

# **FAMILY JOURNEYS LTD**

**(A company limited by guarantee)**

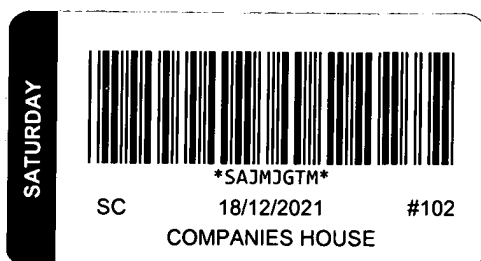
**Annual Report & Financial Statements**

**For the year ended**

**31 March 2021**



**Company No SC110356**



# **ANNUAL REPORT & FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2021

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## **TRUSTEES' ANNUAL REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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The trustees, who are the directors of the company for the purposes of company law, are pleased to present their report and financial statements together with the independent examiner's report for the year ended 31 March 2021.

#### **OBJECTS & ACTIVITIES**

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Family Journeys objects are to offer a range of services including family mediation, child contact and other relevant family support interventions to assist and support families through separation. In particular, the charity offers services to children and young people, parents, step-parents, grandparents, adoptive parents and others in the extended family circle who require support during family break up. The charity also aims to assist families to find amicable solutions to problems and issues raised by separation.

To meet these objects the charity undertakes the following activities:

- (a) help parents to agree and sustain arrangements designed to promote the well-being and health of their children, through family mediation where necessary;
- (b) provide safe, secure, friendly places where children can meet with their parents or other significant family members after separation;
- (c) provide support services for children and young people affected by family break up and separation;
- (d) promote the idea of counselling to individuals and couples experiencing relationship difficulties or family break-up;
- (e) work in partnership with local authorities, the legal sector and other voluntary and community organisations throughout the Lothian area to promote the above objects; and
- (f) provide a universal service which responds to the needs of all families and children, particularly those from areas where socio-economic factors such as poverty, health inequalities, poor housing and high unemployment have been identified

#### **ACHIEVEMENTS & PERFORMANCE**

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Like many charities, we look back on 2020/21 as a year of unprecedented challenge for our client children and parents.

In our parent survey (March 2021) we learned 10% of our parents have faced reduced income due to furlough, and 25% have lost employment due to Covid19.

In practical terms, this impact is very serious for separated families, who already face the double burden of trying to afford two households with the same income they had when they previously only had one set of bills.

##### **Neil's story**

Neil and his partner Jane separated when their daughter Shona was 3 years old, in 2019. Neil made a contribution to Jane and Shona's household costs, but whilst doing this, could not afford his own place to stay. To maintain his opportunity to spend time with Shona, Neil changed his job, earning slightly less, so that he no longer had to work weekend shifts. The conflict between Neil and Jane escalated. In the end, their case went to court to agree child contact, and to the Child Support Agency, to set a level of child maintenance. However, during Covid 19, Neil was furloughed, receiving only 80% of the income that was already lower than it had been when he was still living with his family. Debts were hard on his mental health and Jane was getting increasingly frustrated, threatening to stop child contact if the child maintenance payments were delayed.

Family Journeys supported Neil to ensure communication with Jane was open and respectful of her anxiety and her own efforts to manage financially. We facilitated child contact and Shona enjoyed this – to sustain her relationship with Neil, we even supported outdoor contact during lock down. Neil has now re-established child maintenance payments based on his new income, and has now progressed to using our contact centres only to collect and drop off Shona when he sees her for contact.

## **TRUSTEES' ANNUAL REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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Other parents told us:

"Financially, between covid 19 restrictions and my availability of childcare it was impossible to find a way to return to my part time council job following mat leave."

"Things have been quite the struggle. Progressing forward ourselves seems lost now. Family Journeys would help open more doors."

Our services locked down from March to October 2020, and after a brief and partial re-opening from October to December 2020, were forced to close again between January 2021 and April 2021.

Between 2020 and 2021, 420 parents engaged with Family Journeys. By 31st March 2021 317 cases are pending (waiting for initial assessment) and 216 are on a waiting list, with 130 cases in active service (mediation, parent coaching and child contact). 54% of our service users come from Edinburgh, 25% from West Lothian, 11% from Midlothian and 10% from East Lothian. 40% of clients approach us initially for mediation, and 40% for child contact, with 10% requiring both services and 10% of clients wanting general support and information.

This is a stressful and difficult delay for these families.

#### **Families told us about their Covid 19 experience**

Problems in relationships becoming too difficult to repair alone:

"More stress and less opportunities to get out of the flat we shared escalated into our breakup."

"It kept me in an unsafe situation"

#### **Parents struggling with their mental health:**

"Terrible, I've been in a state of grief and despair"

"His mental health has suffered causing a strain on relationship and arrangements."

"It has had a serious effect on my mental health."

#### **Difficulties with child contact:**

"Covid 19 has meant that we couldn't make use of cafes / play cafes / soft plays for contact. It has also meant that busy areas haven't been appropriate either for contact such as playparks at busy times.

"Really bad throughout this, crying has been a big part, not knowing when I will see my daughter and not knowing if she would know me."

"I'm very anxious about leaving my daughter with my ex-partner as due to a court order I made an effort to try and communicate with him in the past months however it did not end well, he kept asking to come to my home etc."

"We are devastated for our son. As Grandparents we have not seen our Grandchild for over a year due to her mum not liking us. We have to accept that even though it hurts so much, but all we want is for our son to see his little girl again he is in emotional pain everyday and wonders if it will ever happen. His Ex won't even allow face time to talk to the little one."

#### **Change and development through adversity**

The challenges facing parents are Family Journeys' main concern. Nevertheless, as a small organisation, the pandemic highlighted that many of our systems were dated and ill-prepared for new ways of working during lockdown. The changes we have made during the last year in response to the need to find different solutions to maintain our services have been a very positive legacy of Covid 19 which will improve our efficiency and effectiveness for the long term. Developments funded through Covid-19 response funding include:

- Strengthening our IT infrastructure, enabling staff to work from home;
- Moving to cloud-based systems and procedures for case files, human resources and administration;
- Revising our policies;

## TRUSTEES' ANNUAL REPORT

### FOR THE YEAR ENDED 31 MARCH 2021

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- Reviewing our staff structure, following the appointment of a new CEO in August 2020, after a gap of nearly one year in this post;
- Strengthening our capacity in client assessment (Choices Meetings, our approach to client intake) and in child contact, with new staff and training;
- Delivering mediation sessions online, from January 21;
- Training staff in parent coaching, to offer individual parents support when an ex-partner does not wish to mediate;
- Developing our online presence with a new website and social media profile.

New funding awards from the Communities Recovery Fund, Adapt & Thrive, Tesco Bags of Help and Bank of Scotland Reach, have encouraged us to look forward to stronger and better services in 2021-22, although we are not complacent about the challenge of recovering from the backlog of cases and clients who have had a particularly tough time on top of the challenges of separation and divorce.

#### **We asked parents what they need from Family Journeys now.**

"An agreed child contact structure put in place which is fair and in the kids' best interests."

"Mediation. Potentially child contact support too. And I feel my baby's dad needs to make use of any support on offer."

"Much more team members and likely a bigger and specific place to be called Child Contact Centre."

"A safe way to have the children see their father and finding ways to deal with our hostility that does not impact the kids."

"Peace of mind having childcare arrangements agreed to and in place. I need a communication channel with my ex to discuss any ongoing issues that may arise with our son."

"Psychological Support, being informed of processes to come at any single case, online parenting courses, support for Dads."

"Emotional support, someone I can talk to when [ ] I find myself unsure how to cope with / respond to my ex's messages [ ]. Someone to tell me if I'm doing the right things..."

Going forward in 2021-2 we will respond with a new range of parents' groups, children's groups, programmes and courses, helping families with a wider choice of services and support to suit their different needs. We will need to urgently address a loss of venue capacity for our child contact services, since many of our former venues remain closed to external lets during this Covid 19 recovery period.

Without doubt the organisation's ability to deliver high quality services requires a staff team that is skilled, knowledgeable and experienced. We are fortunate to have attracted new team members with an excellent track record in psychology and psychotherapy, child and family services and supporting vulnerable families. We will continue to invest in staff training and development to maintain a team with qualifications and skills.

Our organisation began when volunteers came together to develop services to families experiencing separation and divorce. Volunteering can strengthen our work, bringing enthusiasm and experience from different walks of life. In 21-22 we will revive volunteering in the organisation, providing volunteers with positive experience and new skills, whilst gaining their time and their talents.

#### **FINANCIAL REVIEW**

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The Board of Directors successfully reversed a three-year trend of modest deficit in 2020-21. Our reserves remain stable and within our policy of 6 months' running costs. The achievement was difficult, requiring a robust review of our approach to managing resources and some restructuring of our staff team, resulting in one voluntary redundancy and two re-deployments to alternative roles.

Like many organisations Family Journeys lost income during 2020-21. With no service delivery, the income we usually generate through clients' contribution of legal aid (for those eligible) was significantly diminished. Our

## **TRUSTEES' ANNUAL REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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approach to ensuring clients' legal aid contributions are efficiently collected has strengthened during the down time, ensuring that future cash flow is well managed.

Due to spending more time than in previous years on fundraising, our income increased to £276,747 (2020 £250,843) but our main approach to managing the financial challenges of the year was to reduce expenditure. We are better prepared for ensuring that in 2021-22 our underlying business approach is sound, by ensuring income generation through legal aid contributes to the costs of delivering services; that service delivery is as efficient as possible; and that we protect our core funding by communicating our impact to a wider audience.

#### **Principal risks**

The Board mitigated risks associated with Covid 19 in the last financial year. The measures taken as described above address some of the risks that a third wave of Covid 19 may bring during 21-22.

Going forward, our levels of local authority support appear to be at greatest risk, given the pressures on local authorities and public sector funding generally. The Board is preparing the organisation to ensure we are competitive applicants and bidders in local authority grant and tendering processes. We will ensure the relevance of our work to local priorities is well-profiled, and ensure we have the policies and employment practices in place to meet their minimum requirements.

The Board is also committed to addressing the reduced capacity of our service venues, seeking to secure premises over which our organisation has more control and autonomy regarding opening hours and service provisions during periods of national restrictions.

#### **Reserves policy**

The directors have decided that the charity needs to hold one year's rent, non-cancellable commitments, redundancy payments and two months running costs in reserves. This equates to a reserve balance of approximately £112,000 in general funds, after deduction of fixed assets. At the year end the free reserves amount to £136,038. The policy is therefore met. The Board considers that in the event of further financial challenges in the pandemic economic recovery period, holding this reserve is prudent to allow for further redundancy payments should this be in the best interests of the organisation and its long-term sustainability.

#### **FUTURE PLANS**

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Towards the end of the financial year, Family Journeys completed its review of our staff team by establishing new roles which provide us with exciting opportunities for providing broader and deeper work with families.

- We have established a p/t Children's Rights Worker, to ensure that Family Journeys supports children's rights under the UN Convention on the Rights of the Child which became incorporated into Scots domestic law in 2020. This team member will focus on children's voice in contact and in mediation.
- We have established a p/t Parent Support Development Worker role, helping us to extend the range of courses and groups to support parents, resources parents can use in self-help, and gather more evidence of the help parents and their families need to strengthen our strategic planning.
- Four Area Team Leaders are now ensuring that our service recovery in child contact post-covid is on the ball, addressing the backlog of cases but also ensuring our teams feel confident to support families where the gap in contact has been so long that families need additional support to bridge the gap.

We were successful in securing funding to allow for an innovative new project in 2021-22 recruiting young people with experience of separation in their families as peer leaders of children's groups, helping children to share their views and support their resilience during family conflict and family breakdown. The project will also help us develop more resources for children, with children as the experts in the process.

Our fundraising in the coming year will focus on Covid 19 recovery of services and premises; programmes supporting fathers; programmes supporting mothers, particularly those who have experienced trauma; and

## **TRUSTEES' ANNUAL REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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programmes putting children at the centre of decision making in family law and professional decision making about children within families in conflict; and volunteer training and development.

Our staff team is facing the future with energy, enthusiasm and a huge commitment to the families we serve. The Board shares their willingness to innovate and pioneer the solutions families need during this most difficult social and economic period, which they are experiencing during the most emotionally difficult time for their families.

## **STRUCTURE GOVERNANCE AND MANAGEMENT**

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### **Governing document**

During 2020-21 our organisation changed its name to Family Journeys from Family Mediation Lothian. This signalled our recognition that our organisation now provides so much more than mediation, and that many families' needs change over time, requiring a journey through our different services.

Family Journeys is a charitable company limited by guarantee and was incorporated on the 12<sup>th</sup> April 1988. The charity is governed by its Memorandum and Articles of Association which was last amended on 8<sup>th</sup> December 2020. The members of the company are required to contribute an amount not exceeding £1 if it should be wound up while he/she is a member or within one year after he/she ceases to be a member.

### **Appointment of trustees**

The trustees retire at each annual general meeting but are eligible for re-election. The trustees may serve for a period of seven consecutive years and which point they must retire. The governing document allows for a minimum of 4 and a maximum of 12 trustees. The trustees may appoint additional trustees at any time.

### **Organisational structure**

The trustees meet regularly to review the various projects undertaken together with planning of the future strategies. The Board is presently made up of 9 Directors and two sub committees (Finance and Policy) at 31<sup>st</sup> March 2021. The Board meets quarterly, the Finance Sub-Committee receives monthly management accounts and meets quarterly prior to the Board meeting; the Policy Sub Committee meets as required. Sub Committees make recommendations to the Board. The Chair and the Chief Executive meet monthly.

The day to day management of the charity is delegated to p/t Chief Executive, supported by a p/t Service Manager. By 31/3/21 there were 5.3 fte staff in total, comprising 1.3 fte senior management; 1.4 fte finance and administration; 2.6 fte service delivery lead staff, supported by sessional mediators and sessional contact centre workers, and three volunteers.

### **Induction and training of trustees**

We marked the retirement of three Board members, one our long-standing Treasurer of 18 years. Recruitment for new trustees and a Treasurer is underway. New Board members in 2021 will join three Board members who joined during 2020, creating a healthy renewal of the Board, underpinned by three Board members with 3+ years' experience on the Board.

Shona Young was appointed Chair of the Board in December 2020 at our Annual General Meeting, following Alison Edmondson's leadership.

We strengthened our approach to Governance with a revised strategy, a governance review, and new information and induction materials for prospective Board members.

### **Membership**

An Annual General Meeting is open to all members of Family Journeys. It is intended in 21/22 to create a renewed membership drive.

## TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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### REFERENCE AND ADMINISTRATIVE DETAILS

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<b>Charity Name</b>	Family Journeys Ltd
<b>Charity No</b>	SC012815
<b>Company No</b>	SC110356
<b>Registered &amp; Principal Office</b>	37 George Street Edinburgh EH2 2HN
<b>Website Address</b>	<a href="http://www.familyjourneys.scot">www.familyjourneys.scot</a>
<b>Current Trustees</b>	Dr Gillian Black Amy Donachie Alison Edmondson Katy Guthrie Norman McFadyen Susan Oswald Andrew Sloan Richard Smith Shona Young
<b>Other Trustees who served during the period</b>	Charlotte Di Corpo      Resigned 25th November 2020 James Fraser      Resigned 8th December 2020
<b>Company Secretary</b>	Ruth Campbell
<b>Bankers</b>	Bank of Scotland 37 George Street Edinburgh EH2 2HN
<b>Independent Examiner</b>	Anne Knox Community Accountancy Scotland Forthside Way Stirling FK8

### APPROVAL

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This report, which has been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies, was approved by the trustees on 15<sup>th</sup> December 2021 and signed on their behalf by:



**Shona Young**  
Chair



# INDEPENDENT EXAMINER'S REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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## Independent examiner's report to the trustees of Family Journeys Ltd

I report on the accounts of the charity for the year ended 31 March 2021, which are set out on pages 10 to 20.

### Respective responsibilities of trustees and examiner

The charity's trustees (who are the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 ("the 2005 Act") and the Charities Accounts (Scotland) Regulations 2006 (as amended) ("the 2006 Regulations"). The trustees consider that the audit requirement of Regulation (10)(1)(a)-(c) of the 2006 Regulations does not apply.

It is my responsibility to examine the accounts under section (44)(1)(c) of the 2005 Act and to state whether particular matters have come to my attention.

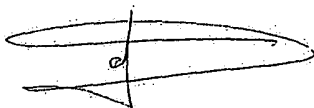
### Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Regulations. 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 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 by the accounts.

### Independent examiner's statement

In connection with my examination, no matter came 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 Regulations, and
  - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Regulationshave 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.



**Anne Knox, FCIE**

Community Accountancy Scotland

Cameron House

Forthside Way

Stirling

FK8 1QZ

15<sup>th</sup> December 2021

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING INCOME & EXPENDITURE ACCOUNT)**  
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
		£	£	£	£
<b>Income and endowments from:</b>					
Donations	4	1,698	-	<b>1,698</b>	18,215
Charitable activities					
Grants	5	84,017	183,038	<b>267,055</b>	195,141
Other charitable activities	6	7,955	-	<b>7,955</b>	37,420
Investment (Bank Interest)		39	-	<b>39</b>	67
		<b>93,709</b>	<b>183,038</b>	<b>276,747</b>	<b>250,843</b>
<b>Expenditure on:</b>					
Charitable activities	7	86,644	149,189	<b>235,833</b>	275,344
		<b>86,644</b>	<b>149,189</b>	<b>235,833</b>	<b>275,344</b>
<b>Net income/(expenditure)</b>		7,065	33,849	40,914	(24,501)
<b>Transfers between funds</b>		12,985	(12,985)	-	-
<b>Net movement in funds</b>		20,050	20,864	<b>40,914</b>	<b>(24,501)</b>
<b>Reconciliation of funds</b>					
Total funds as at 01 April 2020		129,392	12,507	<b>141,899</b>	166,400
<b>Total funds as at 31 March 2021</b>	15	<b>149,442</b>	<b>33,371</b>	<b>182,813</b>	<b>141,899</b>

All income and expenditure derives from continuing activities.

The above statement includes all gains and losses recognised during the year, and complies with the requirements for an income and expenditure account under the Companies Act 2006

Comparative figures for the previous year by fund type are shown in Note 18

The Notes on pages 12 to 20 form an integral part of these accounts.

## BALANCE SHEET

AS AT 31 MARCH 2021

	Note	Total 2021	Total 2020
<b>Fixed assets:</b>	11	£	£
Tangible assets		5,861	657
		<b>5,861</b>	657
<b>Current assets:</b>			
Debtors	10	26,529	31,565
Cash at bank and in hand	12	166,768	123,512
		<b>193,297</b>	155,077
<b>Liabilities:</b>			
Creditors (due within one year)	13	16,345	13,835
<b>Net current assets</b>		<b>176,952</b>	141,242
<b>Net Assets</b>		<b>182,813</b>	141,899
<b>Funds of the charity:</b>			
<b>Unrestricted</b>			
Designated funds		7,543	7,543
General fund		141,899	121,849
Restricted funds		33,371	12,507
<b>Total funds</b>	15	<b>182,813</b>	141,899

The trustees (who are also the directors of the company for the purposes of company law) confirm that for the year ended 31 March 2021

- the company was entitled to exemption from audit under section 477 of the Companies Act 2006, and
- members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act. However, in accordance with section 44 of the Charities and Trustee Investment (Scotland) Act 2005, the accounts have been examined by an independent examiner whose report appears on page 9.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The Notes on 12 to 20 form an integral part of these accounts.

These accounts, which have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies, were approved by the trustees on 15th December 2021 and signed on their behalf by:



**Shona Young**

Chair

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2021

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#### 1. Basis of preparation

- 1.1. These accounts (financial statements) have been prepared under the historic cost convention, with items recognised at cost or transaction value, unless otherwise stated in the relevant note(s), in accordance with:
- (a) The Charities and Trustee Investment (Scotland) Act 2005
  - (b) The Charities Accounts (Scotland) Regulations 2006 (as amended)
  - (c) The Companies Act 2006
  - (d) The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)
  - (e) Charities SORP (FRS 102) 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 01 January 2015)
- 1.2. The accounts have been prepared in sterling, which is the functional currency of the charity. Monetary amounts are rounded to the nearest £1.
- 1.3. As Family Journeys is a "small charity" within the SORP definition (under £500,000 income) the trustees have opted to make use of the simplifications permitted by SORP 2015 FRS 102 for smaller charities.
- 1.4. There have been no changes to the basis of preparation or to the previous year's accounts.
- 1.5. For the purposes of FRS 102, the charity is a public benefit entity and accounting policies are applied accordingly. However the trustees do not consider that these accounts depend on any material estimates of judgements except where specifically noted. The charity has only basic financial instruments.
2. Going concern: The charity is dependent on continuing funding from the Scottish Government. However, the trustees have no reason to consider that this will not continue or that there are any material uncertainties about the charity's ability to continue in operational existence for the foreseeable future. Accordingly the trustees have prepared the accounts on a going concern basis.

#### 2.1. Fund accounting

- (a) Unrestricted funds are those that can be expended at the discretion of the trustees in the furtherance of the objects of the charity.
- (b) Designated funds are unrestricted funds that the trustees have set aside for particular purposes. The designation is administrative only and does not restrict the trustees' ability to apply the funds.
- (c) Restricted funds are those that may only be used for specific purposes. Restrictions arise when specified by the donor, or when funds are raised for specific purposes.
- (d) The purposes of the funds are shown in Note 17.

#### 2.2. Income

Income is recognised and included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to the income; receipt is probable; and the monetary value can be measured with sufficient reliability. The specific bases used are as follows:

- (a) Donations are recognised at the point of receipt. Tax recoverable under gift aid is recognised at the date of the corresponding income.

#### (b) Grants income

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific conditions and is recognised as earned. Grant funding included in this category provides funding to support activities and is recognised where there is entitlement, probability of receipt, and the amount can be measured with sufficient reliability

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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### Government grant income

Income from charitable activities includes income received in the form of government grants where there were no performance related conditions and is recognised when the grant proceeds are received.

- (c) Bank interest is recognised when credited to the account.
- (d) Where income has related expenditure (e.g. fundraising), the income and related expenditure are reported gross in the SoFA.
- (e) Income, which is subject to conditions that the charity has yet to fulfil, or which is specifically for use in a future accounting period, is treated as deferred income.
- (f) The value of voluntary help is not included in the accounts but is described in the trustees' annual report.

### 2.3. Expenditure and liabilities

Liabilities are recognised when it is probable that there is a legal or constructive obligation committing the charity to pay out resources and the monetary value can be measured with sufficient reliability. The specific bases used are as follows:

- (a) Expenditure is recognised on the accruals basis.
- (b) As the charity is unable to recover VAT, all expenditure is stated inclusive of VAT where applicable.
- (c) Governance costs include the costs of preparation and examination of the statutory accounts, the cost of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

### 2.4. Tangible assets

- (a) Tangible assets are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or, if gifted, at their value on receipt.
- (b) Depreciation is calculated to write off the cost of tangible fixed assets over their useful economic lives. The rates used are as follows:
  - (i) Office Equipment 33.3% Straight line
  - (ii) Computer equipment 33.3% Straight line

### 2.5. Debtors

- (a) Debtors are recognised at the settlement amount due.
- (b) Prepayments are valued at the amount prepaid.

### 2.6. Cash

- (a) Cash includes cash in hand and bank balances repayable on demand.

### 2.7. Creditors

- (a) Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount, usually the invoice amount.
- (b) Accrued charges are normally valued at their settlement amount.

### 2.8. Taxation

The charity is not liable to corporation tax or capital gains tax on its charitable activities.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

### 3. Transactions with trustees and related parties

- (a) No remuneration was paid to the trustees during the year or in the previous year.
- (b) No expenses were reimbursed to the trustees during the year or in the previous year
- (c) The charity's insurance policy includes trustee indemnity insurance cover for all of its trustees.
- (d) There were no transactions with related parties in the year or the previous year.

### 4. Income from donations and legacies

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
General donations	698	-	698	1,622
Intake donations	-	-	-	4,175
Mediation donations	1,000	-	1,000	6,563
Inchrye Trust	-	-	-	500
Christina Mary Hendrie Trust	-	-	-	5,000
Membership income	-	-	-	355
	1,698	-	1,698	18,215

### 5. Grant income

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Scottish Government Core	74,017	-	74,017	79,558
EDC Business Support Grant	10,000	-	10,000	-
CYPEIF	-	90,584	90,584	-
City of Edinburgh Council	-	-	-	33,250
West Lothian Council	-	17,208	17,208	17,208
East Lothian Council	-	7,125	7,125	7,125
Adapt and Thrive	-	15,620	15,620	-
CEC	-	13,854	13,854	-
Community Fund	-	22,605	22,605	-
Bank of Scotland Foundation (Reach)	-	15,045	15,045	-
Tesco	-	997	997	-
Big Lottery Fund	-	-	-	58,000
	84,017	183,038	267,055	195,141

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED 31 MARCH 2021

**6. Income from other trading activities**

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Contact Centre Set-up & reports	3,300	-	<b>3,300</b>	25,935
Supervised contact	4,655	-	<b>4,655</b>	11,485
	<b>7,955</b>	-	<b>7,955</b>	37,420

**7. Expenditure on charitable activities**

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Contact centre costs	-	1,048	<b>1,048</b>	9,724
Membership and subscriptions	607	572	<b>1,179</b>	2,807
Training	1,685	1,134	<b>2,819</b>	3,013
Volunteer and staff travel	15	104	<b>119</b>	2,248
Staff costs (See note 9)	46,108	109,167	<b>155,275</b>	200,903
Rent and service charges	11,896	10,642	<b>22,538</b>	22,303
Rates and water	1,803	1,804	<b>3,607</b>	4,185
Cleaning	783	887	<b>1,670</b>	3,083
Heat and Light	710	543	<b>1,253</b>	1,763
Insurance	1,922	996	<b>2,918</b>	2,415
Maintenance and repair	507	506	<b>1,013</b>	1,279
Telephone	2,462	2,517	<b>4,979</b>	5,693
Postage, printing and stationery	1,593	1,577	<b>3,170</b>	5,583
Legal and Professional fees	920	1,684	<b>2,604</b>	3,749
Audit & Accountancy Fees	5,404	3,863	<b>9,267</b>	-
Staff recruitment	380	380	<b>760</b>	-
Other costs	837	767	<b>1,604</b>	2,824
PR and Comms	245	419	<b>664</b>	-
Data Management	1,552	1,553	<b>3,105</b>	-
Depreciation	3,647		<b>3,647</b>	811
IT and computer costs	1,904	9,021	<b>10,925</b>	-
Bad debts	414	5	<b>419</b>	291
Governance (see note 8)	1,250	-	<b>1,250</b>	2,670
	<b>86,644</b>	<b>149,189</b>	<b>235,833</b>	275,344

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED 31 MARCH 2021



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

### 11. Tangible assets

	Office Equipment	Computer Equipment	Total 2021
Cost	£	£	£
As at 01 April 2020	10,076	-	10,076
Additions	-	8,791	8,791
As at 31 March 2021	10,076	8,791	18,867
<b>Depreciation</b>			
As at 01 April 2020	9,419	-	9,419
Charge for year	657	2,930	3,587
As at 31 March 2021	10,076	2,930	13,006
<b>Net Book Value</b>			
As at 01 April 2020	657	-	657
As at 31 March 2021	-	5,861	5,861

### 12. Cash at bank and in hand

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Main Bank Account	6,642	-	6,642	7,353
Deposit Bank Account	126,633	33,371	160,004	116,037
Petty cash	122	-	122	122
	133,397	33,371	166,768	123,512

### 13. Creditors (falling due within one year)

	Total 2021	Total 2020
	£	£
Creditors	4,116	3,266
HMRC	6,070	2,456
Pension	-	105
Accrual	6,159	8,008
	16,345	13,835

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

### 14. Operating Leases

The trustees, as part of the expenditure review, outlined in their annual report, are presently negotiating their future leases, the amounts payable for the next year are;

	Land & Buildings	Office Equipment	2021	2020
	£	£	£	£
Payable within the next year	24,000	3,081	27,081	27,081

### 15. Movements in funds this year

	As at 31/03/2020	Incoming Resources	Outgoing Resources	Transfers	As at 31/03/2021
	£	£	£	£	£
<b><u>Unrestricted funds</u></b>					
General fund	121,849	93,709	(86,644)	12,985	141,899
<b><u>Designated funds</u></b>					
Dilapidation fund	3,000	-	-	-	3,000
Property repair/replacement fund	4,543	-	-	-	4,543
	7,543	-	-	-	7,543
<b>Total Unrestricted Funds</b>	129,392	93,709	(86,644)	12,985	149,442
<b><u>Restricted funds</u></b>					
City of Edinburgh Council	-	13,854	(13,852)	-	2
West Lothian	-	17,208	(17,208)	-	-
East Lothian	-	7,125	(7,125)	-	-
Big Lottery Fund	12,507	-	(12,507)	-	-
Community Fund	-	22,605	(578)	(4,194)	17,833
Tesco	-	997	(506)	-	491
Bank of Scotland Foundation	-	15,045	-	-	15,045
Scot Gov Call Centre	-	90,584	(90,584)	-	-
Adapt & Thrive Fund	-	15,620	(6,829)	(8,791)	-
	12,507	183,038	(149,189)	(12,985)	33,371
<b>Total funds</b>	141,899	276,747	(235,833)	-	182,813

**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED 31 MARCH 2021

**16. Movements in funds (prior year)**

	As at 31/03/2019	Incoming Resources	Outgoing Resources	Transfers	As at 31/03/2020
	£	£	£	£	£
<b><u>Unrestricted funds</u></b>					
General fund	115,642	130,260	(28,260)	(95,793)	<b>121,849</b>
<b><u>Designated funds</u></b>					
Dilapidation fund	3,000	-	-	-	<b>3,000</b>
Property repair/replacement	4,543	-	-	-	<b>4,543</b>
	-	-	-	-	-
	<b>7,543</b>	-	-	-	<b>7,543</b>
<b>Total unrestricted funds</b>	<b>123,185</b>	<b>130,260</b>	<b>(28,260)</b>	<b>(95,793)</b>	<b>129,392</b>
<b><u>Restricted funds</u></b>					
City of Edinburgh Council	-	33,250	(97,138)	63,888	-
West Lothian	-	17,208	(39,196)	21,988	-
East Lothian	-	7,125	(17,042)	9,917	-
Big Lottery Fund	43,215	58,000	(88,708)	-	<b>12,507</b>
Christina Mary Hendrie Trust	-	5,000	(5,000)	-	-
	<b>43,215</b>	<b>120,583</b>	<b>(247,084)</b>	<b>95,793</b>	<b>12,507</b>
<b>Total funds</b>	<b>166,400</b>	<b>250,843</b>	<b>(275,344)</b>	<b>-</b>	<b>141,899</b>

**17. Purpose of funds**

General fund	Unrestricted funds that can be expended at the discretion of the trustees in furtherance of the objects of the charity.
Scottish Government (Core)	Monies received from the Scottish Government and administered through Relationships Scotland towards the core costs of running the organisation.
Scottish Government (Call Centre)	Monies received from the Scottish Government towards running the child contact centre and associated costs.
Big Lottery Fund	Final year funding which was received to part fund the child contact centre service
Adapt and Thrive fund	Funding received and administered through First Port to assist the organisation to adapt to the challenges presented by COVID-19 including the purchase of equipment and adapting services to be delivered through secure online methods.
Community Recovery fund	Funding received and administered through First Port to support the organisation and its beneficiaries to respond to the challenges presented by COVID 19 and in particular towards assisting the recovery from the pandemic

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Tesco fund

Monies received through Tesco's Bags for Help and administered through Groundworks UK to contribute towards the costs of the resources in connection with children experiencing trauma after the parents divorce.

The monies received from the City of Edinburgh Council, West Lothian Council and East Lothian Council part funded the provision of the full range of Family Journeys services in the area i.e intake, family mediation and child contact centre services.

### 18. Comparative income and expenditure by fund type

	<u>Unrestricted Funds</u>		<u>Restricted Funds</u>	
	2021	2020	2021	2020
	£	£	£	£
<b>Income from:</b>				
Donations	11,698	13,215	-	5,000
Charitable Activities				
Grants received	74,017	79,558	183,038	115,583
Other activities	7,955	37,420	-	-
Investments (Bank interest)	39	67	-	-
	<b>93,709</b>	<b>130,260</b>	<b>183,038</b>	<b>120,583</b>
<b>Expenditure on:</b>				
Raising funds	-	10,613	-	-
Charitable activities	86,644	17,647	149,189	247,084
	<b>86,644</b>	<b>28,260</b>	<b>149,189</b>	<b>247,084</b>
<b>Net income(expenditure)</b>	<b>7,065</b>	<b>102,000</b>	<b>33,849</b>	<b>(126,501)</b>
Transfers	12,985	(95,793)	(12,985)	95,793
<b>Net movement</b>	<b>20,050</b>	<b>6,207</b>	<b>20,864</b>	<b>(30,708)</b>
<b>Reconciliation of funds</b>				
Total Funds B/Fwd	<b>129,392</b>	<b>123,185</b>	<b>12,507</b>	<b>43,215</b>
<b>Total Funds C/Fwd</b>	<b>149,442</b>	<b>129,392</b>	<b>33,371</b>	<b>12,507</b>