

transforming conflict • embracing difference

place for hope



Place for Hope

REPORT OF THE TRUSTEES  
and  
FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2019

Charity No. SC 045224

# Report and Financial Statements

## For the Year Ended 31 March 2019



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# Report of the Trustees

The trustees present their annual report and financial statements of the charity for the year ended 31<sup>st</sup> March 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16th July 2014.

## Objectives and Activities

Place for Hope is a charity which aims to resolve conflict in the faith community using voluntary practitioners so far as possible and whose primary objectives are:

- To advance conflict resolution and reconciliation through mediation as a means to help individuals, groups and leaders in faith communities and the wider community live more effectively with difference and diversity;
- To advance citizenship, community development and peace-making through promoting methods of interaction and dialogue which support healthy relationships and reconciliation drawing on the wisdom from Christian and other religious traditions;
- To advance conflict resolution and reconciliation through the promotion of societal harmony, and prevent conflict, by providing trained mediators to work with individuals and within communities, addressing issues of inequality and division; and
- To advance education through the provision of training in mediation and conflict resolution, conflict reconciliation and conflict transformation.

These objectives are achieved by:

- Providing leadership training, workshops and resources for understanding and working with conflict as well as hosting and navigating difficult conversations;
- Responding to requests for help and support, including helping groups and individuals at a time of crisis ; accompanying sensitive or difficult group conversations; providing individual coaching, advice and support ; hosting and enabling community dialogues on difficult, potentially divisive issues;
- Developing and supporting a team of practitioners skilled in understanding conflict and able to provide mediation, training and facilitation; and
- Nurturing a network of people and organisations who are committed to the work of peace building, equipping them in the work of conflict transformation in their communities, homes and lives.

## Achievements and Performance

Place for Hope continued to mature as an independent charity, served for the majority of the year by five core staff members. We worked flexibly and creatively to cover all key roles during periods of parental leave by two staff members, using a mixture of temporary employment contracts and freelance support.

### *Practitioner team development*

Responding to Place for Hope's steadily increasing workload across all our activities, we trained 15 new volunteer Practitioners from six Christian denominations. Those accepted for training at our selection days undertook our training and assessment programme, which was accredited by Scottish Mediation in 2018 in recognition of its rigour and quality. The programme comprises a one-day selection programme, our six-day residential training 'Faith in Change and Conflict' and two days of rigorous role-play and assessment. Having successfully completed the programme, our new Practitioners were welcomed and commissioned at our all team training event / Continuing Professional Development in November.

## Achievements and Performance (continued)

We also began mentored deployment for our new Practitioners, paired alongside a more experienced Practitioner. All our Practitioners continue to receive ongoing support through supervision and bi-annual CPD, to ensure a high-quality service to our expanding client base. Their accreditation is based on attendance at these events.

### *Development of Core Work*

From 1 April 2018 to 31 March 2019, our 35 Practitioners worked on 48 facilitated group conversations (19 of which were opened in earlier years), representing a 23% increase on the previous year. They also undertook coaching for 11 individuals, with four of these ongoing from previous years.

We enhanced our training work in a variety of ways. We brought the staffing of all training under the single staff post of Training Manager. For our one-day training, we began to move away from centrally-run training to offer local faith communities the opportunity to commission any of our four core training days or, alternatively, training tailored to suit their particular needs. We also began to plan our first six-day 'Faith in Change and Conflict' public access course in Scotland to run in early 2020.

Between 1 April 2018 and 31 March 2019, we delivered a total of 30 training events:

- Eight centrally run days of our core training, predominantly in Cumbria; where we continued our partnership with Churches Together in Cumbria to provide this training ecumenically.
- Three centrally run 'Faith in Change and Conflict' residentials: two for the Methodist Church and one as part of the training for our new Practitioners.
- Five locally commissioned days in the UK using our core training material.
- Two core training events for the Church of Scotland World Mission Council partners in Africa (South Sudan and Malawi).
- Two sessions of top-up training as part of our first Network meetings for the Methodist Church.
- Ten tailored training programmes and workshops.

We also undertook 12 awareness-raising events and provided information or signposting in response to two other enquiries. This means that in total we again undertook over 100 individual activities during the year.

In 2018/19, Place for Hope was pleased both to support facilitated conversations and to lead training for a number of denominations which we had not worked with previously, including Quakers, the Presbyterian Church in Ireland and the Congregational Federation in Scotland. We hope to build on these new relationships to develop further the ecumenical breadth of our work.

### *Development of Partnerships*

We also continued to deepen our existing partnerships during the year.

Place for Hope is very grateful to the Ministries Council of the Church of Scotland for again providing grant funding to enable us to give high quality support free at the point of delivery across local congregations in this denomination. 80% of our facilitated conversations and coaching were undertaken for Church of Scotland congregations and leaders.

We also entered into a five-year partnership with the World Mission Council of the Church of Scotland to deliver an 'Accompaniment for Peace' programme in South Sudan. This project will support, equip and resource faith leaders in South Sudan as they nurture existing peace initiatives to embed a culture of peace, and deepen a specific faith dimension to the art of peacebuilding and conflict transformation. One of the Practitioners we trained this year is acting as Link Practitioner for this project. This Practitioner and our Director spent time in Kenya and South Sudan this year to support the network of agencies working together in the region, to deliver training, and then to commission seven accredited Place for Hope Practitioners located in South Sudan and Kenya.

## Achievements and Performance (continued)

Place for Hope continued to develop the Positive Working Together project with the Methodist Church. We completed pilots of the 'Faith in Change and Conflict' residential and planned for the delivery of the first such programme at Cliff College in spring/summer 2019. We launched a Positive Working Together Network for peer support and convened the first meetings of Network members in the north and south of England, which included the production of a film about the project.

We were delighted to be asked to offer Continuing Professional Development to our partners in the Listening and Reconciliation Service of the Northerly Synods of the United Reformed Church.

We continued to grow our relationship with the Reconcilers Together group of residential centres for peace-making and reconciliation. With Reconcilers Together we delivered training for the Emerging Peacemakers Forum - a team of church-based peacebuilders throughout the UK - and co-delivered Module 4 of the 'Journey of Hope' programme.

Place for Hope worked as the lead partner, alongside Reconcilers Together, Bridge Builders Ministries, the Presbytery of Glasgow, the Centre for Good Relations, The Archbishop's Reconciliation Ministries and Scottish Mediation, to plan for the Gathering in Glasgow on Conflict and Faith in autumn 2019. This will be a major three-day event to mark the tenth anniversary of the founding of Place for Hope. The Gathering aims to respond to the hunger for reconciliation and peace in churches and communities, and to strengthen the unique contribution that faith communities can make in this field. It will enable participants to share and develop knowledge and skills to support the work of conflict transformation, reconciliation and peacebuilding.

## *Communication*

Place for Hope continued to develop our printed and online communication, including attractively printed training booklets, flyers and annual review. We commissioned a high- quality promotional film about the Positive Working Together project for use by both the Methodist Church and Place for Hope, delivering it in time for the Methodist Church's spring synods in 2019. We produced two issues of our Peacemakers Network, and continued to support our Practitioners, Staff and Trustees through the production of our Monthly Message. Resource materials on prayer and conflict were produced for various church publications, including 'Together we Pray.'

# Report of the Trustees (continued)

## Financial Review

Details of the income and expenditure for the year are shown in the Statement of Financial Activities on page 11, with further information provided in the notes to the accounts.

It was hoped that grant income could be drawn down in 2018/19 to cover the costs of training new Practitioners and of CPD for the whole Practitioner team. However, the Trustees recognised that this might not be possible and, in approving the budget, set aside a designated fund of £20,000 in the reserves to meet the cost of this Practitioner training if grant funding was not secured, using the surplus generated from staff shortages and other savings in previous years. It has proved necessary to use this fund. This decision by the Trustees has meant that at the end of this fourth financial year as an independent Scottish charity, there is no effective operating loss on the general fund, even though no grant income was secured for Practitioner training.

The Trustees wish to note their gratitude to the Ministries Council of the Church of Scotland for their generous grant funding which has continued to provide the platform for the operation of Place for Hope as an independent charity, in accordance with the aspirations identified in 2009 when it was first set up as a project within the Church of Scotland.

We are also grateful for funding received from other partners to deliver training, especially the World Mission Council of the Church of Scotland under the Accompaniment for Peace programme, and the Methodist Church under the Positive Working Together project. We continue to be grateful for individual donations received and look to expand this base of support in the future.

Our Financial Overview and Funding Strategy was updated and strengthened during the course of the year, overseen by our Finance and Funding Forum. The new Funding Strategy identifies a variety of ways to diversify our funding base over the next five years in order to provide a more secure foundation for the long-term sustainability of the charity. We also updated our outcomes and annual targets for the five-year period from 2019 within the context of an updated Strategic Work Plan for this time period.

We recognised the need for a modest increase in our fees and planned a new pricing policy and fee structure from the start of the next financial year.

## Risk management

The principal risks faced by Place for Hope continue to lie in the ability to diversify our income streams so as to reduce reliance on one major grant provider, to ensure we match our activities to our human and financial resources, and to maintain our reputation for high-quality service provision and training.

We are encouraged by confirmation from the Ministries Council of the Church of Scotland of grant funding at the present level to the end of 2020, and by indications that they envisage continuing support for Place for Hope beyond that period.

However, our Funding Strategy highlights the importance of securing a more diverse range of funding streams to secure sustainability and future growth. It identifies continuing diversification of our client base as vital in this regard, in order to generate a steady increase in paid-for services across the range of our offer (training, facilitated conversations and coaching). It further identifies the intention to secure greater certainty of funding streams through partnership and project development. This is likely to mean entering into a variety of partnership agreements with an increasing range of denominations and other partners, nationally and regionally.

The significant strengthening of our Practitioner team and the re-focussing of our training work to meet identified local needs during 2018/19 have ensured we can continue to build on our excellent reputation for achieving the transformation of relationships in difficult circumstances and for delivering relevant training of the highest quality.

We further mitigate risk by the regular review of all our policies and practices, workflow prioritisation to reflect capacity, and effective communication.

## Reserves policy

The trustees have considered the level of reserves required and have taken into account their current and future liabilities. The Board of Trustees aims to maintain free reserves in unrestricted funds at a level which equates to approximately four months of unrestricted charitable expenditure.

The balance held as unrestricted general funds, after allowing for funds tied up in tangible fixed assets, at 31 March 2019 was £94,308, all of which is regarded as free reserves. This is between 4 and 5 months' expenditure against the unrestricted 2019/2020 budget.

## Plans for the future

Our priorities for 2019/20 and beyond are to:

- Enable the embedding in ministerial and congregational training and learning of an understanding of the impact of conflict and the development of skills for managing change, transition and conflict.
- Encourage organisational culture shift in the way our faith community partners deal with difference, change and conflict.
- Demonstrate and encourage the benefits of earlier intervention in situations of change and potential conflict.
- Increase the number of clients for our training and support services.
- Maintain and support our excellent team of Practitioners through further recruitment if necessary, and through training, pastoral support and supervision.
- Broaden and deepen relationships with current key partners.
- Develop stronger relationships with a wider range of denominational, ecumenical and interfaith partners.
- Deliver an excellent Gathering in Glasgow on Conflict and Faith event to mark the 10th anniversary of Place for Hope.
- Broaden the opportunities and support for local faith communities to practice the art of reconciliation, working with our partners on Reconciling Congregations; a high-quality legacy programme from the Gathering.
- Develop the use of our database and accounting systems to improve our reporting and strategic planning, ensuring our internal processes are highly robust, efficient, and secure.
- Generate increasing awareness of Place for Hope using our full range of communication tools.
- Grow resources through diversification of our range of income sources.
- Recruit additional trustees to enhance the work of the Board.

# Report of the Trustees (continued)

## Structure, Governance and Management

### *Governing Document*

Place for Hope is a Scottish Charitable Incorporated Organisation (SCIO) which came into being in 2014 and was subsequently registered as a charity by the Office of the Scottish Charity Regulator (OSCR) with effect from 10<sup>th</sup> November 2014. Place for Hope is governed by a Board of trustees.

### *Appointment of New Trustees (Members of the Board)*

Trustees are appointed for a term of three years and must stand down at the AGM on the third anniversary of their appointment, whereupon they may offer themselves for re-election. One third of all trustees must retire at each AGM. The minimum number of trustees is 6 and the maximum number of trustees holding office at any one time is 12.

### *Recruitment of new Trustees*

The Board tries to ensure the Trustees have a range of skills to offer and represent a range of Christian denominations. Where there are gaps, the Board aims to appoint appropriate new Trustees who are co-opted until the AGM, whereupon they stand for election.

### *Representation of Practitioners*

Volunteer Practitioners are represented on the Board of Trustees by one amongst them, who is a non-voting observer.

### *Structure*

The Board meets quarterly to continue to guide the future direction of Place for Hope, set policy, consider risk and oversee delivery of the organisation's objectives. The Director is responsible for implementing the Board's policy and for managing the organisation on a day-to-day basis.

## Key management personnel remuneration

The trustees consider the Board of trustees and the Director as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 4 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Director and in accordance with the charity's policy withdraw from decisions where a conflict of interest arises.

The Director's salary is reviewed annually, ensuring the remuneration is fair. An Employee Engagement Report was commissioned in 2018/19 from independent consultants. This addressed questions of remuneration and pay scales. The report was considered and approved by Trustees and will inform the annual salary review and appraisal process. Details of the remuneration paid to key management personnel are provided in note 5 to the accounts.

# Report of the Trustees (continued)

## Reference and Administrative Information

|                          |   |                                    |
|--------------------------|---|------------------------------------|
| Trustees:                | Janet Adamson   | Chair from 25 September 2018       |
|                          | Nancy Adams   | Chair until 25 September 2018      |
|                          | James Aitken  | Vice Chair                         |
|                          | Carol Ford  | (resigned 25 September 2018)       |
|                          | Pamela Lyall  |                                    |
|                          | William McFadden  | (resigned 25 September 2018)       |
|                          | Muriel Pearson  | (appointed 5 June 2019)            |
|                          | Stewart Weaver  |                                    |
|                          | David Williams  |                                    |
| Director:                | Ruth Harvey   |                                    |
| Bankers:                 | Charities Aid Foundation Bank   | Triodos Bank UK Ltd                |
|                          | 25 Kings Hill Avenue<br>Kings Hill<br>West Malling<br>Kent<br>ME19 4TA  | Deanery Road<br>Bristol<br>BS1 5AS |
| Independent Examiner:    | Paul M Clelland CA<br>Paul Clelland Accountancy<br>Suite 1, First Floor West<br>Clydeaway House<br>813 South Street<br>Glasgow<br>G14 0BX |                                    |
| Registered Office:       | Clydeaway House<br>813 South Street<br>Glasgow<br>G14 0BX   |                                    |
| Charity Registration No: | SC 045224   |                                    |

## Report of the Trustees (continued)



### Trustees' responsibilities in relation to the financial statements

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

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each 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 the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable 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;
- 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 to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the trustees on 26 September 2019 and signed on their behalf by:

A handwritten signature in dark ink, appearing to read 'J Adamson', written over a light blue horizontal line.

**Janet Adamson**  
**Trustee and Chair**

# Report of the Independent Examiner

To the Trustees of Place for Hope



I report on the accounts of Place for Hope for the year ended 31 March 2019 which are set out on pages 11 to 18.

## Respective responsibilities of committee and independent examiner

The Trustees of Place for Hope are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The Trustees of Place for Hope considers that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44 (1) (c) of the Act and to state whether particular matters have come to my attention.

## Basis of Independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the Trustees of Place for Hope concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given in the accounts.

## Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44 (1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Paul M Clelland CA

Date: 26<sup>th</sup> September 2019

Member of the Institute of Chartered Accountants of Scotland

Paul Clelland Accountancy  
Suite 1, First Floor West  
Clydeaway House  
813 South Street  
Glasgow  
G14 0BX

# Statement of Financial Activities

For the year ended 31 March 2019



|                                      | Note | Total<br>2019<br>£ | Total<br>2018<br>£ |
|--------------------------------------|------|--------------------|--------------------|
| <b>Income from:</b>                  |      |                    |                    |
| <i>Donations</i>                     |      |                    |                    |
| Grants & donations                   | 2    | 166,500            | 166,335            |
| <i>Charitable Activities</i>         |      |                    |                    |
| Fee income for provision of services |      | 47,496             | 39,251             |
| <b>Total income</b>                  |      | <b>213,996</b>     | <b>205,586</b>     |
| <b>Expenditure on:</b>               | 3    |                    |                    |
| Staff costs                          |      | 147,854            | 102,529            |
| Practitioner costs                   |      | 29,889             | 8,915              |
| Project delivery costs               |      | 33,003             | 17,550             |
| Promotion and publicity              |      | 4,635              | 4,249              |
| Administrative costs                 |      | 12,338             | 18,275             |
| Governance Costs                     |      | 1,871              | 1,960              |
| <b>Total expenditure</b>             |      | <b>229,590</b>     | <b>153,478</b>     |
| <b>Net income</b>                    |      | <b>(15,594)</b>    | <b>52,108</b>      |
| <b>Net transfers</b>                 |      | <b>-</b>           | <b>-</b>           |
| <b>Net movement in funds</b>         |      | <b>(15,594)</b>    | <b>52,108</b>      |
| <b>Reconciliation of funds:</b>      |      |                    |                    |
| Funds brought forward                |      | 112,534            | 60,426             |
| <b>Funds carried forward</b>         |      | <b>96,940</b>      | <b>112,534</b>     |

The above statement includes all gains and losses recognised during the year.

All activities are regarded as continuing.

All income and expenditure in the current and previous years relates to the charity's unrestricted funds.

The notes on pages 13 to 18 form part of these financial statements.

# Balance Sheet

As at 31 March 2019

|                              | Note | 2019<br>£            | 2018<br>£             |
|------------------------------|------|----------------------|-----------------------|
| <b>Fixed assets</b>          |      |                      |                       |
| Tangible assets              | 6    | 2,632                | 3,054                 |
| <b>Current assets</b>        |      |                      |                       |
| Debtors                      | 7    | 6,359                | 4,899                 |
| Cash at bank and in hand     |      | 111,023              | 134,910               |
|                              |      | <u>117,382</u>       | <u>139,809</u>        |
| <b>Creditors:</b>            |      |                      |                       |
| Amounts due within one year: | 8    | <u>23,074</u>        | <u>30,329</u>         |
| <b>Net current assets</b>    |      | <u>94,308</u>        | <u>109,480</u>        |
| <b>Net total assets</b>      |      | <u><u>96,940</u></u> | <u><u>112,534</u></u> |
| <b>Funds</b>                 |      |                      |                       |
| <b>Unrestricted funds</b>    |      |                      |                       |
| Designated fixed asset fund  | 9    | 2,632                | 3,054                 |
| Designated training fund     | 9    | -                    | 20,000                |
| General fund                 | 9    | 94,308               | 89,480                |
| <b>Total Funds</b>           |      | <u><u>96,940</u></u> | <u><u>112,534</u></u> |

The financial statements on pages 11 to 18 were approved by the trustees on 26 September 2019 and are signed on their behalf by:

Nancy Adams

Date: 26<sup>th</sup> Sept 2019

Name: Nancy Adams

Trustee

The notes on pages 13 to 18 form part of these financial statements.

# Notes to the Financial Statements

For the Year Ended 31 March 2019



## 1. Accounting Policies

### ***Basis of Accounting***

The financial statements have been prepared on the historical cost basis and in accordance with the requirements of:

- 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 (FRS102) issued on 16 July 2014 (Charities SORP (FRS102)); and
- the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The charity constitutes a public benefit entity as defined by FRS102.

The accounts are prepared on the going concern basis. The trustees have considered whether there are any material uncertainties regarding the charity's ability to continue in operation for the foreseeable future, and are content that it is appropriate to report on this basis.

### ***Income***

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Income received by way of grants and donations is included in full in the Statement of Financial Activities when receivable. Where entitlement is conditional on the delivery of a specific performance by the charity, grants are recognised when the charity earns the right to consideration by its performance. Grants and donations are allocated between charitable activities depending on the terms of each individual grant. Where a grant or donation is given for a specific purpose, it is included in restricted income and any unexpended portion is carried forward as a restricted fund.

### ***Expenditure***

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. Expenditure is reported by cost type as the charity has opted not to report on the activity basis.

Governance costs are those associated with meeting the statutory obligations of running the charity.

### ***Tangible Fixed Assets and Depreciation***

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on the straight line basis at the following annual rates, in order to write off each asset over its estimated useful life.

|                     |     |
|---------------------|-----|
| Computer equipment: | 25% |
|---------------------|-----|

### ***Other Basic Financial Instruments***

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

# Notes to the Financial Statements (continued)

## 1. Accounting Policies (continued)

### **Taxation**

The organisation is a registered charity and is exempt from corporation tax on its charitable activity. No charge to corporation tax arose during the year. The organisation is not registered for VAT and expenditure includes VAT where relevant.

### **Pension Costs**

The charity contributes to NEST on behalf of its employees. Contributions are charged to expenditure as they become payable.

### **Funds**

**Unrestricted funds** can be used in accordance with any of the charitable objects at the discretion of the trustees.

**Designated funds** are set aside by the trustees out of unrestricted funds for specific future purposes or projects.

**Restricted funds** can only be used for particular purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular purposes.

## 2. Grants & Donations

|  | <b>Unrestricted<br/>Funds<br/>£</b> | <b>Restricted<br/>Funds<br/>£</b> | <b>Total<br/>2019<br/>£</b> | <b>Total<br/>2018<br/>£</b> |
|--|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| <i>Grants</i>                                    |                                     |                                   |                             |                             |
| Church of Scotland Ministries Council Core Grant | 165,000                             | -                                 | <b>165,000</b>              | 165,000                     |
| <i>Donations</i>                                 | 1,500                               | -                                 | <b>1,500</b>                | 1,335                       |
|  | <u>166,500</u>                      | <u>-</u>                          | <u><b>166,500</b></u>       | <u>166,335</u>              |

# Notes to the Financial Statements (continued)

## 3. Expenditure

|   | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>2019<br>£    | Total<br>2018<br>£ |
|---|----------------------------|--------------------------|-----------------------|--------------------|
| <i>Staff costs</i>                            |                            |                          |                       |                    |
| Salaries (see Note 5)                         | 143,154                    | -                        | <b>143,154</b>        | 97,557             |
| Recruitment                                   | 385                        | -                        | <b>385</b>            | 959                |
| Staff travel, subsistence and accommodation   | 3,421                      | -                        | <b>3,421</b>          | 3,643              |
| Staff training & supervision                  | 671                        | -                        | <b>671</b>            | 370                |
| Consultancy                                   | 223                        | -                        | <b>223</b>            | -                  |
|   | <u>147,854</u>             | <u>-</u>                 | <u><b>147,854</b></u> | <u>102,529</u>     |
| <i>Practitioner costs</i>                     |                            |                          |                       |                    |
| Practitioner recruitment                      | 13,676                     | -                        | <b>13,676</b>         | 309                |
| Practitioner training & supervision           | 16,213                     | -                        | <b>16,213</b>         | 8,606              |
|   | <u>29,889</u>              | <u>-</u>                 | <u><b>29,889</b></u>  | <u>8,915</u>       |
| <i>Project delivery costs</i>                 |                            |                          |                       |                    |
| Project travel, subsistence and accommodation | 28,392                     | -                        | <b>28,392</b>         | 14,270             |
| Consultancy                                   | -                          | -                        | <b>-</b>              | 787                |
| Peacebuilding & Festivals work                | 4,611                      | -                        | <b>4,611</b>          | 2,493              |
|   | <u>33,003</u>              | <u>-</u>                 | <u><b>33,003</b></u>  | <u>17,550</u>      |
| <i>Promotion and publicity</i>                | <u>4,635</u>               | <u>-</u>                 | <u><b>4,635</b></u>   | <u>4,249</u>       |
| <i>Administrative costs</i>                   |                            |                          |                       |                    |
| Office running costs                          | 5,268                      | -                        | <b>5,268</b>          | 3,880              |
| Room hire & meeting costs                     | 808                        | -                        | <b>808</b>            | 929                |
| Insurance                                     | 292                        | -                        | <b>292</b>            | 833                |
| Professional fees & consultancy               | 4,299                      | -                        | <b>4,299</b>          | 11,275             |
| Depreciation                                  | 1,671                      | -                        | <b>1,671</b>          | 1,358              |
|   | <u>12,338</u>              | <u>-</u>                 | <u><b>12,338</b></u>  | <u>18,275</u>      |
| <i>Governance Costs</i>                       |                            |                          |                       |                    |
| Independent Examination fee                   | 675                        | -                        | <b>675</b>            | 650                |
| Board meetings                                | 1,196                      | -                        | <b>1,196</b>          | 1,310              |
|   | <u>1,871</u>               | <u>-</u>                 | <u><b>1,871</b></u>   | <u>1,960</u>       |
|   | <u>229,590</u>             | <u>-</u>                 | <u><b>229,590</b></u> | <u>153,478</u>     |

Expenditure above includes:

|  | £                    | £            |
|--|----------------------|--------------|
| <i>Independent examiner's remuneration</i> |                      |              |
| For performance of independent examination | <b>675</b>           | 650          |
| For other services provided                | <b>707</b>           | 400          |
|  | <u><b>1,382</b></u>  | <u>1,050</u> |
| <i>Employer's pension contributions</i>    | <u><b>10,747</b></u> | <u>6,098</u> |

## 4. Transactions with Trustees and Related Parties

No remuneration was paid to any trustees in the current or previous year.

Travel and other expenses totalling £189 were paid to 3 trustees during the year (2018: nil).

# Notes to the Financial Statements (continued)

## 5. Staff Costs

|   | 2019           | 2018          |
|---|----------------|---------------|
|   | £              | £             |
| Wages and salaries, net of statutory payments recovered | 123,980        | 87,529        |
| Social security costs                                   | 8,427          | 3,797         |
| Employer's pension contributions                        | 10,747         | 6,098         |
| Other emoluments & benefits                             | -              | 133           |
|   | <b>143,154</b> | <b>97,557</b> |

The average numbers of staff employed directly during the year, on a headcount basis, was 5 (2018: 4).

The total amount of employee benefits, including employer pension contributions, paid in respect of key management personnel was £42,002 (2018: £34,555). No employee had emoluments of more than £60,000 in the current or previous year.

## 6. Tangible Fixed Assets

|                       | Computer equipment | Total        |
|-----------------------|--------------------|--------------|
|                       | £                  | £            |
| <i>Cost</i>           |                    |              |
| At 1 April 2018       | 5,433              | <b>5,433</b> |
| Additions             | 1,249              | <b>1,249</b> |
| At 31 March 2019      | <b>6,682</b>       | <b>6,682</b> |
| <i>Depreciation</i>   |                    |              |
| At 1 April 2018       | 2,379              | <b>2,379</b> |
| Charge for the year   | 1,671              | <b>1,671</b> |
| At 31 March 2019      | <b>4,050</b>       | <b>4,050</b> |
| <i>Net Book Value</i> |                    |              |
| At 31 March 2019      | <b>2,632</b>       | <b>2,632</b> |
| At 31 March 2018      | 3,054              | 3,054        |

## 7. Debtors

|                | 2019         | 2018         |
|----------------|--------------|--------------|
|                | £            | £            |
| Accrued income | 4,873        | 3,415        |
| Prepayments    | 1,486        | 1,484        |
|                | <b>6,359</b> | <b>4,899</b> |

## 8. Creditors

|                 | £             | £             |
|-----------------|---------------|---------------|
| Deferred income | 16,129        | 24,268        |
| Accruals        | 6,945         | 6,061         |
|                 | <b>23,074</b> | <b>30,329</b> |

Deferred income above represents fee income received in advance in respect of future financial periods.

# Notes to the Financial Statements (continued)

## 9. Movement in Funds

|                                 | Notes | At<br>1/4/18<br>£ | Movement in year |                  | Transfers<br>£ | At<br>31/03/19<br>£  |
|---------------------------------|-------|-------------------|------------------|------------------|----------------|----------------------|
|                                 |       |                   | Income<br>£      | Expenditure<br>£ |                |                      |
| <b>Unrestricted funds:</b>      |       |                   |                  |                  |                |                      |
| Designated fixed asset fund     | (a)   | 3,054             | -                | (1,671)          | 1,249          | <b>2,632</b>         |
| Training fund                   | (b)   | 20,000            | -                | (20,000)         | -              | -                    |
| General fund                    |       | 89,480            | 213,996          | (207,919)        | (1,249)        | <b>94,308</b>        |
| <b>Total unrestricted funds</b> |       | <u>112,534</u>    | <u>213,996</u>   | <u>(229,590)</u> | <u>-</u>       | <u><b>96,940</b></u> |
| <b>Total funds</b>              |       | <u>112,534</u>    | <u>213,996</u>   | <u>(229,590)</u> | <u>-</u>       | <u><b>96,940</b></u> |

### Notes:

#### **Purposes of Designated Funds:**

(a) Designated fixed asset fund: This corresponds to the net book value of fixed assets. Annual depreciation is charged to this fund and the cost of any fixed assets purchased out of unrestricted funds is transferred into the fund.

(b) Training fund: The trustees set aside funds in 2017-18 to cover the cost of practitioner training during 2018-19. This fund was spent in full during the year.

## 10. Analysis of Net Assets between Funds

|                                    | Unrestricted Funds |                  | Restricted Funds | Total Funds          |
|------------------------------------|--------------------|------------------|------------------|----------------------|
|                                    | General<br>£       | Fixed Asset<br>£ | £                | £                    |
| Tangible fixed assets              | -                  | 2,632            | -                | <b>2,632</b>         |
| Debtors                            | 6,359              | -                | -                | <b>6,359</b>         |
| Cash at bank & in hand             | 111,023            | -                | -                | <b>111,023</b>       |
| Creditors due within one year      | (23,074)           | -                | -                | <b>(23,074)</b>      |
| <b>Net assets at 31 March 2019</b> | <u>94,308</u>      | <u>2,632</u>     | <u>-</u>         | <u><b>96,940</b></u> |

# Notes to the Financial Statements (continued)

## 11. Movement in Funds - Prior Year

|                                 | At<br>1/4/17<br>£ | Movement in year |                  | Transfers<br>£ | At<br>31/03/18<br>£   |
|---------------------------------|-------------------|------------------|------------------|----------------|-----------------------|
|                                 |                   | Income<br>£      | Expenditure<br>£ |                |                       |
| <b>Unrestricted funds:</b>      |                   |                  |                  |                |                       |
| Designated fixed asset fund     | 3,065             | -                | (1,358)          | 1,347          | <b>3,054</b>          |
| Training fund                   | -                 | -                | -                | 20,000         | <b>20,000</b>         |
| General fund                    | 57,361            | 205,586          | (152,120)        | (21,347)       | <b>89,480</b>         |
| <b>Total unrestricted funds</b> | <u>60,426</u>     | <u>205,586</u>   | <u>(153,478)</u> | <u>-</u>       | <u><b>112,534</b></u> |
| <b>Total funds</b>              | <u>60,426</u>     | <u>205,586</u>   | <u>(153,478)</u> | <u>-</u>       | <u><b>112,534</b></u> |

## 12. Analysis of Net Assets between Funds - Prior Year

|                                    | Unrestricted Funds |                 |                  | Restricted<br>Funds | Total<br>Funds        |
|------------------------------------|--------------------|-----------------|------------------|---------------------|-----------------------|
|                                    | General<br>£       | Designated<br>£ | Fixed Asset<br>£ | £                   | £                     |
| Tangible fixed assets              | -                  | -               | 3,054            | -                   | <b>3,054</b>          |
| Debtors                            | 4,899              | -               | -                | -                   | <b>4,899</b>          |
| Cash at bank & in hand             | 114,910            | 20,000          | -                | -                   | <b>134,910</b>        |
| Creditors due within one year      | (30,329)           | -               | -                | -                   | <b>(30,329)</b>       |
| <b>Net assets at 31 March 2018</b> | <u>89,480</u>      | <u>20,000</u>   | <u>3,054</u>     | <u>-</u>            | <u><b>112,534</b></u> |