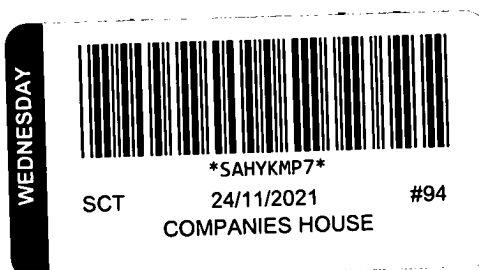


Families Outside

Financial statements

31 March 2021

Charity Number SC025366
Company Number SC236539



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Reference and administrative details

Scottish Charity No.	SC025366
Company No.	236539
Registered address	17 Gayfield Square, Edinburgh, EH1 3NX
Company Secretary	Prof Nancy Loucks OBE

Board of Trustees

Valerie Macniven	(Chairman)	
Satwat Rehman	(Vice Chairman)	
Kevin Havelock	(Treasurer)	
Mark Bell	(Individual)	
Linda Bendle	(Individual)	
Elyse Brown	(Individual)	<i>appointed on 24 September 2020</i>
Verity Caiger	(Individual)	
Andrew Fraser	(Individual)	
Rona Fraser	(Individual)	
David Mackie	(Individual)	<i>appointed on 24 September 2020</i>
Richard Murray	(Individual)	
Daniel Gunn	(Individual)	<i>resigned on 24 September 2020</i>
Anne Kent	(Individual)	<i>resigned on 24 September 2020</i>
Elyse Brown	(Individual)	<i>resigned on 7 September 2021</i>

Auditors	Henderson Loggie LLP Ground Floor, 11-15 Thistle Street, Edinburgh, EH2 1DF.
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Bankers	Royal Bank of Scotland plc 239 St. John's Road, Edinburgh, EH12 7XB
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Trustees' report

1. Structure, governance and management

- Nature of governing document

The governing document for the charity is a memorandum and articles of association, and the charity is constituted as a company limited by guarantee.

- Decision making structure

The Trustees decide the strategic direction for the charity and approve a Strategic Plan and the annual budget.

The Chief Executive is delegated day-to-day management and implementation responsibility for the strategy and expenditure within the budget limits. Progress is monitored through two quarterly committees:

1. Risk & Audit Committee – covering key areas of financial probity, audit and accountability.
2. Organisational Development Committee – covering key areas of legal and good practice in human resources procedures, health and safety, and organisational practice.

Both committees include the office bearers and report to the full Board of Trustees.

- Appointment of trustees

Members of the Board of Trustees are categorised as individuals. Institutions, organisations, or other bodies are not eligible to be members of the Board of Trustees. The number of members of the Board of Trustees shall not be less than six and no more than twelve.

Two non-voting Observers from key statutory stakeholders are invited to attend meetings of the Board of Trustees.

- Policies and procedures for induction and training of trustees

New Trustees are inducted by the Chairman and Chief Executive of the charity and are provided key documents outlining their governance roles and responsibilities.

- Remuneration of key management personnel

Families Outside considers the following individuals constitute key management of the organisation:

- a. Chief Executive
- b. Head of Resources & Development
- c. Head of Family Support
- d. Head of External Engagement

Families Outside went through a process of organisational restructure in 2019, with the changes coming into effect on 1 April 2020. This resulted in a streamlining of the management structure to align with our three long-term key objectives (see section 2 below), whereby three new Heads of departments were created:

- a. Head of Family Support
- b. Head of External Engagement
- c. Head of Resources & Development

Trustees' report *(continued)*

1 Structure, governance and management *(continued)*

The three new posts were internally filled and the resultant cost impact on the charity, following adjustments to staffing and changes in other staff members hours, resulted in a breakeven position.

Families Outside continues to utilise a pay scale system based on, but not tied to, the SJC salary scales used by COSLA. Cost of living increases on each point on the charity's scale are set at 1% per annum. Salaries for management and all other staff are reviewed annually in March of each year. At this time staff may be paid a scale point and/or cost of living increase within the limits of the individual's scale threshold. In 2020/2021 financial year a pay increase for staff was exercised.

Salary increases are also subject to:

- a. Excellent appraisal and performance evaluations for the year;
- b. The staff member's compliance with the organisation's Code of Conduct;
- c. The financial constraints of the organisation; and
- d. The staff member having been in post for at least 6 months of the current financial year.

For the coming year 2021/2022, the decision has been taken to freeze staff salaries, given the ongoing impact of the COVID-19 pandemics and uncertainty around funding going forward. This decision was accepted by all staff.

- Risk management

The Board of Trustees has adopted a process for the ongoing assessment of possible risks to the organisation and has developed actions and countermeasures to reduce these risks and their likely impact.

The risk framework is subject to regular review and bi-annual updating. The Board is therefore satisfied that systems and actions are in place to mitigate our exposure to major risk.

With a regular quarterly review of the organisational risk register taking place, the hierarchy of individual risks to Families Outside will adjust depending on financial, economic and social factors at the time in question. We have outlined the three risks that Families Outside currently consider to be our principal challenges, along with the countermeasures we have in place to address these risks.

- a. Secure funding and resources to maintain and develop both the organisation and the delivery of quality outcomes.

Countermeasures:

- i. Apply to a range of funds in an ongoing and timeous manner, monitored by Risk & Audit Committee.
- ii. Strict contract management of external fundraising bodies.
- iii. Maintain and manage public profile and reputation.
- iv. Robust monthly budgeting process, aware of required income.
- v. Monitor efficiency savings and implementation of cost cutting where possible, and if necessary.
- vi. Tailor fund applications to changing requirements of funders, ensuring alignment with their priorities.
- vii. Ensure process is in place if funding not secured (reserves policy and winding down exercise).
- viii. Fraud prevention reviewed at quarterly Risk & Audit Committee.

Trustees' report (continued)

1. Structure, governance and management (continued)

- b. Recruit, train, and retain competent staff and volunteers, or to maintain staff and volunteer motivation, morale and wellbeing

Countermeasures:

- i. During recruitment, ensure incoming staff have appropriate initial skill for the position being filled.
- ii. Offer of attractive employment package, including salary that is commensurate with individual roles.
- iii. Provide training and development opportunities, and evaluate benefits in support of the business, staff and volunteers.
- iv. Use support, supervision, and appraisal meetings, and team meeting to monitor staff wellbeing and allow airing of concerns.
- v. Having specific volunteer policies and procedures in place to support volunteer recruitment, training and retention.
- vi. Maintain and manage organisational credibility, funding base, and public profile.
- vii. Have appropriate human resources support, health & safety and fire annual risk assessments, and relevant policies in place.

- c. Illness en masse, epidemic, pandemic, or force majeure that prevents the organisation carrying out business, either partially or entirely.

Countermeasures:

- i. Process in place to allow staff to revert to home working.
- ii. Establishing transferable skills among staff, allowing cover of another role or certain responsibilities of that role.
- iii. Contact is made with funders and suppliers to communicate the position the organisation is in, establishing financial implications in terms of continuation or termination of income.
- iv. Prioritise families at higher risk/in need of most support.
- v. Adequate insurance cover is in place for the short- or long-term stoppage of the organisation's business.
- vi. Return to work plan focused on regular H&S assessment that accounts for change to working practice and phased staff return.

2. Objectives and activities

Families Outside works to improve outcomes for children and families affected by imprisonment in Scotland. The company carries out this purpose through aiding the relief of poverty, hardship, suffering, and distress among partners, children, and dependents of persons involved within the criminal justice system.

Families Outside is the only national organisation that works exclusively on behalf of children and families affected by imprisonment in Scotland. We exist because imprisonment of a family member has a negative impact on the social, emotional, financial, and (for children and young people) educational development of the remaining family members, leading to disadvantage, exclusion, and the risk of perpetuation of cycles of crime and imprisonment.

Trustees' report *(continued)*

2 Objectives and activities *(continued)*

Our vision is for families affected by imprisonment to be able to live lives free from stigma and disadvantage. We seek to ensure that these families are afforded the recognition, respect, and compassion they need to alleviate the disadvantages they face due to this experience, also enabling them, where appropriate, to provide support to their relative in prison and on release.

The charity's long-term key objectives are to ensure:

- A. Families affected by imprisonment can readily access appropriate information and support at the time they need it. This in turn will improve their experience with the criminal justice system and mitigate its impact on them.
- B. Policy makers, decision makers, and relevant service providers will be well-informed about the issues facing families affected by imprisonment. They will recognise these families within their remit and take the needs of these families into account in the decisions they make and the services they provide.
- C. Families Outside will provide a sustainable/viable service as long as the demand for its work is evident.

In order to achieve these outcomes, our targets include the following actions:

- a. Provide and increase direct support and information to families;
- b. Raise awareness and influence policy and practice regarding families affected by imprisonment; and
- c. Ensure viability, effectiveness, and impact of the organisation

These aims are essential and ongoing and are facilitated by specific activities that Families Outside is engaged in during the year. These activities help us to achieve our long-term key objectives and include the following:

- Ongoing core activities:
 - Regional support: We offer direct 1-to-1 support to children and families affected by imprisonment throughout Scotland through our Regional Family Support Coordinators (RFSCs). In 2020/2021, our Regional Family Support Team worked with 345 referrals, the number of family members supported totalling 699 (371 adults/328 children). Referral figures were 43% lower than the previous year due to the restrictions in family contact for our normal referral sources (prisons, prison visitor centres, schools). The frequency of client contact, however, increased by 16% compared to the previous year.
 - Helpline: We provide a national freephone Support & Information Helpline, email and text support, and webchat service, supporting 3,097 contacts from families and professionals in 2020/2021 (1,478 individuals, made up of 1,225 adults and 253 children). This represents an 18% increase over the previous year. The service was able to move seamlessly from office-based to remote-based working during an exceptionally busy time through the lockdown periods.
 - Group work and peer support: 89 people took part in 56 online or in-person activity sessions in 2020/2021. We also supported the Denis Law Legacy Trust in Aberdeen to engage with an additional 429 children in 146 StreetSport project activities and activity packs to enhance prison visiting and video calls. Support included support through the Food Poverty Action Fund; the Scottish Government Winter Hardship Fund; various Christmas projects; Cash for Kids; and support with digital inclusion.
 - Regional contact: Our RFSCs link on a regional basis with prisons, Local Authorities, and locally-based statutory and voluntary services. This ensures we have local knowledge; regional input to development of policy and practice; and identifiable staff members for referrals from local contacts. Where possible, this contact continued remotely;

Trustees' report *(continued)*

2 Objectives and activities *(continued)*

- Ongoing core activities:
 - Training/awareness-raising: We offer training to prison staff, teachers, police, Children's Panel Members, social workers, social work and psychology students, the NHS and more. This includes training on child protection and the impact of imprisonment on children. In a normal year, we provide training to about 3,000 participants each year throughout Scotland and beyond. In 2020/21, we created an entirely new system on online training webinars so that we could continue to reach key audiences during lockdown conditions. This reached 1,141 participants – a drop of 20% compared to the previous year. We also raise awareness through facilitation of the Parliamentary Cross-Party Group on Children & Families Affected by Imprisonment, which again transitioned to an online format.
 - Prison Visitors' Centres: We are responsible for the national coordination of development and oversight of family visitors' centres at prisons across Scotland on behalf of the National Prison Visitor Centre Steering Group and funded by the Scottish Government (Justice, Early Years, and Health).
 - Policy & practice: We develop policy and practice with local and national statutory agencies as well as internationally through our membership of COPE (Children of Prisoners Europe, as Secretary General) and INCCIP (International Coalition for Children of Incarcerated Parents, as Chair). We also hosted the Parliamentary Cross-Party Group on Children and Families Affected by Imprisonment, convened by Mary Fee MSP.
 - Publicity: We develop and distribute resources for families and professionals, including a wide range of publications such as booklets for children; online publications and videos; an eNewsletter; website; as well as regular updates via social media.
 - Support for other organisations: We work with families through cross-referral, training, and sharing of information and practice, particularly through delivery of training and through our role as National Coordinator for prison visitor centres.
 - Events: We regularly provide exhibitions/presentations/workshops at conferences and other events. This slowed down in 2020/21 but has resumed as organisations adjusted to remote delivery.
- Projects, publications, and research activities:
 - Adjusted our entire service delivery to remote working;
 - Developed an entirely new system of virtual placements for social work students commended by the Open University and used as a model for other agencies;
 - Joined SCVO's Connecting Scotland digital inclusion project;
 - Delivered our first online national conference with the theme of Health, Human Rights, and Hope, with 209 people participating;
 - Conducted and wrote up an internal evaluation of the development of our group work and peer support;
 - Completed consultation responses on or feedback to:
 - Consultation response to the Draft Community Justice Scotland Corporate Plan 2020-2023
 - COVID19 and Voluntary Health Organisations Survey
 - Education and Skills Committee Inquiry into Vulnerable Children during the COVID-19 pandemic
 - Consultation response to the Scottish Government's Review of Mental Health Law in Scotland
 - National TSI Survey
 - QUNO and Child Rights Connect publication, *Covid-19 and the Rights of Children of Parents who are Incarcerated* (<https://quno.org/sites/default/files/resources/Covid19-and-CIP%20%28004%29.pdf>)
 - Observatory for Children's Human Rights Scotland Alternative Child Rights Impact Assessment (CRIA) on Scottish policy in relation to the COVID-19 pandemic, on behalf of the Children and Young People's Commissioner Scotland

Trustees' report (continued)

2 Objectives and activities (continued)

- Scottish Government research to understand the impact of COVID-19 on communities
- Children and Families Collective Leadership Group's COVID-19 Evidence Report on Children, Young People and Families
- INCCIP survey into the impact of COVID-19 on children with incarcerated parents
- Together Scotland's State of Human Rights survey
- 'Sentencing Young People' guideline consultation (Sentencing Council)
- Review of the Lobbying Act (Scotland) 2016
- Mandate of the Special Rapporteur of the UN Human Rights Council on children's right to privacy
- Justice Committee Pre-Budget Scrutiny 2021/22
- Age of Referral to the Principal Reporter
- Equalities & Human Rights Committee's call for views on the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Bill
- Social Security Administration and Tribunals (Scotland) Bill
- University of Glasgow's 'Scotland in Lockdown' research, including participation in the steering group for the project
- Consultation Response to the Scottish Parliament's Equality and Human Rights Committee Impact of the COVID-19 Pandemic on Equality and Human Rights
- Scottish Government survey on Strengthening Scottish Charity Law
- Scottish Government consultation on the revised National Guidance for Child Protection in Scotland
- Community Justice Scotland's Draft Annual Report for 2019-20 on Community Justice Outcome Activity Across Scotland
- Voluntary Health Scotland survey on equitable distribution of the COVID-19 vaccine
- BBC dramatisation about children with a parent in prison, *I'm Still Ethan*
- Acted as co-chair to the Independent Review of the response to Deaths in Prison Custody, including creation of and support for a Family Advisory Group;
- Contributed to an ancillary event on children with imprisoned parents at the 2021 UN Crime Congress in Kyoto;
- Launched new publications including:
 - the full report of our research with the University of Salford on behalf of NHS Greater Glasgow & Clyde into the experiences of children and young people with a parent in the justice system;
 - an article for the *European Journal of Parental Imprisonment* (a COPE publication) on behalf of ourselves and INCCIP on the impact of COVID-19 on children with incarcerated parents;
 - our annual Impact Report as well as a report of our progress during COVID;
 - a new Guide for Professionals Working with Children & Young People;
 - an article on the relevance of the UNCRC in adult criminal proceedings for the first edition of *The Smeal Review*;
 - a chapter in a new academic publication: Beresford, S., Earle, J., Loucks, N., and Pinkman, A. (2020) "What About Me?" The Impact on Children when Mothers Are Involved in the Criminal Justice System." In K. Lockwood, ed., *Mothering from the Inside: Research on motherhood and imprisonment*. Bingley: Emerald Publishing Ltd., 67-83;
 - a report on the impact of COVID-19 on children with incarcerated parents on behalf of INCCIP;
- Developed and distributed an activity booklet, alongside StreetSport in Aberdeen, to provide shared activities for children and young people to do with a family member in prison.
<https://www.familiesoutside.org.uk/content/uploads/2020/05/Keeping-Connected-Activity-Booklet-May-2020.pdf>
- Played an active role in the annual Children of Prisoners Europe (COPE) awareness-raising campaign, 'Not My Crime, Still My Sentence';

Trustees' report *(continued)*

2 Objectives and activities *(continued)*

- Conducted an online survey with 100 participants to provide feedback to the SPS regarding concerns about the resumption of in-person prison visits;
- Conducted an online survey with 42 participants regarding families' experience of video calls to prisons and fed this back to the Scottish Prison Service and Scottish Government to inform future tendering;
- Engaged with INCCIP on a global project regarding the experiences of children with incarcerated parents in five countries and how figures regarding the number of children are gathered or estimated;
- Provided Christmas Eve boxes to 53 families across a number of prisons;
- Supported 82 families across 21 local authorities through the Scottish Government's Winter Hardship Fund;
- Negotiated financial support from the Scottish Government to provide equipment for visitors' centre staff to support families with video calls;
- Employed a new Head of Family Support with particular expertise in Children & Families;
- Conducted a Governance Health Check with the Board;
- Continued our involvement in the New Routes Public Social Partnership, led by the Wise Group;
- Continued an active role with the Public Health Scotland Childhood Adversity Hub and the Criminal Justice Voluntary Sector Forum (including the Executive Group);
- Continued the role as Secretary General of Children of Prisoners Europe (COPE) and Chair of the International Coalition for Children with Imprisoned Parents (INCCIP).

3. Achievements and performance

Families Outside's profile and reputation are well-established, with positive relationships built with key statutory and voluntary agencies in the criminal justice sector and beyond. This has been aided by the opportunity to contribute actively to a range of Scottish Government and Scottish Prison Service policy and practice initiatives. Our hosting of the Cross-Party Group on Children & Families Affected by Imprisonment continues to play a significant role in this, this year looking at the Independent Review into the Response to Deaths in Prison Custody; the All Our Rights in Law consultation and submission to the UNCRC Implementation Bill; and revisited the question of the role of the media and families' right to privacy.

The Regional Family Support Coordinators and Families Outside managers work closely with the Scottish Prison Service and Community Planning Partnerships to assist in the development and implementation of policy and practice with regard to families affected by imprisonment. This was particularly the case during COVID-related lockdown restrictions, during which we worked hand-in-hand with the Scottish Prison Service and Scottish Governments to support the implementation of alternative means of family contact when in-person visits were suspended. We kept them fully informed of the issues families were facing and in turn endeavoured to keep families informed regarding the protective measures in place for their families in prison and the arrangements for the resumption of in-person visits.

Families Outside's Support & Information Helpline continues to provide a direct service to families and to the professionals who work with them. It is the first port of call for many families, who can receive immediate support or can then be linked to further support, including to our regional family support staff. The Helpline also underpins the organisation's influencing activity through provision of current, direct information about the experiences of people with family members caught up in the criminal justice system. We use feedback from the calls to inform the Scottish Prison Service and other relevant bodies of the issues callers raise and to identify and highlight good practice. Callers can access the Helpline through its freephone telephone number, webchat, e-mail, social media, and text. The Helpline provided an invaluable resource to families during COVID-related lockdown restrictions, with inquiries up to 247% higher than the previous year at its peak level of demand.

Trustees' report *(continued)*

3. Achievements and performance *(continued)*

We are also increasing our use of social networking such as Facebook and Twitter, which provides valuable interaction with service users and professionals alike. We now have 5,355 'followers' on Twitter and 1,610 followers on Facebook, for example, which are increasing their value to us as a means of campaigning and communication. We also have Instagram (559 followers) and LinkedIn (206 followers) accounts though use these on a comparatively limited basis at present.

Important this year was the creativity and agility our staff team showed in their ability to adapt support for families to remote provision. This included connecting with families by telephone and video, and through 'walk and talk' meetings and community gardening projects. It included a shift to online group activities for children, young people, and adults, and development of our training into an online webinar series. Input to research, policy, and practice escalated to unprecedented levels. This was not without emotional cost, and the Board and senior managers increased their focus on wellbeing while staff supported families during a time in which they themselves were facing the pressure of a global pandemic. We now look to the future to develop new ways of working in a very different community and economic context.

4. Financial review

The Statement of Financial Activities shows that Families Outside ended the year with a net income of £49,984 which compares with a net income of £14,201 for the previous year.

The net income for the 2020/2021 financial year is made up of the following:

- a. Unrestricted net income totalling £18,777 which resulted in our unrestricted funds increasing from £257,752 as at 31 March 2020 to £276,529 at 31 March 2021.
- b. a restricted net income of £31,207 relating to:
 - i. Net income of £2,600 from Scottish Government income related to the Winter Hardship Fund and Digital Inclusion Fund. These funds will be placed in two separate reserves: £1,724 into a new reserve for digital inclusion spending, and £876 into the existing reserve for the Discretionary Fund, where funds are spent in the same spirit as the Winter Hardship Fund throughout the year.
 - ii. Net expenditure of £136 for family support offset against the existing restricted reserve for the Discretionary Fund.
 - iii. Net expenditure of £5,019 for the "Raising Awareness of the Impact of Maternal Imprisonment" project, offset against the existing restricted reserve from NHS Greater Glasgow & Clyde, zeroing this reserve.
 - iv. Net expenditure of £5,800 for the "Street Sport" project, offset against the existing restricted reserve from Children in Need
 - v. net expenditure of £1,029 for group work and peer support activities offset against the existing restricted reserve for general peer support work.
 - vi. restricted income surplus of £37,500 from Anonymous Donor #1, following release of year two and three of the existing grant at the same time to combat the impacts of COVID-19.
 - vii. restricted income from small trusts amounting to £5,500.
 - viii. restricted net income of £2,091 from The Big Lottery, placed in reserve to be used in the 2021/2022 year.
 - ix. Spend in excess of income of £833 on the PACT restricted fund, £2,666 on community planning partnerships and £1,000 on the Robertson Trust income.

Trustees' report (continued)

4. Financial review (continued)

The financial position and the review of financial systems and controls of the organisation are monitored on a quarterly basis by the Risk & Audit Committee, which reports to the Board of Trustees.

- Principal funding sources for 2020/2021

Children, Young People & Families Early Intervention Fund	Scottish Government
The Tudor Trust	The Charles Hayward Foundation
The Gannochy Trust	The Volant Trust
Children In Need	The Wise Group
NHS Great Glasgow & Clyde	The Robertson Trust
The Big Lottery	Fife Council
The Michael & Shirley Hunt Charitable Trust	The A B Charitable Trust
Tiny Changes	Imagine Foundation
Bank of Scotland Foundation	British Humane Society
Al-Maktoum	Prison Advice & Care Trust (PACT)
Cairn Energy	Aberdeen Community Food Fund

With funds from these organisations, we have continued to meet the main objectives of Families Outside through the core activities and projects of the charity as detailed above.

In addition, we would like to thank the following local authorities for their contributions in supporting the work of Families Outside: Dundee City, North Ayrshire, Perth & Kinross, Shetland, Orkney, Dumfries & Galloway, East Renfrewshire, Moray, North Lanarkshire, South Lanarkshire, Clackmannanshire and Stirling.

Additional funds were gratefully received from a number of smaller Trusts, many of them requesting to remain anonymous, as well as donations given by individuals, either directly or via our Total Giving page and platforms such as the Charitable Aid Foundation and Amazon Smile.

- Reserves Policy

The following represents the current reserves position for the organisation arising from past operating results.

a. Restricted reserves	£110,198
b. Unrestricted reserves	£276,529
c. Free reserves	£261,366

The Board would like to apply 'best practice' and maintain the free reserves to a level which would cover about three to six months' forecast operating activity. Based on current costs in 2020/2021, the free reserves amount of £261,366 covers just below three months' worth of operating expenditure. The "operating expenditure" of Families Outside is defined by staff costs, activity costs and office running costs, but excludes any specific funded short term project work.

Trustees' report *(continued)*

4. Financial review *(continued)*

The current level of free reserves of £261,366 is just below the lower end of the desired aim of covering three to six months forecast operating activity. Given current forecast operating expenditure, the optimum amount to cover six months' worth of current operating expenditure would be £575,000.

Although, the organisation has now almost achieved the lower end of its free reserve policy, Families Outside still endeavours to increase this to the higher end of between £385,000 - £575,000.

The practice taken to increase the reserves level will be one that aims for an unrestricted net income in 2020/2021. However, this will be a measured approach to ensure any building of reserves, though a prudent practice, does not come at the expense of the organisation's activities in supporting families affected by imprisonment.

In future years it is intended that a similar strategy will be used until the aim of four to six months free reserves is achieved.

The following activities will be carried out by Families Outside to achieve the desired reserves level:

- i. maintain a continuous stream of funding applications and requests to cover and exceed existing costs within the financial year.
- ii. monitor expenditure on a monthly, with cost-cutting measures implemented where they are deemed necessary and appropriate.

5. Plans for future periods

In the forthcoming 2021/2022 financial year, Families Outside will commit itself to the following activities:

- Ensure our staff and the families we support remain safe and supported during lockdown restrictions, and create safe transitions from home working to community-based support;
- Review and revise our organisational structure and running costs to introduce longer-term cost-savings while still achieving our Strategic Aims as we enter an uncertain financial climate;
- Implement the revised organisational structure to ensure delivery of our overall aims effectively;
- Continue to promote the Helpline as a resource for families and for professionals who can call on our specialist knowledge to assist them in their own work with families;
- Expand our channels of communication with families, including prioritising families as the key audience for our website;
- Continue to provide direct support to families affected by imprisonment throughout Scotland;
- Continue to source funding to ensure the sustainability of support to families and key professionals throughout Scotland;
- Continue a programme of social work student placements to increase our capacity and raise awareness amongst future key stakeholders;
- Support prison establishments to maintain and improve alternative methods of family contact;
- Ensure families' views are heard regarding methods of family contact and the resumption of in-person visits;
- Progress efforts towards digital inclusion for families affected by imprisonment;
- Launch a new programme of accredited training for staff from a wide range of backgrounds who come into contact with families e.g. the Scottish Prison Service, staff at private prisons, teachers and trainee teachers, the Judicial Institute, Children's Panel members, NHS, police, courts, and social workers;
- Continue raising awareness of the impact of imprisonment amongst students and interest groups;

Trustees' report (continued)

5. Plans for future periods (continued)

- Commemorate our 30th anniversary via the launch of a new series of family information sessions in lieu of a national conference;
- If safe to do so, celebrate our 30th anniversary through an Open House at our head office to showcase our current work;
- Continue engagement with and learning from national and international networks in order to support families affected by imprisonment more effectively;
- Resume the national Prison Visitor Centre Conference on behalf of the National Prison Visitor Centre Steering Group;
- Chair an international conference on behalf of the International Coalition for Children with Incarcerated Parents (INCCIP);
- Support children and young people to participate in COPE's annual Not My Crime, Still My Sentence campaign;
- Launch new publications including two publications for children on having a family member in prison and prison visits; and a new edition of *In Brief*, focusing on supporting children and young people to participate directly in conferences and events;
- Continue to support the development and quality of prison Visitors' Centres and prison visits, including alternative methods of contact such as video calls;
- Support the Scottish Prison Service to analyse families' experiences of video calls to prisons;
- Continue direct development of policy and practice through input to relevant consultations; collaborating on the Cross-Party Group on Women, Families, and Justice; participation in the national and regional Scottish Prison Service Children & Family Strategy Groups, Community Justice Scotland, Community Justice Partnerships, and the Scottish Criminal Justice Voluntary Sector Forum; as well as lobbying of Members of the Scottish Parliament and engagement with international bodies;

6. Auditors

A resolution to appoint auditors for the ensuing year will be proposed at the annual general meeting in accordance with Section 385 of the Companies Act 1985. The trustees' report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

7. Approval of the trustees' annual report

So far as each director is aware, there is no relevant audit information of which the auditors are unaware. Each director has taken the appropriate steps as trustees to make themselves aware of such information and to establish that the auditors are aware of it.

Signed by order of the Trustees on 22 September 2021

Valerie Macniven
Valerie Macniven - 2021-09-23, 13:55:46 UTC

Valerie Macniven
Chairman

Registered office:
17 Gayfield Square
Edinburgh
EH1 3NX

22 September 2021

Statement of trustees' responsibilities

The trustees (who are also the directors of Families Outside for the purposes of company law) are responsible for preparing of the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the surplus or deficit of the charitable company for the period. In preparing those 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;
- making judgements and estimates that are prudent and reasonable;
- state whether applicable UK 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 charitable company will continue in business.

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

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

Independent auditor's report to the Trustees and Members of Families Outside

Opinion

We have audited the financial statements of Families Outside (the 'company') for the period ended 31 March 2021 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we

identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report to the Trustees and Members of Families Outside *(continued)*

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report which includes the directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report which includes the directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustee' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Independent auditor's report to the Trustees and Members of Families Outside *(continued)*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reading correspondence with regulators including OSCR;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to depreciation rates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements employment law (including the Working Time Directive); and compliance with UK charity law and the Companies Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognize the non-compliance.

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's trustees, as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, its members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

James Davidson

James Davidson - 2021-09-23, 14:01:18 UTC

James Davidson (Senior Statutory Auditor)

For and on behalf of Henderson Loggie LLP

Chartered Accountants

Statutory Auditor

(Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006)

11-15 Thistle Street
Edinburgh
EH2 1DF

Statement of financial activities (Incorporating Income and expenditure account)

for the year ended 31 March 2021

		2021	2021	2021	2020	2020	2020
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		Funds	Funds	Funds	Funds	Funds	Funds
	Note	£	£	£	£	£	£
Income							
Donations and legacies	2	9,544	-	9,544	10,198	-	10,198
Other trading activities	3	10,766	-	10,766	4,088	-	4,088
Income from investments	4	177	-	177	548	-	548
Income from charitable activities	5	332,373	827,669	1,160,042	274,931	781,535	1,056,466
Total income and endowments		352,860	827,669	1,180,529	289,765	781,535	1,071,300
Expenditure							
Expenditure on raising funds	6	(578)	(9,600)	(10,178)	(13,181)	-	(13,181)
Expenditure on charitable activities	7	(333,505)	(786,862)	(1,120,367)	(271,513)	(772,405)	(1,043,918)
Total expenditure		(334,083)	(796,462)	(1,130,545)	(284,694)	(772,405)	(1,057,099)
Net income/ (expenditure)		18,777	31,207	49,984	5,071	9,130	14,201
Balances brought forward at 1 April 2020		257,752	78,991	336,743	252,681	69,861	322,542
Balances carried forward at 31 March 2021		276,529	110,198	386,727	257,752	78,991	336,743

All of the activities of the company are classed as continuing.

Balance sheet

at 31 March 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	11		16,046		17,627
Current assets					
Debtors	12	21,887		88,231	
Cash at bank		453,297		280,109	
		475,184		368,340	
Creditors: amounts falling due within one year	13	(104,503)		(49,224)	
Net current assets			370,681		319,116
Net assets			386,727		336,743
Funds					
Unrestricted	14		276,529		257,752
Restricted	14		110,198		78,991
Total funds	15		386,727		336,743

These financial statements have been prepared in accordance with the special provisions relating to small companies within the Companies Act 2006 and were approved and authorised for issue by the Board of Trustees on 22 September 2021 and were signed on its behalf by:


Valerie Macniven - 2021-09-23, 13:55:46 UTC

Valerie Macniven
Chairman

Statement of cash flow
for the year ended 31 March 2021

	2021 £	2021 £	2020 £	2020 £
Cash flows from operating activities				
Net income per statement of financial activities	49,984		14,201	
Depreciation	8,591		8,352	
Income from investments	(177)		(548)	
(Decrease)/Increase in debtors	66,344		(8,639)	
Increase in creditors	55,279		12,476	
Loss on disposal	-		879	
	<hr/>		<hr/>	
Cash provided by operating activities		180,021		26,721
Cash flows from investing activities				
Investment income	177		548	
Purchase of fixed assets	(7,010)		(17,565)	
	<hr/>		<hr/>	
Cash used in investing activities		(6,833)		(17,017)
		<hr/>		<hr/>
Increase in cash and cash equivalents in the year		173,188		9,704
Cash and cash equivalents at the beginning of the year		280,109		270,405
		<hr/>		<hr/>
Total cash and cash equivalents at the end of the year		453,297		280,109
		<hr/>		<hr/>
Cash and cash equivalents comprise:				
Cash at bank		453,297		280,109
		<hr/>		<hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

A summary of principal accounting policies, all of which have been applied consistently throughout the year and the preceding year is set out below.

Basis of accounting

The financial statements have been prepared on a going concern basis in accordance with applicable accounting standards and under the historical cost convention. The charity is a Public Benefit Entity and a company limited by guarantee, incorporated in Scotland with the registered office as noted on page 1. The financial statements are compliant with the charity's constitution, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, the Statement of Recommended Practice (SORP) FRS 102 "Accounting and Reporting by Charities", and in accordance with Financial Reporting Standard 102 (FRS 102).

The financial statements are prepared in £ sterling, which is the functional currency of the charity, rounded to the nearest pound.

Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has had a significant impact on the company's operations. The trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. Based on these assessments and having regard to the resources available to the entity, the trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Income

Income is recognised when the charity has entitlement to the funds when it is probable that the income will be received and the amount can be measured reliably. Donations, grants and similar income are included in the year in which they are receivable, which is when the charity becomes entitled to the resource. Other trading income includes consultancy and research fees, which are recognised when the charity has delivered the service and is therefore entitled to the income.

Income that relates to a future period as a result of donor imposed conditions specifying the time period in which it must be used, is treated as deferred income.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. The charity is not registered for VAT and accordingly costs are shown gross of irrecoverable VAT. Where directly attributable, expenditure is allocated to the relevant functional category.

Expenditure on raising funds includes costs associated with generating income for the charity, either through fundraising initiatives or research projects. Expenditure on charitable activities includes costs incurred in supporting the charity and its objectives as set out in the trustees' report.

Support costs are allocated between governance costs and other support costs. Governance costs comprise those costs involving the public accountability of the charity and its compliance with regulations and good practice. They therefore include the costs of statutory audit, together with the costs of trustees' meeting and some staff costs. Other support costs relate to the administrative costs of running the charity and are allocated to charitable activities accordingly.

Notes (continued)

1 Accounting policies (continued)

Fixed assets

Tangible fixed assets are stated at cost less depreciation. Assets below £200 are not capitalised but are expensed in the year they are incurred. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment	-	25% straight line
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Debtors

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity, without further specified purpose and are available as general funds.

Restricted funds are those funds which are subject to restrictions on their expenditure imposed by the donor.

Pensions

The charity contributes to employees' individual pension plans. The amounts charged in the Statement of Financial Activities represent the contributions to the defined contribution scheme and to individual pension plans in respect of the accounting period.

Operating lease commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

In preparing these financial statements, the trustees have made the following judgements:

- Determine whether leases entered into by the charity as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Tangible fixed assets are depreciated over a period to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.
- Fixed assets are also assessed as to whether there are indicators of impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.

Notes (continued)

2. Donations and legacies

	31 March 2021			31 March 2020		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Donations	9,544	-	9,544	10,198	-	10,198

3 Other trading income

	31 March 2021			31 March 2020		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Research income	10,766	-	10,766	4,088	-	4,088

4 Income from investments

	31 March 2021			31 March 2020		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Interest receivable	177	-	177	548	-	548

5 Income from charitable activities

	31 March 2021			31 March 2020		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Scottish Government - Unified	138,993	-	138,993	177,261	-	177,261
Scottish Government - Hardship	-	76,255	76,255	-	-	-
Scottish Government - Wellbeing	104,000	-	104,000	-	-	-
Scottish Government - Comm. Recovery	25,000	-	25,000	-	-	-
The Wise Group	-	25,488	25,488	-	48,036	48,036
The Volant Trust	10,000	-	10,000	10,000	-	10,000
The Gannochy Trust	-	29,300	29,300	-	25,000	25,000
Imagine Foundation	10,000	-	10,000	10,000	-	10,000
The Tudor Trust	-	27,000	27,000	-	30,000	30,000
Michael & Shirley Hunt Charitable Trust	-	140	140	-	2,201	2,201
The Robertson Trust	-	15,000	15,000	-	15,000	15,000
STV Appeal	-	4,000	4,000	-	-	-
Fife Council	-	14,000	14,000	-	14,000	14,000
Discretionary Fund	-	2,855	2,855	-	2,135	2,135
The Big Lottery Fund	-	103,518	103,518	-	109,456	109,456
Greater Glasgow and Clyde NHS	-	10,130	10,130	-	12,000	12,000
CYPFEIF ¹	-	135,000	135,000	-	135,000	135,000
Scottish Government (Visitors Centres)	-	50,000	50,000	-	50,000	50,000
Children in Need	-	33,782	33,782	-	43,172	43,172
Small Trusts	-	55,550	55,550	46,250	12,500	58,750
Social Economy Growth Fund	-	-	-	-	150,149	150,149
Anonymous donor #2	-	-	-	20,000	-	20,000
Independent Care Review	-	7,885	7,885	-	7,326	7,326
Practice Teacher (SW Income)	4,380	-	4,380	7,420	-	7,420
Nancie Massey Charitable Trust	-	-	-	3,000	-	3,000
Carried forward	292,373	589,903	882,276	273,931	655,975	929,906

¹ Children, Young People & Families Early Intervention Fund

Notes (continued)

5 Income from charitable activities (continued)

	31 March 2021			31 March 2020		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Carried forward	292,373	589,903	882,276	273,931	655,975	929,906
Anonymous donor #1		150,000	150,000	-	75,000	75,000
Community Planning Partnerships	-	52,966	52,966	-	34,666	34,666
Al- Maktoum	-	2,000	2,000	-	-	-
Tiny Changes	-	5,000	5,000	-	-	-
Charles Hayward Foundation	-	20,500	20,500	-	-	-
Bank of Scotland Foundation	15,000	-	15,000	-	-	-
British Humane Society	5,000	-	5,000	-	-	-
Aberdeen Community Food Fund	-	4,800	4,800	-	-	-
Cairn Energy	10,000	-	10,000	-	-	-
A B Charitable Trust	10,000	-	10,000	-	10,000	10,000
Dr Guthrie's Association	-	-	-	1,000	-	1,000
NHS Grampian	-	-	-	-	2,561	2,561
Prison Advice Care Trust (PACT)	-	2,500	2,500	-	3,333	3,333
	332,373	827,669	1,160,042	274,931	781,535	1,056,466

6 Expenditure on raising funds

	31 March 2021			31 March 2020		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Professional fees	-	9,600	9,600	13,440	-	13,440
Bank charges	578	-	578	741	-	741
Conference and events costs	-	-	-	(1,000)	-	(1,000)
	578	9,600	10,178	13,181	-	13,181

7 Charitable activities – Family Support work

	31 March 2021			31 March 2020		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Wages and salaries	294,565	582,308	876,873	212,978	583,762	796,740
Meeting costs	60	800	860	481	2,531	3,012
Helpline	-	3,095	3,095	1,839	1,671	3,510
Research costs	-	2,146	2,146	2,146	-	2,146
Project development	-	111,521	111,521	2,041	48,501	50,542
Discretionary Fund	-	2,991	2,991	-	1,379	1,379
Total direct costs	294,625	702,861	997,486	219,485	637,844	857,329
Support costs (note 8)	38,880	84,001	122,881	52,028	134,561	186,589
	333,505	786,862	1,120,367	271,513	772,405	1,043,918

Notes (continued)

8 Support costs

	2021 £	2020 £
Other staff costs	17,007	14,484
Premises expenses	45,606	60,693
Office running costs	22,803	21,302
Publications	6,918	14,172
Travel	4,612	42,521
Website costs	1,445	2,457
Depreciation	8,591	8,352
Legal fees	-	4,332
Miscellaneous	473	2,067
Governance costs (note 9)	15,426	15,330
Loss on disposal of fixed assets	-	879
	122,881	186,589

9 Governance costs

	2021 £	2020 £
Wages and salaries	10,099	9,538
Board meetings	77	340
Auditors' remuneration	5,250	5,452
Total direct costs	15,426	15,330

10 Staff costs and numbers

	2021 £	2020 £
Wages and salaries	787,660	716,994
Social security costs	68,118	61,122
Pension contributions – Defined contribution scheme	31,194	28,162
	886,972	806,278

The number of employees earning more than £60,000 per annum were as follows:

	2021	2020
£60,000 - £69,999	1	1

No trustees received remuneration in the current year or preceding period. No expense reimbursements or other payments were made to trustees in the year (2020 : None).

The charity contributes to a defined contribution scheme on behalf of employees. At the year end the charity was due to pay £4,852 (2020: £4,653) to the scheme.

The compensation of key management in the year was £141,628 (2020: £373,033). Key management are deemed to be the Chief Executive, Head of Resources & Development, Head of External Engagement and Head of Family Support (in the previous year it was the Chief Executive, Deputy Chief Executive & the seven Managers).

Notes (continued)

10 Staff costs and numbers (continued)

The average weekly number of employees during the year was as follows:

	2021	2020
Number of employees	32	29

11 Tangible fixed assets

	Equipment £
Cost	
At beginning of year	50,376
Additions	7,010
Disposals	(1,829)
At end of year	55,557
Depreciation	
At beginning of year	32,749
Charge for year	8,591
On disposals	(1,829)
At end of year	39,511
Net book value	
At 31 March 2021	16,046
Net book value	
At 31 March 2020	17,627

12 Debtors

	2021 £	2020 £
Prepayments	3,179	4,678
Accrued income	18,708	83,553
	21,887	88,231

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	29,862	-
Accruals	31,325	30,803
Tax and social security	19,483	16,941
Deferred income	23,833	-
Other creditors	-	1,480
	104,503	49,224

Notes (continued)

13 Creditors: amounts falling due within one year (continued)

Analysis of deferred income

	2021 £	2020 £
Opening balance	-	2,000
Income deferred	23,833	-
Income released to statement of financial activities	-	(2,000)
	23,833	-

Deferred income represents income received where the performance related conditions attached to the income have not yet been met at the year end.

14 Funds

	2020 £	Incoming £	Outgoing £	Transfers £	2021 £
Unrestricted funds					
General fund	257,752	352,860	(334,083)	-	276,529
Restricted funds					
The Wise Group	-	25,488	(25,488)	-	-
The Tudor Trust	-	27,000	(27,000)	-	-
Gannochy Trust	-	29,300	(29,300)	-	-
Michael & Shirley Hunt Charitable Trust	-	140	(140)	-	-
Kelly Family Charitable Trust	3,935	-	-	-	3,935
Fife Council	-	14,000	(14,000)	-	-
Dr Guthrie's Association	1,448	-	-	(1,448)	-
Discretionary Fund	1,399	2,855	(2,991)	-	1,263
Seedbed Christian	15	-	-	(15)	-
Peer support	3,426	-	(1,029)	1,463	3,860
Children & Young People Early Intervention Fund	-	135,000	(135,000)	-	-
Scottish Government – Visitor Centres	-	50,000	(50,000)	-	-
Scottish Government – Hardship	-	76,255	(73,655)	-	2,600
STV Appeal	-	4,000	(4,000)	-	-
Children in Need	9,583	33,782	(39,582)	-	3,783
Big Lottery Fund	49,667	103,518	(101,428)	-	51,757
Community Planning Partnerships	2,666	52,966	(55,632)	-	-
Small Trusts	-	55,550	(50,050)	-	5,500
Independent Care Review	-	7,885	(7,885)	-	-
NHS Greater Glasgow & Clyde	5,019	10,130	(15,149)	-	-
PACT	833	2,500	(3,333)	-	-
Robertson Trust	1,000	15,000	(16,000)	-	-
Al Maktoun	-	2,000	(2,000)	-	-
Tiny Changes	-	5,000	(5,000)	-	-
Charles Hayward	-	20,500	(20,500)	-	-
Aberdeen Community Food Fund	-	4,800	(4,800)	-	-
Anonymous donor #1	-	150,000	(112,500)	-	37,500
	78,991	827,669	(796,462)	-	110,198
Total	336,743	1,180,529	(1,130,545)	-	386,727

Notes (continued)

14 Funds (continued)

	2019 £	Incoming £	Outgoing £	2020 £
Unrestricted funds				
General fund	252,681	289,765	(284,694)	257,752
Restricted funds				
The Wise Group	-	48,036	(48,036)	-
The Tudor Trust	-	30,000	(30,000)	-
Gannochy Trust	-	25,000	(25,000)	-
Michael & Shirley Hunt Charitable Trust	-	2,201	(2,201)	-
Kelly Family Charitable Trust	3,935	-	-	3,935
Fife Council	-	14,000	(14,000)	-
Dr Guthrie's Association	1,448	-	-	1,448
Discretionary Fund	643	2,135	(1,379)	1,399
Seedbed Christian	1,450	-	(1,435)	15
Peer support	865	2,561	-	3,426
Children & Young People Early Intervention Fund	-	135,000	(135,000)	-
Scottish Government – Visitor Centres	-	50,000	(50,000)	-
Children in Need	8,987	43,172	(42,576)	9,583
Big Lottery Fund	43,533	109,456	(103,322)	49,667
Community Planning Partnerships	8,000	34,666	(40,000)	2,666
Small Trusts	-	12,500	(12,500)	-
Independent Care Review	-	7,326	(7,326)	-
NHS Greater Glasgow & Clyde	-	12,000	(6,981)	5,019
PACT	-	3,333	(2,500)	833
Social Economy Growth Fund	-	150,149	(150,149)	-
A B Charitable Trust	-	10,000	(10,000)	-
Robertson Trust	1,000	15,000	(15,000)	1,000
Holistic Support for Prisoners' Families in Scotland	-	75,000	(75,000)	-
	69,861	781,535	(772,405)	78,991
Total	322,542	1,071,300	(1,057,099)	336,743

Restricted Funds – detail of awards and restrictions on use

- The Wise Group – to fund Families Outside family support work for the “New Routes” and “Wise Choices” project.
- The Tudor Trust - to fund the costs of our Regional Family Support Coordinators in their support of families affected by imprisonment.
- The Gannochy Trust - to fund direct family support work and helpline support for families affected by imprisonment in Perth & Kinross.
- Michael & Shirley Hunt Charitable Trust - to fund the purchase of essential domestic goods, clothing and childcare items for families affected by imprisonment
- Kelly Family Charitable Trust - to fund the purchase and installation of new IT equipment at Families Outside's head office, replacing outdated and redundant equipment. Balance remaining for future children's website development.
- Fife Council – to provide funding towards a support worker's salary in the Fife area.
- Dr Guthrie's Association – funds held in reserve to provide for supporting and training of young people to be able to publicly speak about their own experience of having a family member in prison.

Notes (continued)

14 Funds (continued)

- Discretionary Fund - a small fund raised from Friends of Families Outside donations and one off small fundraising events. These funds are used to support families in times of crisis e.g. utility cut off, winter clothing. Payments to a family are made via our support worker who must receive authority from their line manager. Payments are restricted to a maximum of £50.
- Seedbed Fund - funding towards peer support sessions for families affected by imprisonment.
- Peer support - to fund peer support work and health improvement projects for prisoners and young people.
- Children & Young People Early Intervention (CYPFEIF) - funding towards the core work of Families Outside.
- Scottish Government (Visitors' Centre) - funding towards the post of National Visitors' Centre Coordinator.
- Scottish Government (Hardship Funds) - funding for winter hardship and digital inclusion for families affected by imprisonment.
- STV Appeal - COVID-19 emergency funding to support family support work.
- Children in Need - funding a the Street Sport project for young people affected by having a parent in HMP Grampian prison will participate in sport and creative activities at the prison family centre and in the community.
- The Big Lottery - funding towards support work for families affected by imprisonment in the west of Scotland.
- Community Planning Partnerships - funding from each local authority CPP for support for families within their area.
- Small Trusts - funding received from small trusts towards the staff costs of a Regional Family Support Coordinator.
- Independent Care Review - income towards the Chief Executive's participation in the Independent Care Review.
- NHS Greater Glasgow & Clyde - funding towards the "Constructive Connections" project in developing guidance for professionals working with families, young people and children affected by imprisonment.
- PACT - to provide support to the helpline, taking calls from families in England & Wales.
- Social Economy Growth Fund - 100% funding of the project "Supporting Families Affected by Imprisonment."
- A B Charitable Trust - to fund the costs of the staff operating the helpline.
- The Robertson Trust - to fund the staff costs of a Family Support Manager (Children & Young People), and a small one-off project for young children affected by imprisonment.
- Anonymous Donor #1 - to fund the salary costs of the Regional Family Support Coordinators providing holistic support for prisoners' families in Scotland towards.
- Al Maktoum - COVID-19 emergency grant to fund family support work in the Dundee area.
- Tiny Change - COVID-19 emergency grant to fund the helpline.
- Charles Hayward - grant to fund family support work in the Lanarkshire area.
- Aberdeen Community Food Fund - one-off grant to support families during the winter period and COVID-19 in the Aberdeen area.

Transfers represent the consolidation of funds where they are for the same purpose.

Notes (continued)

15 Net assets reconciliation

	31 March 2021		Total £
	Unrestricted £	Restricted £	
Fixed assets	15,163	883	16,046
Net current assets	261,366	109,315	370,681
	<u>276,529</u>	<u>110,198</u>	<u>386,727</u>
	31 March 2020		Total £
	Unrestricted £	Restricted £	
Fixed assets	15,864	1,763	17,627
Net current assets	241,888	77,228	319,116
	<u>257,752</u>	<u>78,991</u>	<u>336,743</u>

16 Operating leases

The charity has minimum future commitments under operating leases as follows:

	2021 £	2020 £
Due within one year	37,672	31,672
Due within two to five years	144,000	153,688
Due after five years	132,000	162,000
	<u>313,672</u>	<u>347,360</u>

Lease payments of £35,250 (2020: £34,645) were recognised as an expense through the statement of financial activities in the year.

17 Related party transactions

During the year membership fees of £205 (2020: £205) and training fees of £25 (2020: £1,540) were paid to Children in Scotland, which has a mutual trustee with the charitable company.

During the year legal fees of £nil (2020: £3,332) were paid to TC Young LLP, which had a designated member who is also a trustee of the charitable company.

18 Ultimate controlling party

The charitable company is constituted under its Memorandum and Articles of Association and is managed by its trustees.