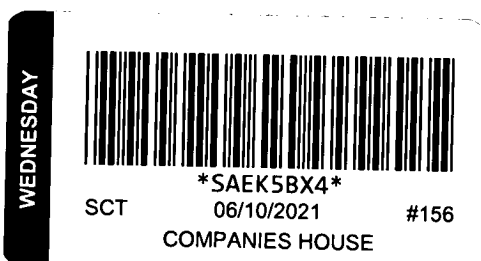


'Registrar'

COMPANY REGISTRATION NUMBER: SC404409
CHARITY REGISTRATION NUMBER: SC042513

**Spirit Advocacy
Company Limited
by Guarantee
Unaudited
Financial Statements
31 March 2021**



RITSONS
Chartered Accountants
Forbes House
36 Huntly Street
Inverness
IV3 5PR

Spirit Advocacy
Company Limited by Guarantee
Financial Statements
Year ended 31 March 2021

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Spirit Advocacy

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2021

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Registered charity name	Spirit Advocacy
Charity registration number	SC042513
Company registration number	SC404409
Principal office and registered office	Ritsons, CA Forbes House 36 Huntly Street Inverness IV3 5PR

The trustees

Mr W Cook	
Mrs M K Hill	
Miss M Neilly	(Resigned 21 May 2021)
Mr A Bithell	
Miss N R Rodgers	(Resigned 12 July 2021)
Mr J D Gallon	
Miss R J Giles	(Resigned 7 October 2020)
Mr G A R Smith	(Resigned 7 October 2020)
Ms E A Knox	(Resigned 10 June 2020)
Mr G C Morgan	(Appointed 16 June 2020)
Mr M R Perera	(Served from 16 June 2020 to 8 October 2020)
Miss E A Grant	
Mrs P Duncan	(Resigned 10 June 2020)
Miss R R Smit	(Resigned 10 June 2020)
Miss H E Macleod	(Appointed 2 September 2020)
Miss D J O'hara	(Resigned 10 June 2020)

Miss A M Evans was appointed as a director on 8 July 2021.

Company secretary Christine Fletcher

Independent examiner Daniel Palombo MA (Hons), C.A.
Forbes House
36 Huntly Street
Inverness
IV3 5PR

Spirit Advocacy

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Structure, governance and management

The company is limited by guarantee and was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1. Permission has been obtained from the Registrar of Companies to omit the word 'limited' from the company name.

SPIRIT staff comprises of SPIRIT Manager, 2 HUG Development Workers (one of which also undertakes the SPEAK Development Workers hours), One People First Development Worker, one Communications & IT Worker and one Administrator.

The board meet monthly and as recorded in the minutes has reviewed the work reported by staff and dealt with relevant governance and management issues.

Recruitment, appointment, induction & training of trustees

The appointment of trustees and election of office bearers has been carried out in accordance with the constitution. Trustees are selected for appointment to the Board from contacts of existing Trustees and Members. The Board of Trustees has a wide range of skills collectively and any additional training is completed as required.

Trustees serve for three years and at which time elections are held to the board from the membership. Of the board three trustees are elected by HUG (Action for Mental Health) and three trustees are elected by People First Highland, through their advisory groups. These are two projects managed by SPIRIT Advocacy. In this way involvement of service users is ensured.

HUG (Action for Mental Health) Advisory Group provides advice and expertise on work carried out to promote the voice of people with a mental health in Highland. This includes agreeing what is said on behalf of HUG (Action for Mental Health) and how that voice is found and promoted. Three members of the HUG (Action for Mental Health) Advisory Group sit on the board of trustees of SPIRIT Advocacy.

People First Highland advisory group provides advice and expertise on work carried out to promote the voice of people with a learning disability in Highland. This includes agreeing what is said on behalf of People First Highland and how that voice is found and promoted. Three members of the People First Highland advisory group sit on the board of trustees of SPIRIT Advocacy.

The SPEAK project was set up to prevent stigma experienced by young people ages 13-25 years with Mental Health issues and has been recently funded partly by The Robertsons Trust for the last 3 years up to June 2021. Spirit Advocacy has further funded the post until the end of September 2021. This will allow for a new ambitious project and a funding bid to be created to relaunch SPEAK into the post pandemic world and engage with more young people across the highlands. Although the SPEAK Advisory Group is not currently running, the SPEAK project now also have 3 places on the board of trustees and once the Advisory Group convenes in the near future, those places will then be taken up on the board by members of SPEAK.

Trustees have where necessary been supported by staff and have engaged in activities which have enhanced their contribution to company aims and objectives.

Spirit Advocacy

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Objectives and activities

The charity's objects are:-

- The promotion of equality and diversity and the elimination of stigma and discrimination against people with learning disabilities, mental health problems and associated conditions.
- The advancement of citizenship and community development by strengthening the collective voice of people with learning disabilities, mental health problems and associated conditions and enabling them to express their own views and make their own decisions.
- The promotion of positive mental health and wellbeing of people with learning disabilities, mental health problems and related conditions.
- Improve the lives and experiences of people with learning disabilities, mental health problems and related conditions.

The board of trustees is satisfied that all the activities of staff and volunteers have been in keeping with these.

The charity supports and promotes independent collective advocacy services for people with mental health issues and learning disabilities.

Achievements and performance

This year has been one of significant change and no little difficulty. SPIRIT marches on and with the commitment of our members and staff we will come through. As Nietzsche said, "what doesn't kill you makes you stronger": In other words, life's difficulties are opportunities to grow. After all that is what we do at SPIRIT, we take the bad experiences and put them to use for the good of others.

There have been some goodbyes this year. Ken Porter the SPIRIT Manager retired; we wish him a long and healthy retirement, and thank him for his years of hard work, and John Lyons, who was our SPEAK worker for several months, left us to pursue a teaching qualification and we wish him well in his studies. He does not escape SPIRIT that easily; as partner of Sue Lyons he gives her support and gets roped in to drive his van for us on occasion. Thank you John.

There have been changes on the board of directors as well and we thank every one of them for their service over the last year. Recruiting replacement directors has proved difficult during this time but we have welcomed several new members to the board and although membership on our board is currently under represented, we are actively seeking to recruit new board members both externally and from within the ranks of the membership.

"Goodbyes" make way for "Hellos". Jamie Bird replaced John as the SPEAK project worker and he has proved to be a great addition to the team. We were also delighted that Sue Lyons has stepped up to take the Manager's role permanently.

Another goodbye that has happened over this last year is not a person but to Cromwell Villa. The decision to give up our lease was arrived at after some lengthy discussion. No one could see an end to Covid 19 restrictions and we would simply not be able to use it as a venue for meetings which would keep both our staff and members safe and continue to fulfil our current NHS contract. We simply cannot continue to pay for all of the additional costs of Cromwell Villa and hire venues for meetings. Another fact we had to consider is the commitment to spread out more across the Highlands and hold more meetings away from Inverness.

Spirit Advocacy

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Achievements and performance *(continued)*

The support group Serenity, for women with borderline personality disorder, who SPIRIT have had a close relationship with, closed at the end of 2020. To replace Serenity, the group Togetherness has been formed by SPIRIT. The intention is to help with the establishment of the group and then withdraw slowly as the members take over the running of the group.

The same approach has been taken with a Peer Support Group for Nairn with funding obtained from Highlands and Islands Enterprise (administered by HTSI). Also a Men's peer support group has been formed with the intention of it becoming an independent entity when firmly established. SPIRIT's roll in all of these is to enable people to facilitate their own support groups, not to provide any of the services given within the groups.

Covid 19 has had an enormous effect on SPIRIT and the way we work and much of the work has moved online but unfortunately this has not been possible in all cases. PFH have struggled to engage with members by digital means. Steps have been taken to support members who were digitally excluded through Connecting Communities funding and AbilityNet, but this has still left many members struggling to access online meetings. This has meant that much of the advocacy work has been on a one to one basis rather than a collective basis. However, there is light at the end of this dark tunnel; there are plans afoot to hold a face to face meeting in the near future and hopefully this will become a regular event. The lockdown has presented many challenges and changes to how we work and we are grateful to all the staff for their hard work and commitment over this time.

Over the Christmas holiday period SPIRIT staff maned a friendly phone line for members to call for a chat. We felt Christmas can be a lonely time and Covid only made this much worse. In addition HUG hosted Coffee Mornings on Zoom on Thursday mornings. These proved popular and have been continued along with our Think Ins.

The skills of using digital technology for meetings, which we have all learned during lockdown, are hugely valuable. Meetings will never be quite the same again and most will contain a digital aspect, enabling those who would previously have had to travel to participate from their own homes. Computers and iPads have been provided for isolated people by the Scottish Government. Spirit received an allocation of these and staff distributed and trained those who received them to enable them to participate.

Our relationship and interactions with NHS Highland, which give us opportunities to ensure the voices of our members are heard, are growing.

Spirit is represented on a variety of NHS forums including Adult Support and Protection Committee where we chair the Participation sub group, the Clinical Governance group, the Service User and Carers Experience group.

We have also been involved in research projects this year with Public Health Scotland and Strathclyde University, The Poverty Alliance, Health and Social Care Alliance and UHI.

In addition Spirit is represented on a variety of Third Sector networks and the reputation of SPIRIT is healthy and growing.

Recently meetings with HUG members have been held to reconstitute the Advisory Group and our aim is to ensure SPIRIT continues to be truly user led as we move forward.

Spirit Advocacy
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 March 2021

Financial review

Principal funders for the year have been:

- NHS

The NHS fund our core collective advocacy and awareness raising work. A service level agreement was agreed to cover the period from 1 April 2000 to 31 March 2023.

- The Robertson Trust

The Robertson Trust provided 3 year funding towards the Speak project. The final instalment was received during the year.

- Highland Council

A Coronavirus Business Support Fund grant was received in the year.

Reserves policy

The charity operates two types of reserves: Restricted and Unrestricted funds. Restricted funds are funds that must be used for a specific purpose. The reserves policy of SPIRIT has always been to maintain sufficient reserves to meet our obligations for redundancy pay, and those costs associated with the winding up of the organisation (including final accounts, etc) should it become clear that our core funding from NHS Highland would not continue.

For the last few years we have always managed to carry forward additional uncommitted underspend, over and above the required reserves. As the real value of our core funding from NHS Highland has decreased, and uncertainty about NHS future funding inhibited our ability to secure additional grant support from charitable trusts, these funds have been depleted year on year as set out in the annual reports, but allowed us to maintain activity and staffing levels in pursuance of our Aims and Objectives.

During the period the charity made an overall surplus of £1,738 (2020 - £38,940). This is made up of a surplus in unrestricted of £50,072 (2020 - £1,949 deficit) and a deficit in restricted of £48,334 (2020 - £40,889 surplus). At the year end date the balance on unrestricted funds was £51,574 (2020- £1,502) and there was a balance of £19,386 (2020 - £67,720) on restricted funds.

Plans for future periods

SPIRIT continues to deliver on its contracted responsibilities to the full satisfaction of funders, and to achieve consistently very high grading in evaluations from participants in all the events it has delivered or to which it has contributed. We have been successful in securing a 3-5 year contract with NHS and will also be seeking financial support from other sources, to continue our valuable support to enable everyone who experiences mental illness and or has a learning disability to have their voices heard in the design, commissioning, delivery and evaluation of all the services which impact on their lives.

Spirit Advocacy

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Trustees' Responsibilities Statement

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

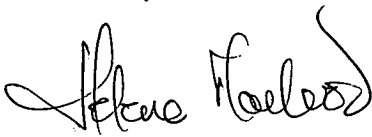
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 29/9/21 and signed on behalf of the board of trustees by:



Miss H E Macleod
Trustee

Spirit Advocacy

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Spirit Advocacy *(continued)*

Year ended 31 March 2021

I report to the trustees on my examination of the financial statements of Spirit Advocacy ('the charity') for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 ('the 2005 Act'), the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006 ('the 2006 Act'). You are satisfied that the accounts of the company are not required by charity or company law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts carried out under section 44(1)(c) of the 2005 Act. In carrying out my examination I have followed the requirements of Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Independent examiner's statement

Since the charity is required by company law to prepare its accounts on an accruals basis and is registered as a charity in Scotland your examiner must be a member of a body listed in Regulation 11(2) of the Charities Accounts (Scotland) Regulations 2006 (as amended). I can confirm that I am qualified to undertake the examination because I am a registered member of ICAS which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act, section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; or
2. the financial statements do not accord with those records or with the accounting requirements of Regulation 8 of the Charities Accounts (Scotland) Regulations 2006; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Spirit Advocacy

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Spirit Advocacy *(continued)*

Year ended 31 March 2021

Other matters

To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charities' trustees as a body, for our work, for this report, or for the opinions I have formed.



Daniel Palombo MA (Hons), C.A.
Independent Examiner

Forbes House
36 Huntly Street
Inverness
IV3 5PR

30 September 2021

Spirit Advocacy
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 March 2021

			2021		2020
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	12,458	19,500	31,958	16,615
Charitable activities	6	120,000	–	120,000	153,477
Total income		<u>132,458</u>	<u>19,500</u>	<u>151,958</u>	<u>170,092</u>
Expenditure					
Expenditure on charitable activities	7,8	86,424	63,796	150,220	131,152
Total expenditure		<u>86,424</u>	<u>63,796</u>	<u>150,220</u>	<u>131,152</u>
Net income		<u>46,034</u>	<u>(44,296)</u>	<u>1,738</u>	<u>38,940</u>
Transfers between funds		4,038	(4,038)	–	–
Net movement in funds		<u>50,072</u>	<u>(48,334)</u>	<u>1,738</u>	<u>38,940</u>
Reconciliation of funds					
Total funds brought forward		1,502	67,720	69,222	30,282
Total funds carried forward		<u>51,574</u>	<u>19,386</u>	<u>70,960</u>	<u>69,222</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 11 to 21 form part of these financial statements.

Spirit Advocacy
Company Limited by Guarantee
Statement of Financial Position
31 March 2021

	Note	2021 £	£	2020 £
Fixed assets				
Tangible fixed assets	15		3,027	–
Current assets				
Debtors	16	3,194		666
Cash at bank and in hand		<u>72,709</u>		<u>75,465</u>
		75,903		76,131
Creditors: amounts falling due within one year	17	<u>(7,970)</u>		<u>(6,909)</u>
Net current assets			67,933	69,222
Total assets less current liabilities			70,960	69,222
Net assets			70,960	69,222
Funds of the charity				
Restricted funds			19,386	67,720
Unrestricted funds			51,574	<u>1,502</u>
Total charity funds	19		70,960	69,222

For the year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 29/10/21, and are signed on behalf of the board by:



Miss H E Macleod
Trustee

Company registration number: SC404409

The notes on pages 11 to 21 form part of these financial statements.

Spirit Advocacy
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 March 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in Scotland and a registered charity in Scotland. The address of the registered office is Ritsons, CA, Forbes House, 36 Huntly Street, Inverness, IV3 5PR.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue. A service level agreement is in place for the two years to 31 March 2023.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Spirit Advocacy
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 March 2021

3. Accounting policies *(continued)*

Income

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Spirit Advocacy
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 March 2021

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	- 25% straight line
Equipment	- 25% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Spirit Advocacy

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

4. Limited by guarantee

Spirit Advocacy is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	1,964	–	1,964
Grants			
STV Children's Appeal	–	–	–
Charleston Academy YPI	–	–	–
Highland Council	10,000	–	10,000
The Wood Foundation	–	–	–
Robertson Trust	–	8,500	8,500
Miscellaneous grants	494	11,000	11,494
	<u>12,458</u>	<u>19,500</u>	<u>31,958</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	115	–	115
Grants			
STV Children's Appeal	–	2,000	2,000
Charleston Academy YPI	–	1,000	1,000
Highland Council	–	–	–
The Wood Foundation	–	5,000	5,000
Robertson Trust	–	8,500	8,500
Miscellaneous grants	–	–	–
	<u>115</u>	<u>16,500</u>	<u>16,615</u>

A government grant of £10,000 was received through the Highland Council.

Spirit Advocacy

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
NHS Highland	120,000	–	120,000
NHS Highland: People First	–	–	–
NHS Highland: HUG	–	–	–
	<u>120,000</u>	<u>–</u>	<u>120,000</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
NHS Highland	–	153,477	153,477
NHS Highland: People First	–	46,678	46,678
NHS Highland: HUG	–	106,799	106,799
	<u>–</u>	<u>306,954</u>	<u>306,954</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
General Operations	67,043	5,472	72,515
People 1st	–	20,433	20,433
HUG Activities	–	23,823	23,823
SPEAK DA	9,135	11,040	20,175
Support costs	10,246	3,028	13,274
	<u>86,424</u>	<u>63,796</u>	<u>150,220</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
General Operations	2,064	–	2,064
People 1st	–	16,772	16,772
HUG Activities	–	65,801	65,801
SPEAK DA	–	13,252	13,252
Support costs	–	33,263	33,263
	<u>2,064</u>	<u>129,088</u>	<u>131,152</u>

Spirit Advocacy

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total fund 2020 £
General Operations	72,515	9,435	81,950	2,064
People 1st	20,433	2,451	22,884	22,209
HUG Activities	23,823	–	23,823	91,831
SPEAK DA	20,175	1,388	21,563	15,047
	<u>136,946</u>	<u>13,274</u>	<u>150,220</u>	<u>131,151</u>

9. Analysis of support costs

	General operations £	People 1st £	SPEAK DA £	Total 2021 £	Total 2020 £
Staff costs	–	–	–	–	15,603
Premises	6,703	1,623	1,388	9,714	12,560
Communications and IT	2,732	791	–	3,523	4,298
Other costs	–	37	–	37	802
	<u>9,435</u>	<u>2,451</u>	<u>1,388</u>	<u>13,274</u>	<u>33,263</u>

10. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>1,010</u>	<u>–</u>

11. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	3,448	3,277
Other financial services	<u>1,301</u>	<u>1,071</u>
	<u>4,749</u>	<u>4,348</u>

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021 £	2020 £
Wages and salaries	115,062	91,693
Employer's national insurance	4,007	4,966
Employer contributions to pension plans	<u>3,248</u>	<u>2,706</u>
	<u>122,317</u>	<u>99,365</u>

Spirit Advocacy
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Notes to the Financial Statements *(continued)*
Year ended 31 March 2021

12. Staff costs *(continued)*

Pension costs are allocated to projects by employee.

The average head count of employees during the year was 7 (2020: 7). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Number of staff	<u>4</u>	<u>4</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £26,479 (2020:£15,816).

13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

No trustees (2020 - five) were reimbursed for travel and subsistence expenses (2020 - £660) incurred while carrying out their duties.

14. Transfers between funds

During the year £2,692 (2020 - £nil) was transferred from restricted fund for STV Children's Appeal to unrestricted. The funds were used to purchase fixed assets which will be used for general purposes.

During the year £1,346 (2020 - £nil) was transferred from restricted fund for Corra Foundation to unrestricted. The funds were used to purchase fixed assets which will be used for general purposes.

Spirit Advocacy
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 March 2021

15. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 April 2020	4,681	9,296	13,977
Additions	–	4,037	4,037
At 31 March 2021	<u>4,681</u>	<u>13,333</u>	<u>18,014</u>
Depreciation			
At 1 April 2020	4,681	9,296	13,977
Charge for the year	–	1,010	1,010
At 31 March 2021	<u>4,681</u>	<u>10,306</u>	<u>14,987</u>
Carrying amount			
At 31 March 2021	<u>–</u>	<u>3,027</u>	<u>3,027</u>
At 31 March 2020	<u>–</u>	<u>–</u>	<u>–</u>

16. Debtors

	2021 £	2020 £
Prepayments and accrued income	694	666
Sundry debtors	2,500	–
	<u>3,194</u>	<u>666</u>

17. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	3,955	3,702
Social security and other taxes	2,130	1,458
Other creditors	1,885	1,749
	<u>7,970</u>	<u>6,909</u>

18. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £3,248 (2020: £2,706).

At the year end the outstanding pension payments amounted to £1,853 (2020 - £1,717).

Spirit Advocacy

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

19. Analysis of charitable funds

Unrestricted funds

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
General funds	<u>1,502</u>	<u>132,458</u>	<u>(86,424)</u>	<u>4,038</u>	<u>51,574</u>

	At 1 April 2019	Income	Expenditure	Transfers	At 31 March 2020
	£	£	£	£	£
General funds	<u>3,451</u>	<u>115</u>	<u>(2,064)</u>	<u>-</u>	<u>1,502</u>

Restricted funds

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
HUG Activities	23,822	-	(23,822)	-	-
People 1st	39,311	-	(22,884)	-	16,427
Tesco Charitable Trust	151	-	(151)	-	-
See Me	872	-	-	-	872
Choose Life	379	-	(379)	-	-
Caring & Sharing	502	-	-	-	502
NHS Highland - Learning Disability Advisor	322	-	(322)	-	-
Royal Horticultural Society - garden project	200	-	-	-	200
The Wood Foundation	161	-	(161)	-	-
The Robertson Trust	-	8,500	(8,500)	-	-
YPI Scotland	-	-	-	-	-
STV Children's Appeal	2,000	-	(2,000)	-	-
STV Children's Appeal	-	4,000	(577)	(2,038)	1,385
Corra Foundation	-	2,000	-	(2,000)	-
HTSI	-	5,000	(5,000)	-	-
	<u>67,720</u>	<u>19,500</u>	<u>(63,796)</u>	<u>(4,038)</u>	<u>19,386</u>

	At 1 April 2019	Income	Expenditure	Transfers	At 31 March 2020
	£	£	£	£	£
HUG Activities	8,855	106,799	(91,832)	-	23,822
People 1st	14,842	46,678	(22,209)	-	39,311
Tesco Charitable Trust	151	-	-	-	151
See Me	872	-	-	-	872
Choose Life	379	-	-	-	379
Caring & Sharing	502	-	-	-	502

Spirit Advocacy

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

19. Analysis of charitable funds *(continued)*

NHS Highland - Learning Disability Advisor	322	–	–	–	322
Royal Horticultural Society - garden project	200	–	–	–	200
The Wood Foundation	–	5,000	(4,839)	–	161
The Robertson Trust	708	8,500	(9,208)	–	–
YPI Scotland	–	1,000	(1,000)	–	–
STV Children's Appeal	–	2,000	–	–	2,000
STV Children's Appeal	–	–	–	–	–
Corra Foundation	–	–	–	–	–
HTSI	–	–	–	–	–
	<u>26,831</u>	<u>169,977</u>	<u>(129,088)</u>	<u>–</u>	<u>67,720</u>

NHS contract funding for HUG Action for Mental Health

Provision of collective advocacy for people with mental ill health.

NHS contract funding for People First Highland

Provision of collective advocacy for people with a learning disability.

Tesco Charitable Trust

Funding awarded to purchase IT equipment and stationery.

See Me

The national anti-stigma initiative, funded the ongoing development of HUG's 'Hear Me' project, focusing on parents with mental ill health whose children had been taken into care. In 2017, after the project's first year, a report was prepared by HUG's development worker which suggested a 'peer support' approach should be adopted in future.

Caring and Sharing

A Caring and Sharing grant was awarded to People First Highland to support its ongoing work involving people with a learning disability.

NHS Highland - Learning Disability Advisor

NHS Highland funded a one year grant for the provision of a learning disability advisor.

The Wood Foundation

Funding awarded to support the running of the Speak project.

The Robertson Trust

Funding awarded to support the running of the Speak project.

Lochaber High School

Funding awarded to support the running of the Speak project.

YPI Scotland

Funding awarded to support the running of the Speak project.

Charleston Academy

Funding awarded to support the running of the Speak project.

Spirit Advocacy

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

19. Analysis of charitable funds *(continued)*

STV Children's Appeal

Funding to provide support for specific work with young people. This was used to support the Speak project.

STV Children's Appeal

Funding to improve connectivity and IT systems.

Corra Foundation

Funding to improve connectivity and IT systems.

HTSI

Funding for a peer support group.

20. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	3,027	–	3,027
Net current assets	48,547	19,386	67,933
Net assets	<u>51,574</u>	<u>19,386</u>	<u>70,960</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	–	–	–
Net current assets	1,502	67,720	69,222
Net assets	<u>1,502</u>	<u>67,720</u>	<u>69,222</u>

21. Related parties

No trustee, or person related to the charity, had any personal interest in any contract or transaction entered into by the charity during the year.