

Charity registration number: SC047812

Befrienders SCIO

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Befrienders SCIO

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Befrienders SCIO

Reference and Administrative Details

Trustees	Tricia Grey (Secretary)
	Douglas Whyte (Chairperson)
	Lesley Donald
	Ann Horn
	Russell Anderson (Treasurer)
	Maureen Green
	Becs Barker
	Rory Munro
Senior Management Team	Cathi Bertin, Project Director
	Arlene Colewell, Manager
Principal Office	PO Box 9576
	Lochgilphead
	Argyll
	PA31 9BB
Charity Registration Number	SC047812
Bankers	Bank of Scotland
	Lochgilphead
Independent Examiner	Stuart Ramsay Chartered Accountant
	Chartered Accountant
	46 Argyll Street
	Lochgilphead
	Argyll
	PA31 8NE

Befrienders SCIO

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 March 2021.

Objectives and activities

Objects and aims

The purpose of the charity is to provide relief to those affected by childhood adversity or disadvantage, by recruiting, training and supporting adult volunteers to act as one-to-one Befrienders for referred children and young people living in Argyll and Bute.

Public benefit

The trustees confirm that they have complied with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

Achievements and performance

At the end of March 2021, we had 24 matches in place and had recruited 4 new volunteer befrienders since the last report. We received 19 new referrals for children and young people.

Staff continued to work in collaboration with colleagues in other statutory and voluntary agencies using the 'Get it Right for Every Child' approach. We also continued to be involved at a strategic level in the delivery of the Argyll and Bute Children's Services Plan.

Due to Covid-19 and the various restrictions, we had to adapt our service delivery significantly and two part time staff members were furloughed for several months. During the first lockdown, all of our volunteers ceased face-to-face contact with families but kept in touch through letters, phone calls and video calls. During the winter lockdown, we recognized that a few of our young people were particularly vulnerable and we conducted individual risk assessments enabling their volunteer Befrienders to continue face-to-face contact which was deemed essential according to the government guidelines on youth work.

We also secured funding to purchase technology and software which enabled our volunteers to maintain their relationships with their young people through Zoom calls. We created a policy and appropriate training and guidance to facilitate this and the feedback from families was very positive.

Our Project Director retired in November 2020 after more than 30 years of service and we appointed a new manager in January 2021. Our project worker also retired in November 2020 but we recruited 2 more part time support workers to provide short-term immediate support to referred young people in particularly difficult circumstances, who do not yet have a volunteer Befriender. This was especially valuable during the periods of school closures and other restrictions which increased the risk of social isolation for young people who were already vulnerable for various other reasons.

Financial review

Policy on reserves

The charity holds sufficient funds in reserve to cover the costs of staff redundancies, recalculated on an annual basis, should the charity cease operations for financial reasons.

Befrienders SCIO

Trustees' Report

Structure, governance and management

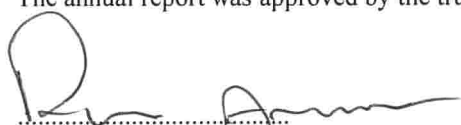
Recruitment and appointment of trustees

The Trustees administer the charity, and are appointed at the Annual General Meeting, and operate on a voluntary basis. The Trustees meet at various times during the year as appropriate.

Organisational structure

The charity became a Scottish Charitable Incorporate Organisation on 10 October 2017.

The annual report was approved by the trustees of the charity on **22 DEC 2021** and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Russell Anderson', is written over a horizontal dotted line.

Russell Anderson (Treasurer)
Trustee

Befrienders SCIO

Statement of Trustees' Responsibilities

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

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

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the applicable Charities Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the constitution. The trustees consider that the audit requirement of Regulation 10(1)(d) of the 2006 Accounts Regulations does not apply. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on **22 DEC 2021** and signed on its behalf by:



Russell Anderson (Treasurer)
Trustee

Befrienders SCIO

Independent Examiner's Report to the trustees of Befrienders SCIO

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 6 to 15.

Respective responsibilities of trustees and examiner

As the charity's trustees of Befrienders SCIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 ('the Act') and the Charities Accounts (Scotland) Regulations 2006 (as amended).

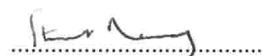
I report in respect of my examination of the Befrienders SCIO's accounts carried out in accordance with Regulation 11 of the 2006 Accounts Regulations, and in carrying out my examination I have followed all the applicable Directions given by the Scottish Charity Regulator under section 44(1)(c) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of Befrienders SCIO in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Regulation 9 of the 2006 Accounts Regulations other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Stuart Ramsay
Chartered Accountant
Member of the Institute of Chartered Accountants of Scotland

46 Argyll Street
Lochgilphead
Argyll
PA31 8NE

Date: 22 DEC 2021

Befrienders SCIO

Statement of Financial Activities for the Year Ended 31 March 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies		28,680	75,075	103,755
Other activities		4,000	-	4,000
Total income		<u>32,680</u>	<u>75,075</u>	<u>107,755</u>
Expenditure on:				
Charitable activities		<u>(21,321)</u>	<u>(62,708)</u>	<u>(84,029)</u>
Total expenditure		<u>(21,321)</u>	<u>(62,708)</u>	<u>(84,029)</u>
Net income		11,359	12,367	23,726
Gross transfers between funds		<u>(2,672)</u>	<u>2,672</u>	<u>-</u>
Net movement in funds		8,687	15,039	23,726
Reconciliation of funds				
Total funds brought forward		<u>36,045</u>	<u>3,918</u>	<u>39,963</u>
Total funds carried forward	15	<u>44,732</u>	<u>18,957</u>	<u>63,689</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies		22,475	21,200	43,675
Other activities		3,030	-	3,030
Total income		<u>25,505</u>	<u>21,200</u>	<u>46,705</u>
Expenditure on:				
Charitable activities		<u>(49,315)</u>	<u>(27,158)</u>	<u>(76,473)</u>
Total expenditure		<u>(49,315)</u>	<u>(27,158)</u>	<u>(76,473)</u>
Net expenditure		(23,810)	(5,958)	(29,768)
Gross transfers between funds		<u>(157)</u>	<u>157</u>	<u>-</u>
Net movement in funds		(23,967)	(5,801)	(29,768)
Reconciliation of funds				
Total funds brought forward		<u>60,011</u>	<u>9,719</u>	<u>69,730</u>
Total funds carried forward	15	<u>36,044</u>	<u>3,918</u>	<u>39,962</u>

All of the charity's activities derive from continuing operations during the above two periods.

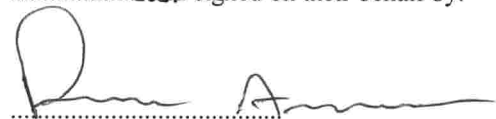
The funds breakdown for 2020 is shown in note 15.

Befrienders SCIO

(Registration number: SC047812)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	2,239	312
Current assets			
Debtors	12	-	674
Cash at bank and in hand	13	<u>67,757</u>	<u>43,083</u>
		67,757	43,757
Creditors: Amounts falling due within one year	14	<u>(6,307)</u>	<u>(4,107)</u>
Net current assets		<u>61,450</u>	<u>39,650</u>
Net assets		<u>63,689</u>	<u>39,962</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		18,957	3,918
Unrestricted income funds			
Unrestricted funds		<u>44,732</u>	<u>36,044</u>
Total funds	15	<u>63,689</u>	<u>39,962</u>

The financial statements on pages 6 to 15 were approved by the trustees, and authorised for issue on 22 DEC 2021 signed on their behalf by:



Russell Anderson (Treasurer)
Trustee

Befrienders SCIO

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended)

Basis of preparation

Befrienders SCIO meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

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

Transition to FRS 102

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. No restatements are required as a result of the transition to FRS 102.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Befrienders SCIO

Notes to the Financial Statements for the Year Ended 31 March 2021

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant expenditure

Owing to Covid-19, normal activities were replaced by granting equipment, airtime and gifts to the children who are usually taken on outings.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £1.00 or more are initially recorded at cost.

Befrienders SCIO

Notes to the Financial Statements for the Year Ended 31 March 2021

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Office Equipment	25% reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if they do not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Donations and legacies;			
Donations from individuals	761	-	761
Grants, including capital grants;			
Government grants	27,419	9,540	36,959
Grants from other charities	500	65,535	66,035
Total for 2021	<u>28,680</u>	<u>75,075</u>	<u>103,755</u>
Total for 2020	<u>22,475</u>	<u>21,200</u>	<u>43,675</u>

Befrienders SCIO

Notes to the Financial Statements for the Year Ended 31 March 2021

3 Other Income

	Unrestricted funds General £	Total funds £
Employer's Allowance	4,000	4,000
Total for 2021	<u>4,000</u>	<u>4,000</u>
Total for 2020	<u>3,030</u>	<u>3,030</u>

4 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total funds £
Note			
Grant funding of activities	1,771	11,108	12,879
Allocated support costs	17,690	51,600	69,290
Governance costs	<u>1,860</u>	<u>-</u>	<u>1,860</u>
Total for 2021	<u>21,321</u>	<u>62,708</u>	<u>84,029</u>
Total for 2020	<u>49,315</u>	<u>27,158</u>	<u>76,473</u>

5 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Independent examiner fees		
Examination of the financial statements	1,032	1,032
Other governance costs	<u>828</u>	<u>828</u>
Total for 2021	<u>1,860</u>	<u>1,860</u>
Total for 2020	<u>2,026</u>	<u>2,026</u>

6 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

Befrienders SCIO

Notes to the Financial Statements for the Year Ended 31 March 2021

	2021 £	2020 £
Depreciation of fixed assets	<u>745</u>	<u>102</u>

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

8 Staff costs

The aggregate payroll costs were as follows:

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Full time employees	1	1
Part time employees	<u>4</u>	<u>2</u>
	<u>5</u>	<u>3</u>

3 (2020 - 2) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £1,052 (2020 - £1,206).

No employee received emoluments of more than £60,000 during the year

The total employee benefits of the key management personnel of the charity were £37,927 (2020 - £43,315).

The Project Director, as the highest paid member of staff, received benefits totalling £28,802 (2020 - £43,315).

9 Independent examiner's remuneration

	2021 £	2020 £
Examination of the financial statements	<u>1,032</u>	<u>1,198</u>

Befrienders SCIO

Notes to the Financial Statements for the Year Ended 31 March 2021

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

11 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 April 2020	723	723
Additions	<u>2,672</u>	<u>2,672</u>
At 31 March 2021	<u>3,395</u>	<u>3,395</u>
Depreciation		
At 1 April 2020	411	411
Charge for the year	<u>745</u>	<u>745</u>
At 31 March 2021	<u>1,156</u>	<u>1,156</u>
Net book value		
At 31 March 2021	<u><u>2,239</u></u>	<u><u>2,239</u></u>
At 31 March 2020	<u><u>312</u></u>	<u><u>312</u></u>

12 Debtors

	2021 £	2020 £
Other debtors	<u>-</u>	<u>674</u>

13 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	<u>67,757</u>	<u>43,083</u>

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	5,230	2,571
Other creditors	<u>1,077</u>	<u>1,536</u>
	<u><u>6,307</u></u>	<u><u>4,107</u></u>

Befrienders SCIO

Notes to the Financial Statements for the Year Ended 31 March 2021

15 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted funds					
General	17,272	32,680	(21,321)	15,325	43,956
Designated	18,773	-	-	(17,997)	776
Total unrestricted funds	36,045	32,680	(21,321)	(2,672)	44,732
Restricted funds	3,918	75,075	(62,708)	2,672	18,957
Total funds	39,963	107,755	(84,029)	-	63,689
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
Unrestricted funds					
General	42,486	25,505	(49,315)	(1,405)	17,271
Designated	17,525	-	-	1,248	18,773
Total unrestricted funds	60,011	25,505	(49,315)	(157)	36,044
Restricted funds	9,719	21,200	(27,158)	157	3,918
Total funds	69,730	46,705	(76,473)	-	39,962

16 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds at 31 March 2021 £
	General £	Designated £	£	£
Tangible fixed assets	2,239	-	-	2,239
Current assets	48,024	776	18,957	67,757
Current liabilities	(6,307)	-	-	(6,307)
Total net assets	43,956	776	18,957	63,689

Befrienders SCIO

Notes to the Financial Statements for the Year Ended 31 March 2021

	Unrestricted funds		Restricted funds	Total funds at 31 March 2020
	General	Designated		
	£	£	£	£
Tangible fixed assets	312	-	-	312
Current assets	21,066	18,773	3,918	43,757
Current liabilities	(4,107)	-	-	(4,107)
Total net assets	<u>17,271</u>	<u>18,773</u>	<u>3,918</u>	<u>39,962</u>