A FISHING HOLIDAY WHEN HE HEARD ABOUT THE OPPORTUNITY TO TAKE OVER AND RUN THE ARDGOWAN TROUT FISHERY NEAR LOCH THOM. RECOGNISING IT AS A GOLDEN OPPORTUNITY TO BECOME HIS OWN BOSS, ROBERT STEPPED IN AND ACQUIRED THE BUSINESS.

THAT WAS ALMOST FOUR YEARS AGO AND SINCE THEN, ROBERT (29) HAS GROWN THE 37 ACRE FISHERY INTO A SUCCESSFUL THRIVING OPERATION OFFERING FANTASTIC TROUT FISHING IN A BEAUTIFUL SETTING. HE HAS ALSO OPENED A CAFE THAT IS PROVING POPULAR, NOT ONLY WITH HIS FISHERY CUSTOMERS, BUT ALSO WITH LOCALS, TOURISTS AND THE MANY WALKERS WHO COME TO EXPERIENCE THE NATIONAL HERITAGE WALK THAT RUNS ALONGSIDE THE LOCH.

ARDGOWAN TROUT FISHERIES

Commenting on his achievements to date Robert said, “The key to our success has been customer retention and the quality of the fish in the loch, which means our customers keep coming back and they tell their friends, so word of mouth has been instrumental too. The cafe has also become a major source of business and has really taken off which I’m very pleased about. In 2011 we hope to open a fish farm on the premises so that we can sell our own fish to other fisheries and stock our own loch. Our long-term aim is to supply supermarkets and other retail outlets.

www.ardgowanfishery.co.uk

“It certainly hasn’t been an easy ride; we’ve had to deal with vandalism and theft issues which are very challenging, but I have no regrets. PSYBT has been great. I think their value comes not only from the funding they give to new businesses, but also from the advice and aftercare services they provide. My own business adviser has been amazing, going far beyond what I expected and helping me much more than he needed to. He has helped me every step of the way and I have found it invaluable to have that kind of support. The networking opportunities that you can take advantage of through PSYBT are great as well. Having the opportunity to meet other self-employed business people who are going through the same experiences as you can really help. I was delighted last year to win the regional business award for Inverclyde. It has been a great boost and definitely helpful in terms of advertising and promoting my business, both locally and nationally.”

REGION INVERCLYDE

- / £38,861 WAS INVESTED IN INVERCLYDE REGION IN LOANS & GRANTS FROM JULY 2009 TO JUNE 2010
- / 20 YOUNG PEOPLE STARTED 19 BUSINESSES IN THE SAME PERIOD
- / 33 VOLUNTEERS SUPPORT THE YOUNG BUSINESSES



CASE STUDY

MUSICIANS AND FRIENDS GILLIAN FLEETWOOD (27) AND FRAYA THOMSEN (28) FORMED THEIR BAND, THE DUPLETS, IN 2005. A SCOTTISH HARP AND SONG DUO, THE DUPLETS MAKE MUSIC WHICH BRINGS TOGETHER TRADITION AND THEIR VISION OF CONTEMPORARY HARP MUSIC.

Having known each other for over ten years, Gillian who is from Inverness, and Fraya from Arisaig, had always enjoyed playing music together in their spare time, taking inspiration from each other's composition and arrangements. However after being invited to perform together at the Edinburgh International Harp Festival in 2005, the overwhelming reaction from the audience gave the girls the incentive to take the music out to more audiences and officially perform as The Duplets. It was at this stage that they first approached PSYBT for help to fund their first album in order to use it as a promotional tool.

"PSYBT has been critical in helping us launch our band and create our business," commented the girls. "When we first started to look at ways to fund ourselves and came across PSYBT we had no idea quite how much they would be able to support us."

Our mentors opened our eyes to a completely different perspective on what we were working on. We had never considered writing a business plan to give us direction but that is what we were encouraged to do. At the very beginning our incentive was not to be business partners as such, but we soon realised that the influence that our experience with PSYBT was having on us was invaluable. It forced us to think of our music as a money-making product that would make us a full-time living in the future rather than an enjoyable hobby which just happened to sometimes pay. One thing that PSYBT really taught us was to value our skills."

We have received so much help from PSYBT – from a personal business adviser who helped us understand accounting and supported us to gain sponsorship of our album launch, through to helping us with on-going marketing support by organising photoshoots and helping us with

press releases. The support we have received seems to go way beyond the call of duty and it has been great to be invited into the family of such a proactive, genuine organisation."

The Duplets are now focusing on developing their business to gain a wider reputation and to play worldwide through international harp festivals. This is paying off as they now have concerts coming up in Amsterdam, Belgium and Germany. Next year, the duo will be attending the North American Folk Alliance in Memphis with the hope of engaging a North American agent to raise their profile and organise more tours in that part of the world.

REGION HIGHLAND

/ £43,500 WAS INVESTED IN HIGHLAND REGION IN LOANS & GRANTS FROM JULY 2009 TO JUNE 2010

/ 22 YOUNG PEOPLE STARTED 19 BUSINESSES IN THE SAME PERIOD

/ 50 VOLUNTEERS SUPPORT THE YOUNG BUSINESSES

www.theduplets.com

The DUPLETS

LAST YEAR DONATIONS FROM CHARITABLE TRUSTS AND FOUNDATIONS EXCEEDED £260,000 WHICH SUPPORTED THE SPECTRUM OF OUR WORK FROM MARKET TEST GRANTS THROUGH TO GROWTH FUNDING.

THE IMPORTANCE OF THIS SUPPORT CANNOT BE UNDER-ESTIMATED AND IS HUGEY APPRECIATED.



NEW PARK EDUCATIONAL TRUST

Delivering tailored support and guidance that 'wraps around' the loans and grants we provide is at the heart of what PSYBT does. The mix of public and private sector donations received to keep these services going is essential.

Thanks to the New Park Educational Trust we have been able to expand our established Elevator networking clubs for young entrepreneurs into Fife and Tayside, providing local informal training and advice on pertinent business issues.

Catherine Ward, PSYBT Regional Manager for Tayside, is delighted to have the club in her region and added, *"the general consensus is that Tayside really needed this even though a few people also attend the Fife and Edinburgh Elevator events. The combination of sharing business information in a relaxed environment is a winning one."*

SUPPORT FOR
PSYBT



Competitors, volunteers and staff celebrate

THE MARTIN CURRIE ROB ROY CHALLENGE

As one of the beneficiary charities selected for this inspiring annual event, we were delighted this year that so many PSYBT staff and volunteers decided to not only give their time at the event as stewards but also to compete. They raised a five figure sum through their efforts. The smiles given by our youngest volunteer, six month old Rosie Logan, helped our team as they crossed the line. Huge congratulations to Martin Ferry, a member of PSYBT's head office team, who won the entire event this year in record time.

The Martin Currie Rob Roy Challenge is one of the Scotland's most prestigious fundraising challenge events and we could not be more grateful to the company and their staff for their on-going support and encouragement of our work.



WOOD FAMILY TRUST

A few years ago PSYBT set an ambitious objective to radically overhaul our IT systems. Our vision was to establish an integrated system that would add value, improve our productivity and efficiency, to the way we communicate with and support our clients, volunteers and partners and enhance our ability to effectively report on the impact of our work to both existing and potential supporters.

During the last year we achieved many important milestones with most of the planned developments now in place. An example of the important impact that these changes have had can be demonstrated through the interactive PSYBT Business Directory, accessible from the PSYBT website, where businesses are now able to inter-trade and network among themselves.

We are indebted to the Wood Family Trust and to Microsoft Scotland without whom all the IT developments would not have happened.



THE CORPORATE SUPPORT SCHEME – PSYBT ALUMNI

Many of the young people who started their businesses with help from PSYBT have a strong desire to donate back to the charity once their businesses are well established. We are overwhelmingly grateful that this scheme is gaining momentum year on year. More young entrepreneurs are choosing to re-invest their valuable skills and indeed their funds to assist with PSYBT's vitally important funding and mentoring package for young people at the start of their business career.

One such Alumni supporter is Christian Arno from Lingo24. Not only did he give his time as a guest speaker at our Growth Fund Awards in 2009, he is also a regular contributor to our Revolving Loan Fund. Christian has built a successful worldwide translation business based initially from his home in Aberdeen and now with staff located in countries including New Zealand, France, China and Romania.

www.lingo24.com



Christian Arno inspires with his story



Enjoying the networking

EDINBURGH ELEVATOR & HSBC

We were delighted to welcome HSBC as the proud sponsors of our Edinburgh Elevator networking club throughout the year. Their support and encouragement allowed us to bring together dozens of our supported businesses to network with each other, hear from some truly inspiring speakers and in some cases trade with each other. The club takes place once a month in Why Not nightclub and gives young people an opportunity to meet other young business people in an informal setting. Our relationship with HSBC is flourishing and we look forward to welcoming more of their staff coming on board as volunteers. The bank's outstanding support of our work with young entrepreneurs is inspirational.

"We must continue to do all we can to promote the idea that self-employment is absolutely achievable for those with the grit and determination to succeed. The young people who take this route via PSYBT are in the best possible hands; the encouragement of enterprise and entrepreneurship is at the core of Scotland's future success and PSYBT is a key player in this field."

CRAWFORD GILLIES
CHAIRMAN,
SCOTTISH ENTERPRISE



Crawford Gillies

SCOTTISH ENTERPRISE

PSYBT are extremely grateful to Scottish Enterprise for their on-going support and enthusiasm for our work. The growing business arena is a key component of our work and our ability to nurture and develop businesses with real growth potential is critical to the Scottish economy.

BUSINESS GATEWAY

We are very fortunate indeed to work so closely with the Business Gateway network across Scotland. This strategic partnership enables our clients to access complementary training and business support which is critical to the young people we assist in both the pre-start and post-start stages.



CASE STUDY FATHER OF TWO RYAN DEVANEY (29), FROM COWDENBEATH SET UP HIS EXOTIC PETSHOP, SERPENTUS EXOTICS, OVER THREE YEARS AGO AND THE BUSINESS IS GOING SO WELL HE IS NOW LOOKING FOR NEW LOCATIONS TO OPEN OTHER SHOPS AROUND SCOTLAND.

After a career spent in herpetology, it was the desire to make decisions for himself and the ability to instil good husbandry and care practices for the animals he loves that led him to open his first shop in Dunfermline.

Serpentus Exotics is an exotic petshop providing captive-bred reptiles from snakes and lizards to amphibians, arachnids, tortoises, and insects, as well as all the items of care that go with them, including live and frozen foods. The business is run by Ryan (29) and his wife Nickie who both juggle their successful business with looking after their 18 month old twin boys.

Ryan says, “I have basically been fascinated with all things scaly such as snakes and lizards since I was a young boy. When I left school I knew I wanted to work with reptiles and amphibians and so followed a career that took me from being a curator at the Edinburgh Insect and Butterfly World to managing other specialist shops in Scotland, before deciding that I wanted to own my own business. Having the freedom to make my own decisions and run a successful exotic animals shop, as well as being able to offer customers the best advice and opportunities to look after and care for their reptiles has always been very important to me.

PSYBT was a great help in those early days, not just in terms of providing the essential funding that helped me set up the business, but because when it comes down to it I was an animal man skilled to care for and look after these wonderful reptiles. I wasn't a business man, so it was a massive bonus to have the support of PSYBT to provide help and advice on how to run and manage a successful business. When I first started I knew nothing about accountancy, advertising or bookkeeping but I have been able to gain these essential business skills through PSYBT's support, courses, and general information and assistance, which as an organisation they are always happy and able to provide.

Serpentus Exotics is going phenomenally well; we have established an excellent reputation built on our hard work, specialist knowledge and the effort we make in looking after our animals and our customers. Thankfully, the business has been in profit basically from the word go. As well as Nickie and myself, we now have a full-time manager and we are also hoping to make our three additional volunteer workers fully paid part-time staff. Later this year we are also hoping to replicate our success in Dunfermline with the opening of a second shop in another location.”

SERPENTUS EXOTICS

REGION FIFE

/ £60,733 WAS
INVESTED IN FIFE
REGION IN LOANS
& GRANTS FROM
JULY 2009 TO
JUNE 2010

/ 33 YOUNG
PEOPLE STARTED
31 BUSINESSES IN
THE SAME PERIOD

/ 36 VOLUNTEERS
SUPPORT THE
YOUNG BUSINESSES

CASE STUDY

PETER STEWART (41) WAS ONE OF THE VERY FIRST BUSINESSES SUPPORTED IN SCOTLAND BY PSYBT BACK IN 1989 WHEN HE FIRST SET UP TRADSTOCKS. SINCE THOSE EARLY DAYS, TRADSTOCKS HAS GONE ON TO BECOME ONE OF SCOTLAND'S LEADING SUPPLIERS OF NATURAL STONE FOR CONSTRUCTION AND LANDSCAPING. TRADSTOCKS LTD NOW EMPLOYS NEARLY 40 PEOPLE INCLUDING A TEAM OF HIGHLY-SKILLED STONEMASONS, AS WELL AS OPERATING THEIR OWN DELIVERY FLEET, AN OFFICE AND SHOWROOM NEAR STIRLING, AND A SECOND MASONRY YARD OUTSIDE EDINBURGH. THE COMPANY ALSO WORKS WITH A VARIETY OF STONE FROM 12 BRITISH QUARRIES.

REGION FORTH VALLEY

/ £64,745 WAS INVESTED IN FORTH VALLEY REGION IN LOANS AND GRANTS FROM JULY 2009 TO JUNE 2010

/ 37 YOUNG PEOPLE STARTED 33 BUSINESSES IN THE SAME PERIOD

/ 31 VOLUNTEERS SUPPORT THE YOUNG BUSINESSES

Originally from Stirling, Peter first set up Tradstocks after leaving agricultural college, deciding that he wanted to work for himself and set up a business as a stone supplier/plant contractor. The family farm proved a useful base to operate the business at the beginning and because there was a small quarry on the site, Peter was able to establish the business relatively quickly. Since then, Tradstocks has grown significantly to become Scotland's largest natural building stone supplier in terms of processing equipment and product range. In recent years, Tradstocks has successfully reopened a historic sandstone quarry near the Forth bridges and is currently in the process of establishing further sources of indigenous natural building stone.

Over the course of the coming year, Peter is hoping to commence construction of a new potentially nationally significant, natural stone resource centre on a prominent site a stone's throw from Stirling Castle, as well as securing planning consent for a large stone production facility/factory on the same site.

www.tradstocks.com

Peter added *"The business has grown and changed in ways that I could never have predicted in the early days. We are fortunate that in Scotland we have some of the most beautiful natural building stones in the world and a significant built heritage to maintain. The business has grown in such a way because of our determination to provide a fantastic service to our customers that has really helped us over the years. Lots of word of mouth recommendations have come our way and the importance of building good business relationships has been crucial."*

When I first had the idea for Tradstocks, I knew that I needed some extra capital to invest in machinery and PSYBT gave me a loan of £5,000, which I used to invest in my first excavator. PSYBT were a new organisation themselves in those days but it was great that they had faith in me and supported me with the loan. I got advice with my business plan and a volunteer who kept an eye on me for the first few years. I think the way PSYBT has grown and evolved itself as a charity has been fantastic. The new products and services they have developed to help young entrepreneurs are really innovative and I can understand why many businesses supported by the Trust years ago are now coming back to offer their services as volunteers or donating cash. Scotland needs young businesses; it is as simple as that!"

TRADSTOCKS





THE PSYBT BUSINESS AWARDS

What better way to end our 20th Anniversary year than to celebrate the outstanding achievements of some of our most successful young people? We were delighted that many of our supporters also agreed with us and we could not be more grateful to them for their sponsorship of our regional awards.

After a very rigorous selection and judging process our overall winners were selected, for not only their outstanding musical talent, but their ability to separate their business into several highly profitable sectors.

Skerryvore has toured tirelessly across the world and have gained an international reputation. A recent reviewer said of them, *“Six of the best musical ambassadors Scotland could ever have, a living, breathing, 12-legged party waiting to happen!”*

Keynote speaker on the night was PSYBT Board Member and supporter Sir Tom Hunter. In his highly inspirational and informative speech he said, *“Young people are instrumental in leading the way to a healthier economic future for Scotland.”*



Long-term supporters BT Scotland, have provided funding to PSYBT which has enabled 146 young businesses to set up their enterprises and make full use of e-commerce opportunities. Every year PSYBT and BT Scotland also reward a selection of businesses for having the best website, best e-commerce offering and most environmentally responsible business practices.

THE BT SCOTLAND YOUNG E-NTPRENEURS AWARDS

This year's most visionary business and overall winner was Sew Vintage, run by Gourock-based Gillian Parker. She launched her business in 2009, spotting a gap in the market for stylish and quirky clothing using vintage fabrics and textiles.

www.sewvintage.co.uk

Other prize-winners were Lucy MGNigle of Glasgow, whose eco-friendly cleaning service was launched in 2008.

www.mrsmagoo.co.uk

Greg Allison from Edinburgh had his business recognised by scooping the Best e-commerce award for his user-friendly motoring services website.

www.garages4you.com

All things bright and sparkly can be found on the website of Lauren Anderson, a Glasgow based designer with a great eye for attractive jewellery.

www.sparklecandy.co.uk



2009 PSYBT/MOFFAT CHARITABLE TRUST AWARDS

For the third year running the Moffat Awards are proving a wonderful vehicle to recognise the achievements of some of PSYBT's young tourism businesses. These awards provide unique opportunities for young people to network and raise their profile in a highly competitive and risky sector but one that is vital to Scotland's economy. Jamie Moffat of The Moffat Charitable Trust commented on the winners, *“they have the imagination, ambition and drive to succeed; they are a credit to the tourism industry in Scotland.”*

Recognised for their outstanding economic and community impact, the St Andrews Golf Experience were delighted by their prize. Scooping the prize for best customer care were Blown Away, specialists in land and surf activities. No stranger to winning business awards, the Foodie Company Ltd of Edinburgh picked up the award for growth and development.

www.standrewsgolfexperience.com

www.blowawaylandyachts.co.uk

www.foodieboxes.com



INSTITUTE OF DIRECTORS SCOTLAND

David Hamilton of Dundee based Digital Goldfish scooped the PSYBT category award this year. The company's best known digital game is Bloons, selected recently by Apple as their top iPhone game. David and his business partner, Barrie Petrie, are fantastic examples of tenacity and determination to succeed. The judging panel were very impressed by their achievements and their vision for the future of their business. This partnership with IoD Scotland provides unbeatable opportunities for young business owners to network and meet fellow entrepreneurs.

www.digital-goldfish.com



PYBI ACCREDITATION

March 2010 saw PSYBT confirmed with renewed accredited status within the Prince's Youth Business International (YBI) network. This involved us being independently assessed to determine our compliance with the minimum standards and core operating principles of the PYBI network. This accredited status in PYBI is an indicator of performance capability, efficiency and sustainability. This enables partners like PSYBT to demonstrate their effectiveness in helping young people who want to start up and continue in business.



PYBI partner organisations discussing strategy



Sarah with some of her mouth-watering products

GLOBALSCOT

The 2009 GlobalScot conference attracted 106 GlobalScots from all over the world and 233 representatives from Scottish companies. PSYBT was delighted that two of our supported businesses, AudioChi and Lat56, were able to attend and exhibit at this prestigious event. Set up in 2001, GlobalScot are committed to advancing Scotland's economic success by further developing existing relationships and sharing business goals. There was an impressive range of speakers to be inspired by and workshops to develop ideas for growing business. PSYBT is delighted to be forging ever closer links with this powerful network.

www.audiochi.com

www.lat56.com

MARKET TEST GRANTS

PSYBT launched these small but essential grants to help young people carry out research and gather information about their business idea before fully committing to starting to trade. This grant has proven to be invaluable to hundreds of young people who are looking to set up on a smaller scale. Indeed, 37% of those provided with market test grants progressed to setting up their own business without a need for further funding. A significant number also used the information and insight the grant helped them collect to launch on a larger scale. Sarah Finlay of Miss Coco did just that; eight months after testing her market, she received additional PSYBT funding support and now her business is progressing better than she ever hoped for; and her products are absolutely delicious!

INSPIRATION & ACHIEVEMENTS



"PSYBT is helping to bring One Measure Solutions' wet stock management tools for licensed premises to market through their valuable advice and funding. Through the Innovation Fund, One Measure Solutions will be able to complete research and development of our initial product, and begin trading in 2011. With the guidance and support of PSYBT, One Measure Solutions is making the transition of good idea to good business."

BRENDAN CORKERY
DIRECTOR,
ONE MEASURE SOLUTIONS

Since launching the Growth Fund in 2002 we have provided £2.19 million and helped 171 businesses to grow. This year we supported 23 businesses with funding of £219,500. This generated leverage of £323,316 and the businesses planned to more than double their turnover in the 12 months following investment with the recipients projecting an increase of £1.65 million in sales. 47 jobs were created, the highest number since the first year of the Fund in 2002/2003.

In September 2009 we launched a pilot Innovation Fund which is aimed at aspiring young innovator entrepreneurs who have an early-stage business idea, but lack the resources and expertise to develop and harness the commercial potential of their concept or product. We attracted 10 applications for funding and awarded three loans and four market test grants. The pilot will be evaluated in 2012 and early indications are very positive.

This year we also celebrated the outstanding talents of four businesses at our Annual Growth Fund Awards. All of these companies have demonstrated tenacity, creativity and determination in developing their business. David Hamilton and Barry Petrie of Digital Goldfish have developed products for the iPhone that have won worldwide acclaim. Ross Cowan and Stephen Spence of residential lettings agency Lomond Property saw business boom during the economic downturn. Safehinge, run by Martin Izod and Philip Ross, has developed an innovative door hinge which achieves finger safety by integrating components with the door which allow it to pivot without creating a gap at the hinge. Their product is now used in schools, hospitals and retail and leisure companies throughout the UK. Industrial rope access specialists Geckotech led by Stephen Pearson received plaudits for the company's outstanding business growth and the development of an innovative tension netting system.

Guest speaker Christian Arno of PSYBT-supported worldwide translation business Lingo 24 inspired the audience with his story of building his business internationally. We were also joined by PSYBT Board Member Michelle Mone OBE of PSYBT-supported MJM International who provided an entertaining insight into the on-going challenges of building a worldwide brand before presenting the Awards to the young winners.

We were delighted that the evening was sponsored by supporters The Entrepreneurial Exchange. Their on-going encouragement and advice to PSYBT is greatly valued.

www.safehinge.com

www.lomondproperty.co.uk

www.geckotech.co.uk

www.digitalgoldfish.co.uk

GROWTH & INNOVATION FUNDS



THE YOUNG SCOT AWARDS

At PSYBT we encourage and support young people to enter awards and competitions. Not only does the process encourage a review of what is still to be achieved, it helps to demonstrate the journey travelled so far. Often the increased media profile and, in some cases, prize money, can make a huge difference to a young business. We were therefore delighted that Niall Grant of Recruitwork scooped the Young Scot Award for Entrepreneurship in May 2010. This inspiring young man has achieved so much and is still only 19!

www.recruitwork.co.uk

UK CHINA 400

We were delighted to be invited by the British Council to brief a group of young leaders of the future from China as part of the UK China 400 Programme. These young people are employed in some of the most successful organisations in China and were eager to develop new skills to continue to drive forward the opportunities for young people in their own country. The group were particularly interested to hear about the work of PSYBT and the achievements of the many young people we work with.



ASIAN BUSINESS AWARDS/YSMEA

Once again we were delighted to support the Young Scottish Ethnic Minority Awards and the Asian Business Awards. This means many of our clients from a wide variety of backgrounds had the opportunity to have their personal and business achievements recognised. Both events were highly colourful and very enjoyable evenings with a lot of networking into the wee small hours!



Eunice Olumide meets
Scotland's First Minister
Alex Salmond MSP

GLOBAL IMPACT

PSYBT-supported businesses continue to make their mark on the global stage. We were delighted to have two businesses in the top 13 of the Youth Business International Awards in 2009 – Safehinge and Pure IT Recycling Ltd. Safehinge went on to win the Innovation category. Past winners of our Business Awards, Brewdog in 2008 and Skerryvore in 2009, also continue to extend their impact and outreach across the world. The top 60 businesses supported by PSYBT since our launch some 21 years ago each have an annual turnover well in excess of £1million per annum; so the collective impact of PSYBT at home and abroad is immense.

www.safehinge.com

www.brewdog.com

www.skerryvore.com

www.pureitrecycling.co.uk



PYBI Chairman Sir Malcolm Williamson
presents Safehinge with their award

IMPACT AND INFLUENCE

MICROSOFT SCOTLAND

Over the past five years Microsoft Scotland has supported PSYBT in many valuable ways. In March they delivered a seminar on business leadership to PSYBT-supported entrepreneurs. The audience was addressed by Bob McDowell, Vice President for Information Worker Business Value at Microsoft Corporation, who gave a unique insight into the success of a global business.

The evening took place in Microsoft's showcase offices in Edinburgh with representatives from PSYBT companies across a range of sectors together with several PSYBT volunteers. Bob stressed the need for everyone involved in the business to have a good understanding of financial management and a focus on the profit and loss account.

Ross McKinnon, owner of tourism-based business Amazing Days Scotland, said *"I was surprised to find this so valuable; not only did Bob have a very interesting story, but many of his observations and insights were very relevant to where I am with my own business. It was an inspiring and thought-provoking session. Please put my name down for anything else like this!"*

Microsoft



THE ROYAL BANK OF SCOTLAND

The Royal Bank of Scotland's support over many years has enabled PSYBT to reach out and serve the needs of some of the most vulnerable young people in society. This year, RBS has helped us to improve the pre-start and mentor support to our most disadvantaged young entrepreneurs by funding an Aftercare Support Grant. This was introduced to encourage young people to fully engage and benefit from business mentoring.

The RBS community investment department also commissioned a film from students of Stirling University's Film and Media department. This inspiring movie helps to promote our partnership and the role of Business Banking, it also features PSYBT Ambassador Ryan Longmuir, of Regis Banqueting. It can be viewed on the RBS community website and is a great promotional tool for PSYBT.

47 RBS group employees across the country provided approximately 940 hours of direct support to our young entrepreneurs this year, as volunteer panel members or aftercare advisers, both during and outside of their working week to attend events, read over business plans, and prepare for meetings with young businesses.



Far Left: Bob McDowell,
Vice President for Information
Worker Business Value
at Microsoft Corporation;

Left: Rachel Elliot Glassworks
benefitted
from the RBS support

CORPORATE SUPPORT



*PSYBT - supported
artist Jonny Shaw discusses
his work with Alex Neil MSP*

THE ALLOA ART SHOW

PSYBT were delighted to help mark the final chapter in the highly creative Imagine Alloa town centre project. An event organised by ACE Recycling Group saw dozens of young artists from all over Scotland and supported by PSYBT exhibit their work in a converted town centre shop in the heart of Alloa. With items priced from £30 to £1,500, there was art for every taste and budget. Chairman of ACE Recycling the Rt Hon George Reid commented at the opening of the show, “PSYBT recognise that creative industries are vitally important to Scotland. We have a fantastic history of leading the field in the arts here in Scotland. This is a true showcase event.”

www.jonnyshaw.co.uk

COCKTAILS AND CUPCAKES

Often our volunteers come up with great ideas to help develop our network of contacts and to raise our profile within the business community. This extra push is so valuable not only to the charity but the young people we help. When one of our Growth Fund volunteers suggested hosting a ‘Cocktails and Cupcakes’ event in her company offices, we jumped at the opportunity. Karen Thornton, of Haines Watts Chartered Accountants, has been a fantastic supporter for many years and she brought together almost 50 guests to hear about our work, meet some of the supported businesses and to enjoy some delicious cupcakes and rather strong cocktails! Opportunities like this are an enjoyable and very beneficial way to help spread the word.

ANNUAL GATHERINGS

Every year each of PSYBT’s 18 regions hosts an event to brief their volunteers and local business networks about the developments at PSYBT in the last 12 months, to report on progress and to thank everyone for their much valued on-going support. We were particularly delighted this year that many of these events were hosted by PSYBT-supported businesses in their own premises. This was an excellent way to celebrate our work and give the businesses an opportunity to showcase their products and services. For many of our supporters and volunteers, the gatherings really brought to life how much of an impact their support really makes to young people in their region. In Dumfries and Galloway one of our newest young entrepreneurs not only hosted the event but used it to launch her business. Jill Parker demonstrated some of her jewellery-making techniques and sold her products on the day in her lovely converted farm building.

www.jillsjewellery.co.uk



*Karen Thorton raises
a glass to PSYBT-supported entrepreneurs*



Jill works on her jewellery

EXTENDING OUR NETWORK

THE ROYAL HIGHLAND SHOW THE PRESIDENT’S INITIATIVE

In June 2010 we were delighted to accept an invitation from the President of the show to take part in this inspiring annual event. It was a wonderful opportunity to highlight some of the careers that have been taken up by young people living in rural communities. With six PSYBT-supported businesses from as far north as Orkney and as far south as Newton Stewart, we had a magnificent four days speaking with thousands of young people and their parents about self-employment and what living and working in rural communities and industries means to the wider Scottish economy. In addition to the six businesses we were ably supported by a small army of our volunteers and staff whose help was invaluable.



SANTA STEPS IN TO HELP SCOTS ENTREPRENEURS

Santa offered up some extra space in his grotto at St John’s Shopping Centre to give young businesses a unique taste of retail’s busiest sales period in the year. Not only did the businesses benefit from extra sales; they also donated 20% of their takings back to PSYBT. With the grotto open for six weeks before Christmas, the response from PSYBT-funded businesses from all over Scotland was overwhelming. Ten lucky entrepreneurs gained the opportunity to showcase and sell their products in the grotto shop.

Siobhan McConnell, St John’s Shopping Centre manager commented, “*Santa was more than happy to give up some space in his grotto to enable young, enthusiastic people the opportunity to expand their business and even more delighted to hear that each and every business involved also gave something valuable back to PSYBT, which will assist other young people in the future.*”



*Alastair Byres, a Tayside volunteer, and Siobhan McConnell
join Santa and PSYBT-supported businesses Blown Away,
Gemma Design and Glass by Kathryn*



Alba the dog joins some of the businesses, volunteers and staff



Charan Gill MBE shares some wisdom

HOT TIPS!

At PSYBT the opportunity to introduce successful business leaders to our client group is a critical part of the aftercare support that we provide. Long-standing PSYBT Ambassador Charan Gill MBE threw open the doors of his latest venture Slumdog Bar & Restaurant to entertain and inspire 70 young business people. Over a curry and a beer he regaled the crowd in a humorous and very informative way. It was an ideal networking event and many of those attending took inspiration from Charan’s presentation.

PSYBT DONORS AND SUPPORTERS 2009/2010

FOR THE YEAR ENDED 30 JUNE 2010 (A COMPANY LIMITED BY GUARANTEE)

COMPANIES

Abbey Business Centres	Graham's Dairies	Paul's Quality Butchers*	Why Not Nightclub
Aircraft Medical*	Granny Jackson's	Plexus	Wild West Foods (UK) Ltd*
Anderson Anderson & Brown	HSBC	Powerdoors *	William Grant & Sons Ltd
Art Hire*	Innovate	PricewaterhouseCoopers LLP	
Babcock	The International Summer	Randox Laboratories Ltd	AMBASSADORS
Baillie Gifford & Co.	School of Scotland *	Real Radio	
Balmoral Group Holdings Ltd	James Sim Limited	Regis Banqueting Ltd*	Azeem Abraham
BKM Atlantik	Jamieson & Carry	The Royal Bank of Scotland plc	Fraser Doherty*
Blown Away*	Joanna Hunter Knitwear*	Rutterford Limited	Richard Emanuel MBE
British Polythene Industries plc	John MacIver & Sons Ltd*	St Andrews Experience *	Julie Fowlis*
BT Scotland	Johnstons of Elgin	Scotbeef Limited	Charan Gill MBE
Buccleuch Group	Joup Ltd *	Scottish & Universal Newspapers Ltd	Chris van der Kuyl*
Building Design Partnership	Kildonan Associates Ltd	Scottish Borders Manufacturers Corporation	Ryan Longmuir*
Caledonian Gifts*	KKI Associates	Scottish Equity Partners	Viv Lumsden
Claverhouse Training	Kshocolat*	The Scotsman	Fred MacAulay
Clean Machine (Highland) Ltd	Lauren Crawford*	Semple Fraser	Stuart Macdonald*
Component Sense *	Leighton Printing Co	Seric Systems *	Oli Norman*
D8*	Liggy's Cakes*	Silberline Limited	Judith Thorpe*
Dada *	Lingo24*	The Solution Works*	Caspian Woods*
Deloitte	Lloyds TSB Scotland	Sparklecandy*	
EnergySolutions	Mackie's	State Street	
Envirosan*	Mackintosh of Glendaveny*	Stoats Oats*	
FirstPoint USA *	Macroberts LLP	Storehouse of Foulis	
Fleurtations *	Malcolm Cochrane Photography*	Thomas Tunnock Limited	
The Foodie Company*	Microsoft Scotland	Thorpe Molloy Recruitment Ltd*	
GA Engineering (Scotland) Ltd*	MJM International Ltd*	Tiro Ltd*	
Genesis Properties (Scotland) Ltd *	Mo-Lawn Ltd*	Tulloch Homes Group Limited	
Genna Delaney*	Natasha Marshall Ltd*	UK Steel Enterprise Ltd	
Gillian Kyle*	National Semiconductor (UK) Ltd	Volpa Limited	
Graham Muir Pianos*	National Trust Scotland		

*PSYBT-supported businesses

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 on the lives of the young people who ask for our help.

Thank you.

PSYBT DONORS AND SUPPORTERS 2009/2010

FOR THE YEAR ENDED 30 JUNE 2010 (A COMPANY LIMITED BY GUARANTEE)

TRUSTS & FOUNDATIONS

Miss Agnes H Hunter's Trust	Sir Iain Stewart Foundation
Alexander Moncur Trust	Wood Family Trust
AM Pilkington's Charitable Trust	
Barcapel Foundation	INDIVIDUALS
The AMW Charitable Trust	
The Andrew Salvesen Charitable Trust	Pauline Bell
The Binks Trust	Kenneth Blackwood*
The Cranfield Trust	Rev Canon Philip Crosfield OBE
The Cray Trust	Malcolm Evans
The Dulverton Trust	Alexander S Frew*
The Gannochy Trust	Jamie Gardner*
Harper Gow Family Trust	Margaret Gibson
HDH Wills Charitable Trust	John Glen
The Hugh Fraser Foundation	Gavin Hands
Hugh and Mary Miller Bequest Fund	Rebecca Logan
The John Connor Trust	Elizabeth Millar
John Mather Charitable Trust	Jim Reid
The MacRobert Trust	Karen Reid
The Martin Connell Charitable Trust	Ian Richie
Martin Currie Charitable Foundation	Susan Robinson
The Moffat Charitable Trust	Jamie Ross
Miss GM Pattullo Advancement Award Scheme	Robbie Sharp
MV Hillhouse Trust	Jacqui Steele *
Northwood Charitable Trust	Sara Stevenson
New Park Educational Trust	Mark Strudwick CBE
The PF Charitable Trust	Alison Taylor
The Robertson Trust	Erin Westphaul
The Ronald Miller Foundation	Mike Wheatley
The Russell Trust	R Wylie

ORGANISATIONS

Aberdeenshire Council	Highlands & Islands Enterprise
Alba Smart Thinking	Inverclyde Council
Angus Council	Lanarkshire Enterprise Services
Business Gateway	North Ayrshire Council
Capital City Partnership	North Lanarkshire Council
City of Edinburgh Council	Orkney Islands Council
Clydebank Council	Perthshire Chamber of Commerce
Comhairle Nan Eilean Siar	Professional Footballers Association Scotland
Crail Golfing Society	Renfrewshire Council
Crisis	Scottish Borders Council
Dundee & Perth Polo Club	Scottish Enterprise
Dumfries & Galloway Council	Scottish Government
Dunbartonshire Chamber of Commerce	Shell LiveWIRE
East Ayrshire Council	Soroptimist Club Grampian
East Dunbartonshire Council	South Ayrshire Council
Edinburgh Chamber of Commerce	South Lanarkshire Council
Enterprise North East Trust	VisitScotland
Entrepreneurial Exchange	West Lothian Chamber of Commerce
European Investment Fund	West Lothian Council
European Regional Development Fund	
Everyclick	
Falkirk Council	
Federation of Small Businesses	
Fife Council	
Forth Valley Business Gateway	
Glasgow City Council	
GO Group	
Highland Council	
Highland Opportunity Ltd	



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.





PSYBT VOLUNTEERS 2009/2010

FOR THE YEAR ENDED 30 JUNE 2010 [A COMPANY LIMITED BY GUARANTEE]

Lynn Abril	Jean Blair	Ryan Carlton	Marie Donnelly	Angela Geddes	Jeff Horner	Michael Levack
Jai Adami	Iain Bolland	Helen Carmichael	Tony Donnelly	Erica Geddes	Jim Hossack	Dr George Lindsay
George Aitken	Andrew Bonar	Michael Carmichael	Tony Dorrington	Emilio Giannini	Margaret Houston	Paula Lindsay
Margaret Aitken	Ian Bond	Michael Carry	Jim Dott	Paul Gilfillan	Mark Houston	Julia Linstead
Chris Ajayi	Angela Booth	Sally Cartwright MBE	Tony Douglas	Moiria Gillespie	Richard Howard	Bruce Linton
Charles Alexander	Alex Borthwick	Edward Chance	Pauline Dow	Anne-Marie Gillon	Stanley Howard	Kerr Livingston
Gordon Allan	Alistair Borthwick	Anne Chaudhry	John Downie	Mike Gilmour	Judith Howson	Ian Livingstone
Graeme Allan	Dr Iain Borthwick	Martin Cherry	Lorraine Downs	Bob Giulianotti	Steve Hudson	Doreen Lloyd
Margaret Allan	Carl Bow	Alison Chisholm	James Dracup	Alison Glass	David Hughes	Jo Lloyd
Scott Allison	Sue Bowman	Fiona Chisholm	Susan Drummond	Simon Glover	Brian Hunter	Harry Locherty
Mario Alonzi	Iain Boyd	Anne Clark	John Drysdale	Ken Goodwin	Eric Hunter	Tony Lodge
Bob Anderson	Nicholas Boyd	Iain Claxton	Wendy Duckett	Finlay Gorman	Gordon Hunter	Gary Logan
David Anderson	Emma Brayshaw	Dr Richard Clifford	Fiona Duddy	Iain Graham	Neil Hunter	Ken Logan
Gail Anderson	John Breckenridge	Roy Clunie	Fiona Duncan	Jim Graham	Paul Hunter	Tom Logan
Jock Anderson	Mairi Bremner	Brian Connolly	Michael Duncan	Brian Connolly	Richard Hunter	Ryan Longmuir
John Anderson	David Brice	Ben Cook	Susan Duncan-Millar	Andrew Grant	Sir Tom Hunter	Lucas Loniewski
Maggie Anderson	Hazel Brodie	Sue Cook	Sandy Dunlop	Florence Grant	Tricia Hunter	Detlef Lorenz
Maureen Anderson	Ian Brooks	John Cooper	John Dunney	Fiona Gray	John Huson	Craig Lovatt
Sheena Anderson	Alex Brown	Steven Cooper	Paul Durrant	Nelson Gray	Jane Innes	Joy Love
Stuart Anderson	Alexander Brown	Shirley Coote	Jacqui Dyer	Nicholas Gray	Jennifer Irvine	Alison Loveday
Carol Andrew	Audrey Brown	Sophy Copland	Gillian Eason	Tom Gray	Gordon Izatt	Richard Low
Robert Andrews	Doreen Brown	Lloyd Cornfield	Peter Eastwood	Anne Green	Douglas Jackson	Shaun Lundy
Joyce Archibald	Georgia Brown	Shane Corstorphine	Fraser Edgar	David Green	Shona Jackson	Fraser Lusty
Alistair Armstrong	Gordon Brown	Jacque Edwards	David Cowie	Roger Green	Margaret Jacobsen MBE	Derrick MacAllister
Mark Armstrong	Ian Brown	Gordon Cowie	John Edwards	Clive Grewcock	Stuart Jamieson	Alistair Macaskill CBE
Tom Armstrong	Kevin Brown	Stephen Coyle	Barrie Elder	Steven Grier	Jim Jardine	Iain Macaulay
Tracey Ashworth Davies	Lorne Brown	Ranald Coyne	Richard Emanuel MBE	Liz Jeffrey	John MacAulay	John MacCabe
Simon Aston	Marie-Ann Brown	Laura Craig	Alex Emslie	Gill Groom	Grace Johnston	Anne MacCorquodale
Shona Austin	Olive Brown	Michael Craig	Lady Catherine	Keith Halcro	Ian Johnston	Anne MacDonald
Martin Avison	Roy Brown	Victoria Craig	Erskine	Brian Hale	Tom Johnston	Donald MacDonald
Ade Ayeni	Lesley Bruce	Bill Crawford	Frank Esposito	Julie Hall	Ronald Johnstone	Duncan MacDonald
Paul Aylott	Robin Brunton	Janet Cresswell	Norman Esslemont	Tim Hall	Elaine Jones	Gordon Macdonald
Pauline Bain	Alastair Bryce	Ian Crichton	David Ewing	Jim Hamilton	Svend Kamming	Niall Macdonald
Shirley Bain	Richard Bryce	Marjory Crooks	Andrew Fairie	Sheila Hamilton	Ann Kane	Shona MacDonald
Ewen Baird	Andrew Buchanan	Gavin Cullen	John Fairlie	Tony Hammock	David Kaye	Stuart Macdonald
Bob Ballantyne	Hugh Bunten	Duncan Cunningham	Harry Falconer	Alistair Hammond-Chambers	Anthony Keating	Hamish MacDonald Lockhart
Ronnie Balmer	Joyce Bunton	Graeme Currie	Robert Farmer	Gavin Hands	Michael Keating	Hamish MacDougall
Ian Bankier	Grant Burke	Bob Dalgarno	Sir Angus Farquharson	Greg Hannah	Alex Keay OBE	John MacGregor
Bill Barbour	Andrew Burnett	David Dalgety	KCVO OBE	Ann Hansen	Alison Keith	Kate MacInnes
Kenneth Barker	Richard Burnett	Bill Dalziel	Catherine Feechan	Tracey Harrison	Bob Kelly	Rosemary MacInnes
James Barlow	Kirsty Burnham	Alistair Danter	Linda Fenwick	Lesley Hart MBE	Claire Kemp	Edward MacKay
Alyson Barrie	David Burnie	Margaret Darling	Bill Ferguson	John Harvey	Ken Kennedy	Hugh MacKay
Colin Barrows	Geoff Burns	Nigel Davey	Hugh Ferguson	Sharon Harvey	Angela Kershaw	Kenny MacKay
Donella Bartlett	Louise Butler	Alan Davidson	Keith Ferguson	Pat Hastings	Peter King	Maureen MacKay
David Baxter	Ellen Byers	Alistair Davidson	Neil Ferguson	William Haughey OBE	Ron Kitchen	Roddie Mackay
Barbara Beaton	Alastair Byres	Lesley Davidson	Ted Ferguson	Sandra Hawes	David Knight	Rognvald MacKelvie
Ian Beaton	Kevin Byrne	Alastair Davis	Peter Ferry	Graham Hawthorn	James Knowles	Donald MacKenzie
Gordon Beattie	Tom Byrne	Janet Dawson	Kate Findlater	Harry Hay	Bill Kowbel	Donald Mackenzie
Cynthia Beckwith	Gayle Cafferty	Jenny Hay	Derek Day	Majka Kozlowska	John Mackenzie	John MacGraw
Graham Begg	Ronnie Caird	Campbell Denholm	Karin Finlay	Alistair Haydock	Derek Laidlaw	Kenny McGregor
Graham Bell	David Caldwell	Gordon Deuchars	Bob Finlayson	Karin Hayhow	George Laing	Valerie McLlroy
Simon Bell	Stewart Cameron	Teresa Devlin	Annette Fitzpatrick	Richard Heathwood	Lynne Lambie	Janet McIntyre
Stuart Bell	William Cameron	Sheila Devlin-Thorp	Peter Fitzpatrick	Catriona Henderson	Bruce Langham	Mark MacKintosh
Gio Benedetti CBE	Alastair Campbell	Fiona Dewar	Stephen Foster	Grahame Henderson	Andrew Lapping	Calum MacLachlaimn
Martin Bennett	Archibald Campbell	James Dewar	Craig Fotheringham	Pauline Hendry	Pauline Laraway	Robert McKendrick
Ralph Benson	Craig Campbell	Ronnie Dick	Karen Foubister	Lauren Hendry	Graham Latta	Craig McKerracher
Tricia Benzie	David Campbell	Gary Dickson	Tricia Fox	Bill Hercus	Carol Laula	Alison Neilson
Barbara Berkowitz	Elaine Campbell	Kirsty Dickson	Michael Fraser	Michael Hicks	Evelyn Laurie	Donald Ness
Dr Maureen Berry	Hamish Campbell	Gary Dinsdale	Simon Fraser	Euan Higgins	Alan Laverock	Tom Ness
Chanel Bikorimana	Ian Campbell	Isobel d'Inverno	Bill Fraser MBE	Stewart Higgins	Anna Lawn-Thomas	Deirdre Nicholls
Mark Bittel	John Campbell	Malcolm Dix	Ronnie Freedman	Jackie Hill	Frank Lawrence	Duncan Nicholson
Alistair Black	Lorna Campbell	Aline Dobbie	Bridget Fullerton	Stewart Hogg	Stephen Leach	Bernadette Nicol
Jamie Black	Pete Campbell	Graham Dobbie	Gordon Gallacher	Alison Holden	Ray Leaver	Ian Nicol
Scott Black	Sandra Campbell	Paul Doleman	Lucy Gannon	Simon Holden	Terry Lee	Oliver Norman
Allan Blackley	Seonag Campbell	Chris Donald	Jamie Gardner	Christine Hollas	Peter Leggate	Alasdair Northrop
Alan Blair	David Campbell CBE	Sandy Donald	Pippa Gardner	Chris Horne	Margaret Legget	Brian Nugent

PSYBT VOLUNTEERS 2009/2010

FOR THE YEAR ENDED 30 JUNE 2010 [A COMPANY LIMITED BY GUARANTEE]

Murdo Macmillan	Fiona McRobbie	Gerard O'Sullivan	William Ross	Alexander Suszko	Gary Williamson
Terry MacNair	Lorna McTier	Kevin O'Sullivan	Bill Roxburgh	David Sutherland	Lorna Williamson
Shonaig Macpherson CBE	Euan McVicar	Jonathan Outtersson	William Roxburgh	Lesley Sutherland	Margaret Williamson
Angus MacQuarrie	Bill McWilliams	Stewart Owens	David Rule	Ian Suttie	Fraser Wilson
Sandra MacRae	Neil Menzies	Kevin Parker	James Runcie	Justin Swabey	John Wilson
Alan Maddock	Robert Menzies	Gareth Parry	Ann Rushforth MBE	Lucy Swabey	Lena Wilson
Ian Main	Andrew Middlecote	Lesley Pate	Ailsa Russell	Iain Swanston	Mark Wilson
Robert Main	Dennis Middleton	Frank Paterson	Gordon Russell	Ewen Swinton	Mike Wilson
Robin Mair	Dr George Mieras	Stuart Paterson	Gino Russo	Alison Sykora	Neil Wilson
Gemma Majoribanks	Michael Millar	Jane Patmore	Gordon Rutherford	Anthony Tait	Susan Windram
Gayle Mann	Amanda Miller	Jack Paton	Scott Rutherford	Alyson Tannahill	Brian Wishart
Kevin Marshall	Kevin Marshall	David Paton OBE	Collette Saez	Hugh Tasker	Shiona Wishart
Natasha Marshall	Marion Miller	Brian Pattinson	Sean Savage	Linsey Tasker	Sam Withall
Anne Martin	Robin Miller	Linda Paul	Karen Scholes	Frank Taylor	Christine Wood
Sandra Martin	Susan Miller	Kim Payne	David Scott	Jim Taylor	Gilbert Wood
Prof Colin Mason	Colin Milligan	John Peace	Fiona Scott	Nick Telford	Caspian Woods
Pierre Masson	Neil Milloy	Gill Pearce	Joan Scott	Claire Thompson	Steven Woods
Mike Matheson	Kevin Mills	Mike Penfold	Linda Scott	David Thomson	Iain Wright
Neil Matheson	Brian Milne	Jim Pennington	Neil Scott	Renton Thomson	Dr Tony Wright
Aileen Mathieson	Caroline Milne	Tom Pettigrew	Sandy Scott	Robert Thomson	Peter Wyatt
Alastair Mathieson	Karla Mirhadi	Lyndsey Philips	Jonathan Seddon	Ross Thomson	Heather Wylie
Morag Mathieson	Graham Mirtle	Nadine Pierce	Donald Semple	Hugh Thomson OBE	Campbell Young
Christine Matthewson	Linda Monaghan	Jim Piggot	Gordon Shalliday	Robert Thorburn	
Eileen Mauchline	Michelle Mone	James Pirrie	Lesley-jean Shaw	Karen Thornton	
Malcolm McArdle	Ronald Montgomery	Lord Polwarth	Stewart Shaw	Cyril Thorpe	
Elizabeth McAtear	Peter Moodie	Michael Poole	Drew Shedden	Judith Thorpe	
Michael McCabe	Kirsty Mooney	Monica Prenter	Paul Shields	Glillian Timmons	
Diane McCall	John Moore	Aileen Pringle	Fred Silver	Lisa Tobias	
Jim McCall	Anthony Morgan	Ann Proven	Iain Sim	John Tominey	
Simon Morgan	John Morgan	Simon Purdon	Chris Simmonds	Frances Tonner	
Patricia McClay	Kerry Morrice	Kay Pyefinch	Catherine Simpson	Beryl Tough	
Agnes McClymont	Bruce Morrison	John Quinn	David Simpson	Dominic Traynor	
David McDougall	David Morrison	John Rae	James Simpson	Mike Treanor	
David McCormack	George Morrison	Christopher Rafferty	Tessa Simpson	Anne Tremble	
Helen McCormick	Roddy Morrison	John Ray	Barclay Sinclair	Derek Tyson	
Jude McCorry	Ronnie Morrison	Alistair Reid	Graeme Skelton	Janet Unsworth	
Alex McCulla	Theona Morrison	Craig Reid	Paula Skinner	Ken Urquhart MBE	
Charles McCullagh	Sandra Morrison Low	David Reid	Kevin Slabber	Tom Vrolijk	
John McDougall	Tommy Morrow	Frank Reid	Billy Smillie	Graham Waddell	
Wendy McDougall	Mahyar Mortazavi	Robert Reid	Adrian Smith	Alan Walker	
Gary McEwan	Karen Moseley	Kate Reilly	Alasdair Smith	Colin Walker	
Melanie McEwan	Crichton Mouat	Shauna Reith	Alex Smith	Derek Walker	
Henry McEwen	Catherine Muir	Paul Rennie	Brian Smith	Kevin Walker	
Duncan McFadzean	Gavin Muir	Sandy Rennie	Fiona Smith	Paul Walker	
Kenneth McGee	Kenny Mumford	Mike Reynolds	Gordon Smith	David Wallace	
Bill McGilliard	Sheila Munro	Catherine Richards	Isabel Smith	Dr Jim Wallace	
Kathleen McGilveray	Shairron Murray	Frances Richards	Jen Smith	Pauline Wallace	
Jim McGinty	Steven Murray	Stuart Riddell	Michael Smith	Alistair Walton	
Frank McGraw	Yasmin Nabi	Philip Riddle OBE	Miriam Smith	David Watson	
Kenny McGregor	Rajiv Naik	Marilyn Rieley	Walter Smith	Ian Watson	
Valerie McLlroy	Alison Neilson	Steven Rieley	Tom Watson	Tom Watson	
Janet McIntyre	Donald Ness	Cameron Ritchie	Namita Sofat	David Watt	
David McKay	Tom Ness	Brenda Rix	Cameron Sommerville	Jeremy Webb	
Douglas McKay	Deirdre Nicholls	Cindy Robb	Zach Sorrels	Scott Webb	
Robert McKendrick	Duncan Nicholson	Derek Soutar	Derek Soutar	Ruth Webber	
Craig McKerracher	Bernadette Nicol	Jim Stark	Duncan Robbie	Andrew Weir	
Joanne McLaren	Ian Nicol	Laura Steven	Alan Robertson	Malcolm Wetherill	
Euan McLeod	Oliver Norman	John Stevens	Bill Robertson	Michael Wheatley	
Roderick MacLean	Alasdair Northrop	Gillian Stewart	Helen Robertson	Matthew Wheeler	
Sarah Maclean	Brian Nugent	Ian Stewart	Lynne Robertson	John White	
David MacLehose	Michael O'Connor	Ken Stewart	Morag Robertson	Sipra Whitehouse	
Ishbel MacLennan	Tom Ogilvie	Erik Stien	Ken Robinson	John Wright	
Alison MacLeod	Richard Oliver	Barrie Stobo	Tom Rodgers	Sarah Wilkinson	
Allan MacLeod	Tracey Orr	Bruce Stott	Frances Rooney	Stewart Struthers	
Murdo MacLeod	Calum Osborne	John Ross	Robert Stuart	Robert Stuart	
Lynne MacMillan	Zehrid Osmani	David Ross	Allan Sturrock	Karen Williams	
		Fiona Ross			



FINANCIAL SUMMARY

FOR THE YEAR ENDED 30 JUNE 2010

INVESTMENT IN YOUNG PEOPLE	£
Start-up loans made during the year	1,177,887
Grants given to disadvantaged young people	267,082
	1,444,969
Less Repayments and interest to Start-up loans	1,217,462
Funding Gap 1	227,507
GROWTH & INNOVATION FUND	
Loans to Growth and Innovation	227,500
Less Repayments and interest to Growth Fund loans	227,824
Funding Gap 2	(324)
RUNNING COSTS	
Support of beneficiaries	578,664
Operational support costs	820,217
Governance costs	34,691
Fundraising costs	182,334
Marketing, events & publications	237,766
	1,853,672
Less Scottish Enterprise Grants	687,500
Funding Gap 3	1,166,172
Total Funding Gap 1+2+3	1,393,355
Met this year by	
Funds from Europe	270,570
Funds from HIE	50,000
Funds from Scottish Government	200,000
Donations	699,270
Bank interest	16,548
	1,236,388

DURING THIS YEAR WE:

- *Helped 669 young people to start up 629 businesses*
- *Helped 34 young people in 23 businesses access growth funding*
- *Arranged 3,358 business reviews with 1,326 businesses*
- *Managed 1,969 loan accounts*

The average cost of each start-up business was:

- *£2,297 of funds invested/granted*
- *£1,993 of support 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 2010.

CHAIRMAN'S REPORT

FOR THE YEAR ENDED 30 JUNE 2010



We have come through the challenges and demands of last year, while supporting more young people to start their own business. The last two years have been very difficult indeed for so many people. The business community, including PSYBT-supported businesses, has shown considerable determination in the face of real adversity. The increasing demand for PSYBT's support and the extensive levels of youth unemployment are likely to continue over the years ahead. Notwithstanding the significant funding that we receive, in particular from The Scottish Government and Scottish Enterprise, meeting that demand provides PSYBT with funding issues. While this year's financial results are far healthier than last year's, we still have had to draw down some £200,000 from cash reserves. Over the coming year we will be considering how we can develop new funding streams to meet demand.

PSYBT is much more than the provision of funding to young businesses. In the recently published Global Entrepreneurship Monitor Report, PSYBT was quoted as an exemplar in the business start up arena. We can take pride in our carefully constructed business model. Our great strength is found in our Regional Network, with its links to our volunteers from the Business Community who are at the core of our delivery. My sincerest thanks to the Regional Chairmen, the Panel Members and Aftercare Advisers for the care and attention, enthusiasm and commitment they have given to the young people we support in their business ventures. In very uncertain times, their guidance, calmness and unbounded encouragement has been a source of strength and motivation with life-changing effect. In Head Office we have had the continued benefit and support of our vastly experienced Board whose advice and direction over the last year has been of vital importance and for which we are incredibly grateful.

We rely on key partners' support to deliver our work in the enterprise arena. Business Gateway is the glue that holds together a 'one stop shop' for would-be entrepreneurs and refers around half of the young people we support to the PSYBT Regional Managers who are often co-located with them. This approach in every Local Authority area provides the breadth to a unique business start-up support system in Scotland which reaches out to a very wide cross-section of potential entrepreneurs.

Partnership working is embedded in the PSYBT psyche and there are many examples of projects whose impact benefits the young people we help and support. Some of these, like the Martin Currie Rob Roy Challenge with our sister charity The Prince's Trust Scotland and others, have a fundraising emphasis. This year we have benefited from the support of the President of the Royal Highland and Agricultural Society to raise awareness of PSYBT's work in rural and remote communities at the Royal Highland Show in Edinburgh. We work closely with Determined to Succeed and Young Enterprise Scotland to deliver support to young people leaving school with an interest in self-employment. As always, we work closely with The Prince's Charities in Scotland and beyond, to deliver our President's vision, with an emphasis on maximising the potential of young people and on sustainability.

The PSYBT 'family' includes a very wide range of supporters and donors whose financial and in-kind support help sustain the PSYBT ethos as lenders of last resort and underwrite our delivery. It has been extremely pleasing in the last year to witness the growth in the number of Alumni of PSYBT who donate funds, time and advice to PSYBT and we hope that this will be a continuing trend.

Essentially, we operate in a high-risk arena and, while our investment in young people at start-up and through the Growth and Innovation Funds has a high repayment rate, we would not be fulfilling expectations if we did not continue to take risks and embed the right level of advice, training and direction to seal the best possible outcomes for the potential young entrepreneur. We would not be able to do that without the support of our partners, funders and volunteers.

The Board and I are therefore indebted to you all for your generous and wholehearted support to our work.

Finally, on behalf of the Board, I would like to extend our thanks to Annabel Goldie MSP who has retired from the Board after 14 years committed service.

SHONAIG MACPHERSON CBE FRSE
CHAIRMAN



DIRECTORS’ REPORT

FOR THE YEAR ENDED 30 JUNE 2010

THE DIRECTORS, WHO ACT AS TRUSTEES FOR CHARITABLE PURPOSES, PRESENT THEIR REPORT AND THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010.

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, THE COMPANIES ACT 2006, THE STATEMENT OF RECOMMENDED PRACTICE (SORP) “ACCOUNTING AND REPORTING BY CHARITIES” ISSUED IN OCTOBER 2005, THE CHARITIES AND TRUSTEE INVESTMENT (SCOTLAND) ACT 2005 AND THE CHARITIES ACCOUNTS (SCOTLAND) REGULATIONS 2006.

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.*

PSYBT continues to fund all the businesses who apply, providing they meet the Trust’s criteria and successfully pass through the 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.

REVIEW OF ACTIVITIES

We maintain a balanced approach, building on our encouragement and support of those businesses with real potential to grow whilst continuing to help those young people with most barriers to overcome in their quest to create their own self-employment. PSYBT operates at the crossroads between economic and social preoccupations contributing to economic initiative and entrepreneurship, job creation, the development of skills and active inclusion for young people suffering disadvantages.

We continue to grow the business year on year by 4 to 5% while reducing costs and delivering significant economic impact. The last two years have been particularly difficult for young people and the increase in demand for our support relates directly to the challenges of youth unemployment, with those from University and College affected as strongly as those with limited qualifications. The encouragement of youth enterprise and entrepreneurship is vital for the economic future of Scotland and, as lenders of last resort, we must ensure the resources are in place to continue to provide support to all those who approach us for help as they take the route to self-employment.

As a result of this increase in demand, the number of businesses we aspire to fund per annum across Scotland is now 650. This year, 653 businesses (2009 – 621) were funded, involving 702 individuals (2009 – 681) and £1.67m invested (2009 – £2.1m).

The difficult economic climate has meant that the investment challenges of 2008/09 and 2009/10 have been similar. As we move out of recession into the recovery phase, it is clear that we simply could not have taken the strain of two such challenging years back to back without managing them very differently over the last year. The more stringent application of the ‘less is more’ policy by the Regional Panels involved in the funding process has allowed us to reduce our overall investment this year by some 20%; well under the £2million mark for the first time in eight years – and we have also reduced costs by 10%. The collective impact of this is huge and it has allowed PSYBT to sustain activity and to respond to the current high levels of demand.

During 2009/10, 52% of young people supported by PSYBT were unemployed with an average period of unemployment of 5.8 months. 17% were on Job Seekers Allowance and 25.9% lived in the bottom quartile of postcode areas measured by the Scottish Index of Multiple Deprivation. 10% have a disability, 9% have no qualifications whatever and 3% have a criminal record.

There are, 1,910 live loan accounts (2009 – 2097) and some 1,523 businesses are repaying their loans on a regular basis. £1,445,286 (2009 – £1,500,055) including interest has been paid back this year. 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 through the Revolving Loan Fund.

SCOTTISH ENTERPRISE

PSYBT’s relationship with Scottish Enterprise has always been very positive with the PSYBT Regional Network working alongside Business Gateway and the Local Authorities. The PSYBT service portfolio complements what is already accessible via Business Gateway. The Scottish Enterprise triennial review of PSYBT performance has resulted in the extension of core funding until 31st December 2012.

DIRECTORS’ REPORT

FOR THE YEAR ENDED 30 JUNE 2010

KEY INITIATIVES

The Royal Bank of Scotland continues to provide significant support for our work with the ‘hardest to reach’. The Dulverton Trust has also provided outstanding commitment in this area. The name of John Connor will continue to feature at the heart of our support to the disadvantaged through the auspices of The John Connor Trust, recently established by the Connor family in John’s memory.

We are now entering the third year of The Wood Family Trust’s investment of £244,000 over three years. This investment is contributing towards technology management and support costs as we undertake key IT developments: a business portal to enable information sharing between PSYBT Regional Managers, their clients and the volunteer Aftercare Advisers; and an interactive business directory of all PSYBT entrepreneurs linked to the PSYBT website. These developments form an integral part of the major project started two years ago to re-engineer PSYBT’s business processes and supporting technology systems.

Grant funding, with the exception of Market Test Grants, is awarded solely to those who are facing significant barriers and challenges in their lives; whether social, economic, personal or geographical; by helping them to follow their dream of self-employment without the burden of undue debt. Some £267k (2009 – £320k) was awarded in grants this year alone – to 596 young people, compared with 535 last year.

The Loans/Grants ratio is 81.5% to 18.5% (2009 – 81.8% to 18.2%). While high, this remains within the range specified by the Board (80%/20%).

MARKETING

With the challenges in the economy, our supported businesses require more leads and opportunities than ever. With this in mind, we have teamed up with other supporters and partner organisations to help the businesses we work with by offering them numerous opportunities to showcase their products at exhibitions, events and dinners. Competitions and business awards have also been at the forefront of our efforts, ensuring that we are aware of all opportunities available to businesses, volunteers and staff.

Our on-line presence continues to be critical and the needs and requirements of our young clients and the volunteers who advise them are paramount.

GROWTH FUND

The Growth Fund continues to be a valuable addition to the PSYBT service and there is an update at page 19. Although the budget was restructured this year to allow £100,000 to be allocated to the Innovation Fund, increased donations enabled the Fund to succeed in assisting 23 businesses who between them created 47 jobs, the highest number since the Fund started in 2002/2003. A number of Growth Fund-supported businesses had a difficult year, particularly those in retail and construction but there were lots of success stories too with service and manufacturing businesses reporting successful and profitable years.

INNOVATION FUND

We took a measured approach to the first year of the pilot of the Innovation Fund which is aimed at aspiring young innovator entrepreneurs who have an early-stage business idea, but lack the resources and expertise to develop and harness the commercial potential of their concept or product. We attracted 10 applications and supported three businesses with a further four receiving Market Test Grants. This project is operating in partnership with SIE, NESTA, the Innovation Centres, ICASS and Scottish Enterprise working together to leverage the appropriate support at the right time for each client. The pilot will be evaluated in 2012 with a detailed case study on each applicant and how they have progressed.

EUROPEAN FUNDING

Access to European Structural Funds provided a critical contribution towards the costs of delivering the guidance, support and aftercare which wraps around the finance we provide to young people. Our current European Regional Development Fund project is due to end in March 2011 and at this stage we don’t know if there will be any possibility of further grant support beyond this date. We will certainly be able to make a strong case for continued support via the Structural Funds Programme in Scotland if the opportunity arises. We will also be targeting support via other centrally-managed European funds, in particular funds managed by the European Investment Fund which aims to improve access to finance for micro-businesses.

FUTURE PLANS

PSYBT addresses clear market failure - helping young people to access finance where none is available - and there continues to be a high demand for our product. The PSYBT model is well tested and delivers value for money. PSYBT performance, the economic impact from our intervention and our role in supporting disadvantaged young people, demonstrated clearly in the DTZ evaluation, provides justification for core public sector support of the organisation.

We will continue to work in partnership with like-minded organisations to encourage and support the right culture and conditions for enterprise in Scotland. Our focus will always be on supporting enterprise, consolidation and growth. The contribution of our volunteer network, now some 800 strong, is at the core of our ability to deliver.

There has been much change since the last Strategic Review in 2005 - the financial and resultant economic crisis has had a real impact on everyone. The Strategic Review in 2010 will help us shape the way forward and look at how we address the challenges ahead; both in terms of the support we provide and sourcing the requisite funding from the public and private sectors.

FUNDRAISING

In this financial year, a total of £699,270 (2009 - £732,843) has been donated by our Private Sector 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 is on pages 24 and 25 Our target in the coming year is £780k. While the fundraising arena is very challenging, there is a huge amount of goodwill and support for our work.

RESULTS FOR THE YEAR

The Statement of Financial Activities shows a net movement of funds of £311,516 (2009 – £772,496). The movement in the provision for doubtful debt in this financial year is £297,395 (2009 – £427,134), relating to defaulters’ loans only. The current loan book stands at £3,049,101 (2009 – £3,188,778). Current repayment experience indicates that 78.6% (2009 – 79.8%) 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.



DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2010

RESERVES POLICY

PSYBT has a net cash balance of £1,722,682 as at 30th June 2010 (2009 - £2,073,947). 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 two years. The Board wishes to return the Trust to a healthy level of liquidity in their range of £2.25m to £2.5m, which may realistically take two – three years. It is critical that we stabilise our reserves at around £2m in order to maintain the flexibility of our support and meet the ever increasing demand. The directors review the reserves policy on an annual basis.

The Trust needs to plan to further its ability to have reserves equivalent to two 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 outgoing resources of £311,516 (2009 – £772,496) arising during the year will be dealt with through the accumulated fund.

GOVERNANCE OF THE CHARITY

The Board consists of three directors appointed by Scottish Enterprise and two appointed by Scottish Business in the Community; these directors can in turn collectively appoint up to four 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 has been updated on risk management quarterly during the year. The Board now reviews 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 Directors' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these Financial Statements, the directors are required to:

- ▶ *select suitable accounting policies and then apply them consistently;*
- ▶ *observe the methods and principles in the Charities SORP;*
- ▶ *make judgements and estimates that are reasonable and prudent;*
- ▶ *state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;*
- ▶ *prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.*

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

In so far as the directors are aware:

- ▶ *there is no relevant audit information of which the charitable company's auditor is unaware; and*
- ▶ *the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.*

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the Annual General Meeting on 3rd November 2010.

BY ORDER OF THE BOARD
MARK STRUDWICK CBE
SECRETARY
22 SEPTEMBER 2010

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES AND 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 2010 which comprise Statement of Financial Activities incorporating and Income and Expenditure account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial statements have been prepared under the accounting policies set out therein.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities 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) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with those acts.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 and for no other purpose. We do not, in giving this opinion, accept or assume 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, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you whether in our opinion the information given in the Directors' Report is consistent with those financial statements.

We also report to you if, in our opinion, the company has not kept adequate and proper accounting records, if the company's financial statements are not in agreement with these accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

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 Financial Summary, the Directors' Report, the Chairman's Report and the Directors and Advisors. 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 other information.

The maintenance and integrity of The Prince's Scottish Youth Business Trust website is the responsibility of the trustees; 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 may have occurred to the financial statements since they were initially presented on the website.

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 judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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 of the state of the company's affairs as at 30 June 2010 and of its incoming resources and application of resources, including its income and expenditure and cashflows, for the year then ended;*
- ▶ *the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;*
- ▶ *the financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006; and*
- ▶ *the information given in the Directors' Report is consistent with the financial statements.*

KENNETH WILSON (SENIOR STATUTORY AUDITOR)
FOR AND ON BEHALF OF PRICEWATERHOUSECOOPERS
LLP CHARTERED ACCOUNTANTS AND STATUTORY AUDITORS

PRICEWATERHOUSECOOPERS LLP IS ELIGIBLE TO ACT
AS AN AUDITOR IN TERMS OF SECTION 1212 OF THE
COMPANIES ACT 2006

GLASGOW
22 SEPTEMBER 2010



STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 JUNE 2010

	Notes	Unrestricted Funds 2010	Restricted Funds 2010	Total Funds 2010	Total Funds 2009
		£	£	£	£
INCOMING RESOURCES					
Voluntary income					
Donations	2	461,270	238,000	699,270	732,843
Grants received		1,208,070	-	1,208,070	953,428
Investment income					
Bank interest received		16,548	-	16,548	110,513
Incoming resources from generated funds		1,685,888	238,000	1,923,888	1,796,784
Incoming resources from charitable activities					
Interest received from loans to businesses	3	182,745	-	182,745	195,489
Total incoming resources		1,868,633	238,000	2,106,633	1,992,273
RESOURCES EXPENDED					
Costs of generating funds:					
Fundraising costs		182,334	-	182,334	153,307
Marketing and events	4	237,766	-	237,766	256,175
		420,100	-	420,100	409,482
CHARITABLE EXPENDITURE					
Costs in furtherance of charitable activities:					
Grants payable	5	259,332	7,750	267,082	319,586
Support of beneficiaries	6	479,003	99,661	578,664	701,540
Operational support costs	7	643,884	176,333	820,217	868,362
Governance costs					
Movement in provision for doubtful debts	9	272,915	24,480	297,395	427,134
		1,689,825	308,224	1,998,049	2,355,287
Total resources expended		2,109,925	308,224	2,418,149	2,764,769
Net (expenditure)/income for the year	12	(241,292)	(70,224)	(311,516)	(772,496)
Fund balances brought forward at 1 July		5,133,088	187,432	5,320,520	6,093,016
Fund balances carried forward at 30 June		4,891,796	117,208	5,009,004	5,320,520

► 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 notes on pages 37 to 41 form part of these financial statements.

► The Trust has no recognised gains and losses other than those included in the deficit above, and therefore no separate statement of total recognised gains and losses has been presented. There is no difference between the deficit for the year stated above and its historical cost equivalent.

BALANCE SHEET

FOR THE YEAR ENDED 30 JUNE 2010

	Notes	2010	2009
		£	£
FIXED ASSETS			
Tangible assets	13	24,052	24,466
LOANS			
Start-up loans	14	2,506,359	2,607,933
Growth fund loans	15	532,742	580,845
Innovation fund loans	15	10,000	-
		3,049,101	3,188,778
CURRENT ASSETS			
Debtors: amounts falling due within one year	16	384,066	239,989
Cash on deposit	23	1,000,690	-
Cash at bank and in hand	23	721,992	2,073,947
		2,106,748	2,313,936
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Creditors	17	(170,897)	(206,660)
Net current assets		1,935,851	2,107,276
Net assets		5,009,004	5,320,520
THE FUNDS OF THE CHARITY			
Restricted growth fund	19	48,402	80,715
Restricted funds	20	68,806	106,717
General unrestricted funds	21	4,891,796	5,133,088
Total funds		5,009,004	5,320,520

The financial statements on pages 37 to 42 were approved by the board of directors on 22nd September 2010 and were signed on its behalf by:

SHONAIG MACPHERSON CBE FRSE
CHAIRMAN

Registered Number
SC097426

Charity Number
SC007066

CASHFLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2010

	Notes	2010	2009
		£	£
Net cash (outflow)/inflow from operating activities	22	(386,871)	(661,885)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Start-up loans advanced	14	(1,177,887)	(1,438,431)
Start-up loan repayments	14	1,066,954	1,123,077
Start-up loan interest received	3	150,508	165,516
Growth fund loans advanced	15	(217,500)	(342,840)
Growth fund loan repayments	15	195,587	181,489
Growth fund loan interest received	3	32,237	29,973
Innovation fund loans advanced	15	(10,000)	-
Bank interest received		16,548	110,513
Total returns on investments and servicing of finance		56,447	(170,703)
CAPITAL EXPENDITURE			
Purchase of tangible fixed assets	13	(20,841)	(2,908)
Total capital expenditure		(20,841)	(2,908)
MANAGEMENT OF LIQUID RESOURCES			
Increase of capital on deposit	23	(1,000,690)	-
Total management of liquid resources		(1,000,690)	-
(Decrease)/Increase in cash in the year	23	(1,351,955)	(835,496)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

1. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006, 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.

The charity has adopted the Companies Act formats to reflect the Charities SORP and the special nature of the charity activities.

BASIS OF ACCOUNTING

The financial statements are prepared in accordance with the historical cost convention, on a going concern basis.

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 a 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.

Income from Charitable Activities is income in the form of interest received on loans to businesses and is recognised on a received basis.

GRANTS

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

RESOURCES EXPENDED

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 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.

Support of Beneficiaries expenditure are those costs incurred directly in support of the activities of the charity. Operational Support costs and 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 Directors’ 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.

OPERATING LEASES

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



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

2. VOLUNTARY INCOME

	2010 £	2009 £
Donations	669,270	702,843
Donated services	30,000	30,000
	699,270	732,843

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

3. INCOME FROM CHARITABLE ACTIVITIES

	2010 £	2009 £
Start-up fund loan interest	150,508	165,516
Growth fund loan interest	32,237	29,973
	182,745	195,489

4. MARKETING AND EVENTS

	2010 £	2009 £
Events	94,194	120,559
Marketing	110,867	106,140
Publications	32,705	29,476
	237,766	256,175

5. GRANTS PAYABLE

	2010 £	2009 £
Start-up grants	180,525	271,844
Marketing test grants	86,557	47,742
	267,082	319,586

A Market 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 2010 the Trust awarded grants totalling £267,082 (2009: £319,586) in making 243 (2009:336) start-up grants and 353 (2009:199) Market Test Grants. All grants are made to individuals.

6. SUPPORT OF BENEFICIARIES

	2010 £	2009 £
Regional operating costs	467,544	537,086
Aftercare and business development	42,677	96,561
Management of regional activity	68,443	67,893
	578,664	701,540

These cost represent the total cost of operating in 18 regions throughout Scotland and of managing 799 volunteers at present giving their time to the Trust's work. The support costs incurred in grant making activities are included above.

7. OPERATIONAL SUPPORT COSTS

	2010 £	2009 £
Salaries and office costs	674,875	688,269
Growth & innovation fund costs	66,371	75,688
European funding costs	57,716	56,164
Depreciation	21,255	48,241
	820,217	868,362

These are the costs of running head office functions such as loan management, accounts, IT, growth & innovation fund & business development.

8. GOVERNANCE COSTS

	2010 £	2009 £
Legal and professional fees	34,691	38,665

The above costs include the equivalent value of donated services provided by the auditors, PricewaterhouseCoopers LLP. The auditors made no charge for the annual audit of the financial statements (2009:same).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

9. MOVEMENT IN PROVISION FOR DOUBTFUL DEBTS

	2010 £	2009 £
Increase in provision for start-up doubtful debts	227,379	275,650*
Increase in provision for growth fund doubtful debts	70,016	151,484
	297,395	427,134

The cumulative bad debt provision was reviewed during the year and over provisions released, £316,852 from the start-up loan doubtful debt and £61,857 from growth fund doubtful debt.

*The increase in provision of doubtful debts was £559,133, this was offset by £291,202 released from deferred income as the European Investment Fund contract ended.

10. EMPLOYEE INFORMATION

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

By activity	2010 Number	2009 Number
Governance	7	8
Operations	11	10
Fundraising	5	4
Marketing	2	2
Aftercare	1	1
Growth Fund	1	1
Europe	-	1
	27	27

13. TANGIBLE FIXED ASSETS

	Motor vehicles £	Office equipment £	ERDF equipment £	Computer hardware/ software £	Leasehold improvements £	Total £
Cost						
At 1 July 2009	26,030	51,939	1,122	154,689	88,318	322,098
Additions	-	13,311	-	7,530	-	20,841
Disposals	-	(11,639)	(1,122)	-	-	(12,761)
At 30 June 2010	26,030	53,611	-	162,219	88,318	330,178
Depreciation						
At 1 July 2009	19,471	50,735	1,122	137,986	88,318	297,632
Charge for the year	6,559	4,921	-	9,775	-	21,255
Disposals	-	(11,639)	(1,122)	-	-	(12,761)
At 30 June 2010	26,030	44,017	-	147,761	88,318	306,126
Net book value						
At 30 June 2010	-	9,594	-	14,458	-	24,052
At 30 June 2009	6,559	1,204	-	16,703	-	24,466



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

14. START-UP LOANS

	£
Loans at 1 July 2009	2,607,933
Loans awarded	1,177,887
Repayments received	(1,066,954)
Increase in provision for doubtful debts	(212,507)
Loans outstanding at 30 June 2010	2,506,359

During the year ended 30 June 2010 the Trust approved start-up loans amounting to £1,177,887 (2009: £1,438,431) to 629 (2009: 592) businesses. At 30 June 2010 the cumulative total number of active start-up loan accounts was 1,910 (2009: 2,097) with a net value of £2,506,359 (2009: £2,607,933).

The total provision for doubtful debts for start-up loans is £5,247,517 (2009: £5,035,010).

15. GROWTH FUND LOANS

	£
Loans at 1 July 2009	580,845
Loans awarded	217,500
Repayments received	(195,587)
Increase in provision for doubtful debts	(70,016)
Loans outstanding at 30 June 2010	532,742

The Trust approved Growth Fund loans to 23 businesses (2009: 29) amounting to £217,500 (2009: £342,840). Of these loans there were 7 accelerator loans (2009: 9) totalling £113,000 (2009: £180,000) and there were 16 development loans (2009: 20) totalling £104,500 (2009: £153,840). The total provision against Growth Fund loans amounts to £484,235 (2009: £414,209).

A pilot was launched during the year to make innovation funding available. In the year to 30th June 2010 one award was made of £10,000.

16. DEBTORS: AMOUNTS FALLING DUE WITHIN 1 YEAR

	2010 £	2009 £
Amounts falling due within one year		
Prepayments	30,990	42,154
Accrued income	351,887	195,696
Tax recoverable on covenants	1,189	2,139
	384,066	239,989

17. CREDITORS: AMOUNTS FALLING DUE WITHIN 1 YEAR

	2010 £	2009 £
Suppliers	51,297	82,530
Highland Opportunity Ltd*	67,998	76,884
Tax and social security	19,902	-
Accruals and sundry creditors	29,359	36,865
Deferred income (see note 18)	2,341	10,381
	170,897	206,660

*Highland Opportunity Ltd match PSYBT loans in the Highland Region 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.

18. DEFERRED INCOME

The deferred balance 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	£
At 1 July 2009	10,381
Incoming resources deferred in the year	-
Amounts released	(8,040)
At 30 June 2010	2,341

19. RESTRICTED GROWTH & INNOVATION FUND

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

	£
Balance at 1 July 2009	80,715
Net income for the year	62,500
Net charge for the year	(94,813)
Balance at 30 June 2010	48,402

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

20. RESTRICTED FUNDS

A separate fund has been established for income which can only be expended on particular activities.

	£
Balance at 1 July 2009	106,717
Net income for the year	170,500
Net charge for the year	(208,411)
Balance at 30 June 2010	68,806

21. GENERAL UNRESTRICTED FUNDS INCORPORATING THE REVOLVING LOAN FUND

	£
Balance at 1 July 2009	5,133,088
Net income for the year	(241,292)
Balance at 30 June 2010	4,891,796

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

	2010 £	2009 £
Continuing activities		
Net (expenditure)/income for the year	(311,516)	(772,496)
Bank interest received	(16,548)	(110,513)
Interest received from loans to businesses	(182,745)	(195,489)
Increase in provision for doubtful debts	282,523	710,617
Depreciation of tangible fixed assets	21,255	48,241
Decrease/(Increase) in debtors	(144,077)	65,707
(Decrease)/Increase in creditors	(35,763)	(407,952)
Net cash (outflow)/inflow from operating activities	(386,871)	(661,885)

23. ANALYSIS OF CHANGES IN NET FUNDS DURING THE YEAR

	At 1 July 2009 £	Cash flow £	At 30 June 2010 £
Cash at bank	2,187,785	(1,445,389)	742,396
Overdrafts	(113,838)	93,434	(20,404)
	2,073,947	(1,351,955)	721,992
Cash on deposit	-	1,000,690	1,000,690
	2,073,947	(351,265)	1,722,682

In May 2010 £1million cash was placed on fixed deposit for 3 years with Ulster Bank. This pays annual interest of 4% and ensures the return of the original investment at the end of three years. If required, this cash can be accessed prior to May 2013.

24. FINANCIAL COMMITMENTS

At 30 June 2010 the company had annual commitments under cancellable leases as follows:

	2010 Land & buildings £	2010 Other £	2009 Land & buildings £	2009 Other £
Expiry date:				
Less than one year	-	-	-	-
Between two and five years	-	-	-	2,946
More than five years	60,296	3,275	60,296	3,275
	60,296	3,275	60,296	6,321

25. 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 2010 is £2 (2009: £2).

26. RELATED PARTY TRANSACTIONS

	2010 £	2009 £
Organisation:	MJM International Ltd	The Robertson Trust
Connected Person:	Michelle Mone	Shonaig Macpherson
Relationship with PSYBT	Director	Chairman
Description:	Donation	Donation
	10,000	50,000
Organisation:	The Entrepreneurial Exchange	
Connected Person:	John Anderson	
Relationship with PSYBT	Director	
Description:	Sponsorship	
	3,000	



DIRECTORS & ADVISERS

FOR THE YEAR ENDED 30 JUNE 2010

PRESIDENT

HRH The Prince Charles,
Duke of Rothesay

DIRECTORS

Shonaig Macpherson CBE FRSE +

Giovanni Benedetti CBE

Annabel Goldie MSP
(retired 9 September 2009)

Sir Tom Hunter

Gordon Beattie

Michelle G Mone OBE

Lena Wilson *+

John Anderson *+

Natasha Marshall *+

William Haughey OBE

SECRETARY

Mark Strudwick CBE

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Glasgow G2 4QY

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Chief Executive

Nancy Pearson
Executive Assistant

Margaret Gibson
Director of Marketing & Communications

Geoff Leask
Head of Operations

Rebecca Logan
Head of Fundraising

Evelyn McDonald
Head of Growing Business

Martin Ferry
Head of Development

Gillian Beattie
Head of Finance

Douglas Bowie MVO
Loan Fund Assessor

Pauline Bell
Volunteer Development Manager

Steven O'Neill
IT Manager

Tony Dorrington
Growth Development Manager

Lesley Scott
Operations Support Manager

DESIGN. D8

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D8 & Malcolm Cochrane are
PSYBT supported businesses

* Members of the
Audit Committee

+ Members of the
Board Committee

Alison Taylor
Fundraising Manager

Elizabeth Millar
Trusts & Foundations Manager

Katherine Bell
Corporate Development Manager

Louise Moore
Marketing Manager

Fiona McBain
Loan Fund Manager

Michelle Di Vito
Assistant Fundraiser

Margaret Sinclair
General Administrator

Jamie Ross
Loan Fund Administrator

Emma Fitzpatrick
Marketing & Fundraising Coordinator

Sharon Wei
Accounts Administrator

Anna West
Human Resources Manager

Chris Pepper
Bookkeeping Trainer

Brenda Rankin
Fundraising Researcher

PHOTOGRAPHY. MALCOLM COCHRANE

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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: 18 of the 20 charities were founded personally by The Prince.

The group is the largest multi-cause charitable enterprise in the United Kingdom, raising over £100 million annually. The organisations are active across a broad range of areas including opportunity

and enterprise, the built environment, responsible business and education. Additionally, three social enterprises make a significant contribution by donating all of their profits to charity.

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
Freephone 0800 842 842

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

The Prince's Youth Business International
www.youthbusiness.org
+44 (0)3326 2060

The British Asian Trust
www.britishasiantrust.org
+44 (0)20 7024 5646
+44 (0)20 7024 5739

EDUCATION

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

The Prince's School of Traditional Arts
www.psta.org.uk
+44 (0)20 7613 8532

The Prince's Teaching Institute
www.princes-ti.org.uk
+44 (0)20 3174 3106

The Prince's Foundation for Children & the Arts
www.childrenandarts.org.uk
+44 (0)20 3326 2230

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

**The Great Steward of Scotland's
Dumfries House Trust**
www.dumfries-house.org.uk
+44 (0)1290 425959

RESPONSIBLE BUSINESS

Business in the Community
www.bitc.org.uk
+44 (0)20 7566 8650

**The University of Cambridge Programme
for Sustainability Leadership**
www.cpsl.cam.ac.uk
+44 (0)1223 768850

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

In Kind Direct
www.inkinddirect.org
+44 (0)20 7398 5510

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

The Prince's Countryside Fund
www.princescountrysidefund.org.uk
+44 (0)20 7566 6659



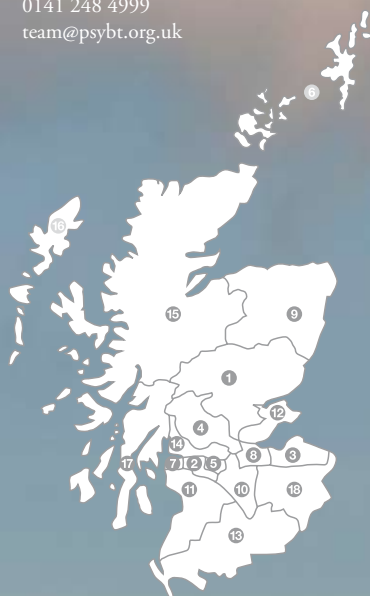
THE PRINCE'S
SCOTTISH YOUTH
BUSINESS TRUST

PRESIDENT HRH
THE PRINCE CHARLES
DUKE OF ROTHESAY

HEAD OFFICE

Mark Strudwick CBE,
Chief Executive,
The Prince's Scottish Youth Business Trust

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2010

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