



BLYTHSWOOD CARE

(Company Number: SC583493)
(Charity Number: SC048001)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

(a company limited by guarantee and not having a share capital)
31 DECEMBER 2019

TUESDAY



S9DNØSYI

SCT

15/09/2020

#164

COMPANIES HOUSE



**BLYTHSWOOD CARE
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

CONTENTS	PAGE
LEGAL AND ADMINISTRATIVE INFORMATION.....	1
DIRECTORS' ANNUAL REPORT.....	2
DIRECTORS' RESPONSIBILITIES STATEMENT.....	13
INDEPENDENT AUDITOR'S REPORT.....	14
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES.....	17
STATEMENT OF FINANCIAL ACTIVITIES.....	18
CONSOLIDATED BALANCE SHEET.....	19
BALANCE SHEET.....	20
CONSOLIDATED CASH FLOW STATEMENT.....	21
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS.....	22



BLYTHSWOOD CARE
LEGAL AND ADMINISTRATIVE INFORMATION

DIRECTORS

J M Campbell
I Gillies
C Gordon (appointed 30 May 2019)
L Gray (appointed 30 May 2019)
D Laing (Chairman)
P L Lyall
R M McCheyne
S J Worgan

PATRONS

Lord Mackay of Clashfern KT PC

ORGANISATION

The day to day management of the Charity is delegated to James Campbell, Chief Executive.

REGISTERED OFFICE

Highland Deephaven Industrial Estate
Evanton
Dingwall
Ross-shire
IV16 9XJ

AUDITORS

Anderson Anderson & Brown Audit LLP
Kingshill View
Prime Four Business Park
Kingswells
ABERDEEN
AB15 8PU

BANKERS

Bank of Scotland
2-6 Eastgate
Inverness
IV12 3NA

SOLICITORS

Wright Johnston & Mackenzie LLP
The Green House
Beechwood Park North
Inverness
IV2 3BL



BLYTHSWOOD CARE TRUSTEES' ANNUAL REPORT

The Trustees present their report and the group's financial statements for the year ended 31 December 2019

Charitable Aims

Our charitable purposes are;

- the advancement of the Christian religion
- the relief of sickness and financial hardship and the promotion and preservation of good health, and
- the promotion of education, particularly in the understanding of the Christian religion, by the printing, publishing, production and distribution of Christian literature and literacy materials.

In brief we aim to see God transforming lives through Christian care for body and soul.

We want to give more people at home in the UK and across the world, real hope, a true purpose and an exciting future, by sharing the love of Jesus with them in ways which offer an opportunity for changed values and more fulfilling lives.

On this journey our projects:

- Focus on the educational, practical and spiritual needs of the most vulnerable people;
- Are managed by capable local leadership;
- Are grounded in a strong financial base leading towards self-sustainability.

Our Mission

Blythswood Care seeks to be an instrument in God's hands to transform lives through education, community action and the promotion of the gospel.

- Blythswood is committed to long-term care projects, enabling disadvantaged children and young people to fulfil their potential through EDUCATION.
- We provide practical help for people in their COMMUNITY to give them opportunities to provide for themselves.
- Communicating the life-bringing message of the GOSPEL of the good news of Jesus Christ is the underlying motivation in all that we do.

Our Values

As an organisation committed to Biblical principles and the gospel of Jesus Christ, we aim to operate to the following values:

Compassion - we are committed to going out of our way to help with the physical, spiritual, or emotional hurts or pains of those in need;

Excellence - we seek to provide services to the highest professional standards;

Impartiality - we seek to act fairly and sensitively with all, regardless of background or belief, according to their individual needs;

Integrity - we are honest and trustworthy and will always seek to do the right thing;

Respect - we respect the individual and are committed to equal opportunity for all staff and volunteers;

Responsibility - we ensure our actions are always lawful, reasonable, proportionate and necessary;

Sustainability - we work towards making every project self-sustaining.



**BLYTHSWOOD CARE
TRUSTEES' ANNUAL REPORT**

2019 highlights and achievements

Lives transformed - the impact made by Blythswood's projects is best demonstrated by the reality of transformed lives

Story from Talita Kum - ROMANIA

Imagine this. Your mum can neither read nor write. Your dad you see only occasionally. Neither appreciates the importance of education. And when you are at home you are expected to look after your older sister's children.

That's the situation facing 12-year-old Dani. It's only through your support for Blythswood's afterschool programme, Talita Kum, that he receives the encouragement he needs to persevere at school.

"Dani's attendance is very good," says Carmen Popa who teaches at Talita Kum, in Jimbolia, western Romania. "He's been with us four years and has now joined TK2, the programme for junior secondary pupils.

"He does okay at school but still needs the extra tuition we can give. He prefers maths to Romanian. Once he grasps an idea he insists on working independently and finishes all his homework.

"He enjoys everything the programme has to offer - food, games, activities. He loves acrobatics and is always trying to improve his front and back flips.

"In February he joined us on a skiing trip. It was his second time. His skiing is improving nicely and it gives him so much confidence. Without your support for Talita Kum, children like Dani would never get this opportunity."

Looking at the wider impact of the programme, Adrian observes that the rate of early school leaving fell from 45% in 2009 to just 1.5% in 2018. "It's more than just educational achievements," he adds. "The TK programme actually means better people, that the youngsters who go through the programme really add value to their community."



Dani has learnt to work independently and finish his homework.

**BLYTHSWOOD CARE
TRUSTEES' ANNUAL REPORT**

Story from Dayspring House - INDIA

Mahender is a healthy twelve-year-old lad whose favourite game is kabaddi, the vigorous contact sport popular throughout the Indian subcontinent.

But two years ago his situation was very different. His father had died, following years of alcohol abuse, leaving his young family in extreme poverty.

It was an uncle who approached Dayspring House, near Hyderabad, seeking admission for the malnourished boy, who was dressed in rags.

"Since coming to Dayspring, his health has improved," says Pastor Samuel Babu who oversees the welfare and education of 35 children with support from Blythswood Care."

Meals at Dayspring are based on a traditional Indian diet of rice, pulses and vegetables with milk, eggs, chicken and fruit to make sure the children receive the protein and vitamins they need.

"Mahender is gaining weight and doing well at school," Samuel Babu says. "His ambition is to become a doctor."



Mahender (centre, foreground) surrounded by his friends at Dayspring.

These stories of transformation - and many others like them - are possible only because of the generosity of individuals, churches and funders.

999 Project - Eastern Europe

During 2019 Blythswood sent the equivalent of 19 shipments of aid to nine countries in Europe and Asia - Albania, Bulgaria, Hungary, Kosovo, Moldova, Pakistan, Romania, Serbia and Ukraine.

We also supplied three fully-equipped fire engines to Moldova as well as two fire engines and two ambulances to Ukraine through our 999 Project.



**BLYTHSWOOD CARE
TRUSTEES' ANNUAL REPORT**

Aid Relief

In all, 242 tonnes of aid was delivered through 40 different organisations around the world. Some medicines were purchased to satisfy individual requests and some food was purchased within recipient countries. All other aid was donated by individuals, by other charities or organisations such as hospitals or by manufacturers. Our ongoing membership of Global Hand has also widened our support network.



**1,082 aid
loads sent**

since 1990 valued
at £35,496,000

This aid included 110,926 Christmas shoeboxes, all of which were sent out before the end of the year.

Since it began in 1993 the appeal has delivered 2,407,831 boxes.

Societatea de Caritate Blythswood (SCB) in Romania made up a further 1,000 shoeboxes. Boxes were delivered to children in hospital, to elderly people in care, to children with hearing and speech impediments, and to other needy individuals in some of the poorest communities in Romania.

**BLYTHSWOOD CARE
TRUSTEES' ANNUAL REPORT**

Blythswood support has helped prevent children from being taken into care.

National policy in Romania is to keep children in families but this is not always possible. The Almas family has ten children between the ages of one and 15. Their father is receiving treatment for lung cancer and is unable to work. This leaves the family entirely dependent on the children's allowance which equates to less than 90p per day for each child.

"The first time I visited, the eldest girl was making a packet of instant soup for their breakfast," says Blythswood's Basis Project worker Agnes Csiszer. "The children were inadequately dressed and their parents were not there."

Now Agnes visits the family every month, bringing a large box of staple foods such as rice, flour, sugar and cooking oil. She also brings clothes and footwear as required.

"The eldest is attending school through a government programme called Second Chance," Agnes explains. "Their home is half-built, just a single room which they all share. There are several families in a similar situation in that village. These people are barely surviving. For them the monthly food parcel is very significant."

The Basis project currently gives assistance to 31 families within a 50 kilometre radius of the city of Cluj.



UK projects

Crisis Intervention

The Highland Foodbank network has continued to help people in crisis, distributing 77 tonnes of food in 2019 by providing a three-day food supply to 7,724 people, preventing them from going hungry during personal financial crises.

People utilise foodbanks for a variety of reasons, the most common being benefit delays, low income and benefit changes. Apart from the two foodbanks in Inverness, rural foodbanks have been supported in Alness, Aviemore, Dingwall, Tain, Nairn, Kyle, Thurso and Wick throughout 2019. Edinburgh South East Foodbank also distributed food to 1605, clients.



**Over 62,000
people fed**

through our
foodbanks since
starting in 2005

**BLYTHSWOOD CARE
TRUSTEES' ANNUAL REPORT**

Gifts to Blythswood's Highland Foodbank enabled a retail worker on a zero-hours contract to survive a post-Christmas collapse in her wages.

"Up until Christmas Wilma* was working 40 hours a week," says Highland Foodbank manager Lorna Dempster. "But she had very few shifts in January and had to apply for Universal Credit.

"The week in which she was referred to us by Citizens' Advice Bureau she had worked only four hours and had no prospect of more.

"She had spent her savings on rent and bills and would have to wait another two weeks for her first payment of Universal Credit. She was so grateful for the help Foodbank gave her and told one of our volunteers that she didn't know what she would have done without it.

"Wilma is single and has no family living in the area. Friends had invited her to pop round for meals but she felt there were only so many times she could do that."

Christian literature and ministry

From its origins as the Blythswood Tract Society in 1966, Blythswood has promoted the good news of Jesus Christ through the printed page. This remains central to our strategy today.

The 2019 Shoe Box Appeal presented us with our biggest opportunity to distribute the gospel message most widely in print. Our objective is to present a Biblical message in a way that is attractive and culturally relevant. For younger children we produced Daniel the Praying Prince in six east European languages. For teenagers we published The Lost Boy, the testimony of Dumitru Sevastian, one of our key partners in Moldova. Boxes for adults contained a colourful calendar with a text for each month. These we obtained in five languages from the Trinitarian Bible Society and produced one in Bulgarian ourselves, utilising pictures by Mike Ogborne around the theme of work. In all 126,800 items were procured at a cost of £42,146, giving an average unit cost of 33p.

Support from one donor allowed us to forward £10,500 to Pakistan Sunday School Ministry to print 50,000 more children's books in Urdu in country.

In the course of the year 271 grants of tracts, books and bibles were made to 128 grantees in 14 countries (Bulgarian, Cameroon, Ethiopia, Ghana, Kenya, Kosovo, Liberia, Malawi, Moldova, Nigeria, Pakistan, Romania, UK, Zambia).

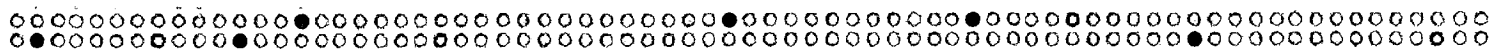
Bibles, NTs and other items of Christian literature were obtained in 27 languages at a cost of £4,769 for the Seafarers' Centre in Invergordon.

Our charity shops carried a small stock of Christian books, completely refreshed three times throughout the year, with the first batch aimed at Easter, the second for summer reading and the third leading up to Christmas. An outlay of £6,568 put books in 20 shops. Unsold stock is reused for grants and free distribution. Our prayer is that customers coming in simply for clothes or bric-a-brac may go out with something of eternal value.

Blythswood supported 10 pastors in Eastern Europe, and village ministry and child evangelism in Asia. And with an eye to reaching young people in our own immediate community, we supported the ministry of Street Pastors in Inverness, and of Dingwall Youth Café.


**400
pastors**
supported in
the last
20 years





BLYTHSWOOD CARE TRUSTEES' ANNUAL REPORT

Trading & Recycling

Throughout 2019 Blythswood Trading continued to develop our collection, processing, charity shop sales and end markets for the many items generously donated to us e.g. clothes, shoes, furniture, bric-a-brac, media, toys and books.

Blythswood's end-to-end capability (retail, recycling and humanitarian aid coupled with our logistical expertise), makes the organisation highly effective in the stewardship of these donations and provides employment for people who otherwise might struggle to find jobs.

Blythswood Trading's turnover for 2019 was £2.315M

Over 2,000 tonnes of donated goods were reused and recycled by Blythswood Trading, equating to over six million individual items. This created employment and volunteering opportunities for people with various skill levels and backgrounds.

Blythswood is a member of Community Resources Network Scotland (CRNS), The Charity Retail Association (CRA) and also Revolve, the Scottish reuse retail quality accreditation scheme, which demonstrates our effectiveness in selling second-hand goods.

Volunteers

People of all ages find opportunity to volunteer their time and skills in Blythswood Care.

We have over 1,000 volunteers around the country - checking shoeboxes, fundraising, participating in support groups, marking correspondence courses, giving talks, serving in charity shops, sorting donated goods, driving vehicles, and helping to run summer camps for children in Eastern Europe.

We wish to thank them for all their hard work throughout the year.



**Over 74,500
volunteer
hours**

given in 2019 valued
at more than £616,000
at the national
minimum wage





**BLYTHSWOOD CARE
TRUSTEES' ANNUAL REPORT**

Appreciation

The Trustees are very grateful and take this opportunity to express publicly their gratitude to our dedicated staff and volunteers for the huge contribution they make throughout the year. Without their hard work, vision and willingness to go the extra mile, much of what is accomplished through Blythswood Care would not be possible.

"And God is able to bless you abundantly, so that in all things at all times, having all that you need, you will abound in every good work. As it is written: They have freely scattered their gifts to the poor their righteousness endures forever. Now he who supplies seed to the sower and bread for food will also supply and increase your store of seed and will enlarge the harvest of your righteousness. You will be enriched in every way so that you can be generous on every occasion, and through us your generosity will result in thanksgiving to God." 2 Corinthians 9: 8-11

Results

The financial statements show net outgoing resources deducted from reserves of £34,733 (2018 - £131,640).

Donation income was £5,258,440 (2018 - £4,817,140) with £4,025,582 (2018 - £3,575,245) being donations in kind.

The results of the trading subsidiary did not enable a donation to be made in the current year (2018 - £91,674) to the charity.

Administration costs

The trustees are pleased to report that administration costs were contained to only 3.0% (2018 - 3.9%) of incoming resources thereby enabling most of the income generated to be used for the provision of aid.

Trustees

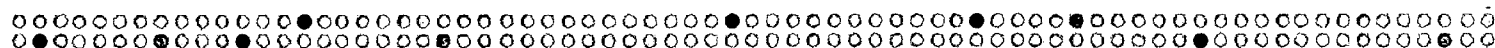
The trustees who served during the year were as follows:

J M Campbell (Chief Executive)
I Gillies
C Gordon (appointed 30 May 2019)
L Gray (appointed 30 May 2019)
D Laing (Chairman)
P Lyall
R M McCheyne
G B Smith (retired 22 August 2019)
D Vardy (retired 21 November 2019)
S Worgan

Appointment of New Trustees

The Trustees, together with the Chief Executive, seek to identify potential new trustees with the character, energy, shared vision, skills and experience to provide a positive contribution to Blythswood Care. Prospective Trustees are given significant exposure to Blythswood before a decision is made on their appointment.

The power to appoint new Trustees rests with the non-executive Trustees who are guarantors of the charitable company under the Articles of Association. That power is exercised by special resolution.



BLYTHSWOOD CARE TRUSTEES' ANNUAL REPORT

Induction of New Trustees

A full induction programme is provided for new trustees covering areas that include:

- Our vision, mission and values.
- Explanations of all of Blythswood's projects and services.
- Details of our objectives for our coming year and our Strategic Plan.
- The roles and responsibilities of trustees under charity law and our governance rules.

Organisational structure

Blythswood Care is as a company limited by guarantee which is registered as a Scottish Charity. The charity previously operated under a trust deed (and that entity continues to exist under the name Blythswood Care 1993).

Blythswood Care 1993 holds legal title to some of the retail properties which are operated through Blythswood Trading Ltd. and acts as the prospective recipient of any legacies for the benefit of Blythswood Care. Transfer of title to those properties will follow in due course.

Blythswood Trading Limited ("BTL") is a wholly owned subsidiary of Blythswood Care.

Organisational change

For many years Blythswood Ireland Ltd. ("BIL"), a charitable company and a charity in Northern Ireland, has worked in partnership with Blythswood Care. In order to more closely align the work of the two organisations, on 01 January 2020 Blythswood Care became the sole member of BIL when its trustees stepped down as members. They remain in office as Directors of BIL.

Related Parties

The Trustees all gave of their time and expertise without any form of the remuneration or other benefit in cash or kind (2018: £nil). Expenses paid to trustees during the year 2019 amounted to £634.95 (2018: £1,661.06)

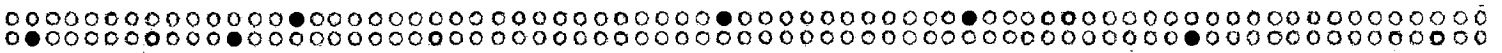
During the year 2019, six trustees donated £6,510.61 to the charity's general funds. (2018: Three trustees donated £3,200)

Future Plans

The demands upon the charity increase both in the UK and overseas. The Foodbanks continue to serve an increased customer base. Applications to the charity, as it becomes more widely known, from all around the world present increasing challenges as to how the available resources can be allocated for maximum impact. The Trustees earnestly hope and pray they will be able to identify additional sources of income, through generous donations and internal activities, so they are able to increase their support to needy people both at home and abroad as they seek to transform lives through Christian care for body and soul.

We continue to work through trusted partners and regularly evaluate projects with the aim of leading them on towards self-sufficiency & self-sustainability.





**BLYTHSWOOD CARE
TRUSTEES' ANNUAL REPORT**

Reserves Policy

The Trustees keep the level of reserves under regular review. Blythswood was founded on the basis of the Christian belief that a faithful God will supply all our needs. Therefore, the Trustees continue to maintain that it is not appropriate to retain significant surpluses. As a general policy the Trustees intend to maintain sufficient reserves to meet the day-to-day operational needs of the charity.

Risk management

The Trustees are required to produce a statement of policy on risk identification and management, and this has been done to a good and established standard. To support this action the Trustees follow a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks the organisation faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. This process is monitored by the Board quarterly and reviewed annually.

This work has identified that financial sustainability is the major financial risk for both the charity and its trading subsidiary. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditors balances to ensure sufficient working capital by both organisations. Attention has also been focused on non-financial risks arising from fire, health and safety at all the organisations facilities. These risks are managed by ensuring the organisation has robust policies and procedures in place, and regular awareness training for staff working in these operational areas. The Trustees also review the central accident book and 'near misses' on a quarterly basis.





**BLYTHSWOOD CARE
TRUSTEES' ANNUAL REPORT**

Post Balance Sheet Events

The directors consider that there has been no change to the operating activities of the group during 2019.

Accordingly, the Directors have concluded that the financial statements give a true and fair view of the Blythswood Care's financial position, financial performance and cash flows; that the company has complied with FRS10.

On 01 January 2020 Blythswood Care became the sole member of Blythswood Ireland Limited when its trustees stepped down as members. It was agreed between the two parties that incorporating Blythswood Ireland Limited within Blythswood Care would allow them both to more closely align the work undertaken by the two organisations, who had already worked in partnership with each other for many years. No consideration was paid for the transfer of the ownership interest.

On the date of transfer, Blythswood Ireland limited had total reserves of £624,493, of which £29,150 were attributable to restricted funds and £595,343 attributable to unrestricted funds. Included within its balance sheet was property with a net book value of £695,452, and cash reserves amounting to £124,932.

The global pandemic of COVID-19 has had a significant effect on trading from the national lockdown on 24th March 2020, when all of our shops, depots and offices closed down overnight. Apart from key administrators, and our Foodbank personnel all of the staff were immediately placed on furlough. We are grateful that the Coronavirus Job Retention Scheme enabled us to pay all the staff eighty percent of their salaries, throughout the lock-down period.

As a result of the gradual lifting of restrictions in Scotland, permission was granted to re-open retail outlets from 29th June 2020. We were able to achieve a gradual re-opening of shops and depots throughout July and August. Trading has been very encouraging since the shops have re-opened, and the re-introduction of collections and deliveries will enhance this further when safe to do so.

We received a Third Sector Resilience Grant which enabled us to maintain payments to our landlords and utility companies from April to June 2020. In addition Scottish Business Grants which were made available for many of our shops from the Scottish Government has supported the phased re-opening of our retail operation

.....
D Laing
Chairman

Date: 27 August 2020



**BLYTHSWOOD CARE
DIRECTORS' RESPONSIBILITIES STATEMENT**

The Directors (who are also charity trustees for the purposes of charity law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the Group and of 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 of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departing disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Group will continue in operation.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the Group and 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. They are also responsible for safeguarding the assets of the charitable company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



BLYTHSWOOD CARE

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF BLYTHSWOOD CARE

OPINION

We have audited the financial statements of Blythswood Care (the 'charity') for the period ended 31 December 2019 set out on pages 17 to 42. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 group's and charity's affairs as at 31 December 2019 and of the group and the charity's incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Charities and Director Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

BASIS FOR 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

USE OF OUR REPORT

This report is made solely to the charity's Directors, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's Directors those matters we are required to state to them in an Auditors' 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 and its Directors, as a body, for our audit work, for this report, or for the opinions we have formed.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



BLYTHSWOOD CARE

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF BLYTHSWOOD CARE (continued)

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and 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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Directors' report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Directors 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 Directors are responsible for assessing the charity'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 Directors either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.



BLYTHSWOOD CARE

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF BLYTHSWOOD CARE (continued)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 44(1)(c) of the Charities and Director Investment (Scotland) Act 2005 and report in accordance with the Act 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 Auditors' 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Anderson Anderson & Brown Audit LLP

John Black (Senior statutory auditor)

for and on behalf of

Anderson Anderson & Brown Audit LLP

Kingshill View
Prime Four Business Park
Kingswells
Aberdeen
AB15 8PU

Date: 27 AUGUST 2020

Anderson Anderson & Brown Audit LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.



BLYTHSWOOD CARE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 31 DECEMBER 2019

		Unrestricted funds £	Restricted funds £	2019 Total Funds £	Combined 2018 Total Funds £
	Note				
INCOME FROM:					
Donations and legacies	3	5,297,666	413,253	5,710,919	5,090,854
Commercial trading operations	4	2,315,320	-	2,315,320	2,279,138
Investments	5	5,441	-	5,441	7,741
TOTAL		7,618,427	413,253	8,031,680	7,377,733
EXPENDITURE ON:					
Raising funds	6	401,930	-	401,930	427,801
Commercial trading operations		2,373,497	-	2,373,497	2,210,206
Charitable activities	7	4,691,084	599,902	5,290,986	4,871,366
TOTAL		7,466,511	599,902	8,066,413	7,509,373
NET INCOME/(EXPENDITURE)		151,916	(186,649)	(34,733)	(131,640)
Transfer between funds		(150,355)	150,355	-	-
NET MOVEMENT ON FUNDS		1,561	(36,294)	(34,733)	(131,640)
RECONCILIATION OF FUNDS					
Total funds brought forward		291,490	251,597	543,087	674,727
Total funds carried forward		293,051	215,303	508,354	543,087

All income and expenditure derive from continuing operations.

The notes on pages 22 to 42 form part of these financial statements.

BLYTHSWOOD CARE
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 31 DECEMBER 2019

	Note	Unrestricted funds £	Restricted funds £	2019 Total Funds £	2018 Total Funds £
INCOME FROM:					
Donations and legacies	3	5,384,575	387,355	5,771,930	5,209,328
Investments	5	96,881	-	96,881	94,015
TOTAL		5,481,456	387,355	5,868,811	5,303,343
EXPENDITURE ON:					
Raising funds	6	401,930	-	401,930	331,363
Charitable activities	7	4,837,648	544,778	5,382,426	4,646,051
TOTAL		5,239,578	544,778	5,784,356	4,977,414
NET INCOME		241,878	(157,423)	84,455	325,929
Transfer between funds		(150,355)	150,355	-	-
NET MOVEMENT ON FUNDS		91,523	(7,068)	84,455	325,929
RECONCILIATION OF FUNDS					
Total funds brought forward		204,581	121,348	325,929	-
Total funds carried forward		296,104	114,280	410,384	325,929

The company has made no gains or losses other than as reported above.

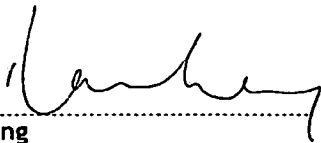
The notes on pages 22 to 42 form part of these financial statements.

BLYTHSWOOD CARE
CONSOLIDATED BALANCE SHEET - 31 DECEMBER 2019
COMPANY REGISTRATION NUMBER - SC583493

	Note	2019 £	Combined 2018 £
FIXED ASSETS			
Tangible fixed assets	12	943,516	960,575
CURRENT ASSETS			
Stock		16,640	13,737
Debtors	14	221,427	155,409
Cash at bank and in hand		136,791	138,227
		374,858	307,373
CREDITORS: amounts falling due within one year	15	(546,033)	(541,246)
NET CURRENT LIABILITIES		(171,175)	(233,873)
TOTAL ASSETS LESS CURRENT LIABILITIES		772,341	726,702
CREDITORS: amounts falling due after more than one year			
Provision for liabilities	16 18	(246,520) (17,467)	(167,972) (15,643)
NET ASSETS		508,354	543,087
FUNDS			
Unrestricted funds	21	293,051	291,490
Restricted funds	20	215,303	251,597
		508,354	543,087

The Directors have prepared group accounts in accordance with Section 44 of the Charities and Director Investment (Scotland) Act 2005.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:


D Laing
Chairman

Date: 27 August 2020

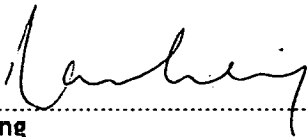
The notes on pages 22 to 42 form part of the financial statements.



BLYTHSWOOD CARE
BALANCE SHEET - 31 DECEMBER 2019
COMPANY REGISTRATION NUMBER - SC583493

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible fixed assets	12	679,963	328,502
Investments	13	2	2
		<u>679,965</u>	<u>328,504</u>
CURRENT ASSETS			
Debtors	14	267,549	192,483
Cash at bank and in hand		121,835	853
		<u>389,384</u>	<u>193,336</u>
CREDITORS: amounts falling due within one year	15	<u>(435,762)</u>	<u>(195,911)</u>
NET CURRENT LIABILITIES		<u>(46,378)</u>	<u>(2,575)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		633,587	325,929
CREDITORS: amounts falling due after more than one year	16	<u>(223,203)</u>	<u>-</u>
NET ASSETS		<u><u>410,384</u></u>	<u><u>325,929</u></u>
FUNDS			
Unrestricted funds	21	296,104	204,581
Restricted funds	20	114,280	121,348
		<u><u>410,384</u></u>	<u><u>325,929</u></u>

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:


 D Laing
 Chairman

Date: 27 August 2020

The notes on pages 22 to 42 form part of the financial statements.

BLYTHSWOOD CARE
CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2019

	Note	2019 £	Combined 2018 £
Cash flows from operating activities:			
Net cash provided by operating activities	19(a)	19,561	(41,897)
Net cash provided by operating activities		<u>19,561</u>	<u>(41,897)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(71,413)	(59,042)
Proceeds from sale of tangible fixed assets		-	5,268
Net cash used in investing activities		<u>(71,413)</u>	<u>(53,774)</u>
Cash flows from financing activities:			
Net Cash inflows from borrowings		84,625	-
Repayments of borrowings		(33,446)	(35,199)
Interest paid		(20,673)	(12,006)
Hire purchase borrowings		33,000	-
Hire purchase repayments		(5,216)	(4,000)
Net cash used in financing activities		<u>58,290</u>	<u>(51,205)</u>
Decrease in cash and cash equivalents in the period		6,438	(146,876)
Cash and cash equivalents at 31 December 2018	19(b)	(61,833)	85,043
Cash and cash equivalents at 31 December 2019	19(b)	<u>(55,395)</u>	<u>(61,833)</u>

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of financial statements preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and charity law.

(b) Status

Blythswood Care is a company limited by guarantee and a registered charity, Scottish Charity Number SC048001.

(c) Going concern

The directors, having made due and careful enquiry, are of the opinion that the group has adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future.

In arriving at this conclusion, the directors have given due consideration to the impact of the worldwide Covid-19 pandemic on future operations and the ability of the group to continue as a going concern. The directors recognise that the situation remains highly fluid and as a result making accurate forecasts on the likely implications is difficult but the directors do recognise that trading over the coming months is likely to be adversely affected.

Despite this, the directors remain confident that the group can continue to operate as a going concern. This assessment is based on the understanding that the group will continue to trade over the coming months, albeit it at a reduced level than was initially anticipated.

The directors have taken the necessary actions to ensure the group has a sound financial platform to continue to trade for the long term. Such actions include furloughing over 100 members of staff and utilising the government grants available to fund the majority of their wages, the receipt of further grants to cover the costs of rent, utilities, and loss of income, and additional income generated from emergency appeals and special donations.

Based on projections prepared which take account of downside scenarios it is anticipated that the funding in place will allow the group to continue to meet its obligations as they fall due and operate as a going concern.

As a result, the directors have continued to adopt the going concern basis of accounting in preparing the financial statements.



BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019

1. ACCOUNTING POLICIES (continued)

(d) Consolidation

During the prior year Blythswood Care (charitable trust no. SC021848) entered into a Donation Agreement to transfer the operating activities and certain assets of the charity to a new Charitable Company, Blythswood Care 2017 (charity no. SC048001). The effective date of that agreement was 2 April 2018. As part of that arrangement Blythswood Care changed its name to Blythswood Care 1993 (BC1993) and the new charitable company took over the name Blythswood Care (BC).

These financial statements consolidate the accounts of Blythswood Care, Blythswood Care 1993 and Blythswood Trading Limited. The results of the subsidiaries are consolidated on a line by line basis.

(e) Income

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Grants, including capital grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Donations in kind, for which Blythswood Care accepts full responsibility for distribution, are included in donated income at its market value when it is distributed, and under expenditure on charitable activities at the same value.

Income from Gift Aid tax reclaims is recognised for any Gift Aid certificates received up to two months after the year end, in relation to donations made prior to the year end.

(f) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category and include any irrecoverable VAT. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading activities operated by Blythswood Trading Limited and costs associated with general fundraising activities.
- Expenditure on charitable activities includes all the costs on activities undertaken to further the purposes of the charity and their associated support costs.

(g) Fund accounting

Unrestricted funds are available for use at the discretion of the Directors in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019

1. ACCOUNTING POLICIES (continued)

(h) Taxation

Income is stated net of Value Added Tax and expenditure includes Value Added Tax where it is not recoverable.

The group's financial statements include the relevant corporation tax in respect of the subsidiary undertakings.

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timings are expected to reverse.

(i) Investments in subsidiaries

Investments in subsidiaries are valued at cost less provision for impairment.

(j) Tangible fixed assets and depreciation

All fixed assets are initially recorded at cost.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value of each asset evenly over its expected useful life, as follows:

Heritable property	2-3% straight line
Tenant's improvements	25% straight line
Motor vehicles	20% to 30% reducing balance
Warehouse and office equipment	10% to 30% reducing balance

(k) Stock

Stocks are stated at the lower of cost and realisable value with proper provision being made for obsolete and slow moving stock. Cost comprises the invoiced price of goods and materials purchased on a first in first out basis.

(l) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(m) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of twelve months or less from the date of acquisition or opening of the deposit or similar account.

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019

1. ACCOUNTING POLICIES (continued)

(n) Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

(o) Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(p) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

(q) Operating leases and hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of the rental obligations is charged to the income and expenditure account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

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

(r) Pensions

The charity operates a defined contribution pension scheme. The amount charged against income represents the contributions payable in respect of the accounting period.

(s) Volunteers

In accordance with the Charities SORP (FRS 102) general volunteer time is not recognised as income nor expense. Refer to the Director's annual report for more information of the contribution of volunteers.

2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Useful economic life of tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the useful economic lives and residual values of the assets. Useful lives and residual values are reassessed annually. They are assessed where necessary to reflect current estimates based on economic utilisation and physical condition.

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019 (continued)

3. INCOME FROM DONATIONS AND LEGACIES

	Group		Charity	
	2019	Combined 2018	2019	2018
	£	£	£	£
Donations - cash	1,232,858	1,241,895	1,232,858	1,013,400
Donations - gifts in kind	4,025,582	3,575,245	4,025,582	3,575,245
Legacies	426,581	201,059	131,074	163,076
Grants	25,898	72,655	-	-
Donation from Blythswood Care 1993	-	-	382,416	457,607
	<u>5,710,919</u>	<u>5,090,854</u>	<u>5,771,930</u>	<u>5,209,328</u>
Attributable to funds as follows:				
Unrestricted	5,297,666	4,643,269	5,384,575	4,747,289
Restricted	413,253	447,585	387,355	462,039
	<u>5,710,919</u>	<u>5,090,854</u>	<u>5,771,930</u>	<u>5,209,328</u>

Income from grants comprises grants made by Zero Waste Scotland to fund the further fit out of retail stores and new vehicles (capital grants) and contribute towards staff and lease costs (revenue grants).

The donation from Blythswood Care 1993 relates to the net book value of assets transferred under the Donation Agreement referred to in note 27 including the transfer of balances on restricted funds as shown in note 21.

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019 (continued)

4. INCOME FROM OTHER TRADING ACTIVITIES

The wholly owned trading subsidiary Blythswood Trading Limited is incorporated in the United Kingdom (company number SC143793) and pays all of its profits to the charity under the gift aid scheme.

Blythswood Trading Limited operates a number of charity shops. A summary of the trading results is shown below.

	2019 £	2018 £
Turnover	2,315,320	2,279,138
Cost of sales, distribution and administration costs	(2,370,735)	(2,266,853)
Other operating income	55,124	82,486
Interest payable	(841)	(933)
Taxation	(1,921)	(306)
Net profit	(3,053)	93,532
Amount gift aided to charity	-	(91,674)
Retained in subsidiary	(3,053)	1,858

The assets and liabilities of the subsidiary at 31 December 2019 were:

Fixed assets	263,553	261,854
Current assets	217,433	161,978
Creditors: amounts falling due within one year	(354,747)	(270,605)
Creditors: amounts falling due after one year	(10,800)	(7,333)
Deferred taxation	(17,467)	(15,643)
Deferred income	(101,023)	(130,249)
Aggregate share capital and reserves	(3,051)	2

5. INCOME FROM INVESTMENTS

	Group 2019 £	Combined 2018 £	Charity 2019 £	2018 £
Donation received from subsidiary	-	-	11,440	91,674
Rent	5,400	5,400	85,400	-
Other	41	2,341	41	2,341
	5,441	7,741	96,881	94,015

All income from investments was attributable to unrestricted funds.

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019 (continued)

6. EXPENDITURE ON RAISING FUNDS

	Group		Charity	
	2019	Combined 2018	2019	2018
	£	£	£	£
Cost of raising funds	401,930	427,801	401,930	331,363

All expenditure on raising funds was attributable to unrestricted funds.

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Group		Charity	
	2019	Combined 2018	2019	2018
	£	£	£	£
Costs to further charity's objects				
Aid trips and transport	4,450	68	4,450	68
Relief aid	4,025,582	3,575,245	4,025,582	3,575,245
Romania - staff support	965	480	965	480
Pastor support - Romania and Italy	7,200	7,800	7,200	6,750
Christian literature and education	20,800	17,787	20,800	15,545
Shoebox expenses	229,381	212,852	229,381	209,217
Salaries	213,022	232,220	213,022	177,780
Special projects	544,778	536,988	544,778	447,648
Relief aid - women and children	1,000	1,000	1,000	1,000
	<u>5,047,178</u>	<u>4,584,440</u>	<u>5,047,178</u>	<u>4,433,733</u>
Support costs				
Staff travel and accommodation	24,409	23,730	24,409	22,673
Salaries	135,175	140,476	135,175	105,710
Other expenses	53,359	92,847	144,799	74,267
Bank interest payable	12,065	11,073	12,065	9,668
Governance costs				
Audit fee	18,800	18,800	18,800	-
	<u>243,808</u>	<u>286,926</u>	<u>335,248</u>	<u>212,318</u>
Total	<u>5,290,986</u>	<u>4,871,366</u>	<u>5,382,426</u>	<u>4,646,051</u>
Attributable to funds as follows:				
Unrestricted funds	4,691,084	4,251,892	4,837,648	4,198,403
Restricted funds	599,902	619,474	544,778	447,648
	<u>5,290,986</u>	<u>4,871,366</u>	<u>5,382,426</u>	<u>4,646,051</u>

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019 (continued)

8. NET MOVEMENT IN TOTAL FUNDS FOR THE PERIOD is stated after charging:

	Group 2019 £	Combined 2018 £
Depreciation		
- owned assets	74,703	93,836
- assets under hire purchase agreements	10,822	2,676
Operating lease rentals		
- land and buildings	251,724	251,724
- plant & machinery	-	18,201
Auditor's remuneration		
- Audit	18,800	18,800
- Tax compliance services	2,100	2,100
- Accounting support	-	5,203

9. STAFF COSTS AND NUMBERS

The average number of persons employed by the Group and Company during the period was as follows:

	Group 2019	Combined 2018	Charity 2019	Charity 2018
Employees	122	122	122	122

	Group 2019 £	Combined 2018 £	Charity 2019 £	Charity 2018 £
Staff costs:				
Wages and salaries	1,731,147	1,682,319	564,981	455,848
Social security costs	110,767	111,054	41,651	30,092
Pension costs	81,117	88,609	40,986	24,010
	1,923,031	1,881,982	647,618	509,950

The number of employees who receive remuneration during the period in the following ranges were:

	2019 no	Combined 2018 no
£70,000 - £79,999	1	1

All staff are employed by Blythswood Care. Staff costs for personnel working on Blythswood Trading Limited business are recharged at cost.

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019 (continued)

10. DIRECTORS' REMUNERATION

James M Campbell received remuneration totalling £60,850 under a contract of employment for his role as Chief Executive.

The other Directors neither received nor waived any remuneration during the period nor received any reimbursement of expenses (2018 - nil).

11. KEY MANAGEMENT PERSONNEL

Day to day management of the group is delegated to the Chief Executive, Head of Projects, Head of Operations and the Head of Finance. These four individuals together with the directors of the parent charity are key management personnel.

Key management personnel received remuneration, including employee's national insurance contributions for their service as follows:

	2019 £	2018 £
Blythswood Care	126,961	75,535
Blythswood Care 1993	-	51,698
Blythswood Trading Limited	96,536	84,261
	<u>223,497</u>	<u>211,494</u>

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019 (continued)

12. TANGIBLE FIXED ASSETS

Group	Heritable property £	Tenant's improvements £	Motor vehicles £	Warehouse and office equipment £	Total £
Cost					
At 1 January 2019 (Combined)	1,047,950	167,944	311,317	625,507	2,152,716
Additions	-	-	43,418	27,995	71,413
Disposals	-	(1,404)	(70,964)	(58,416)	(130,784)
At 31 December 2019	1,047,950	166,540	283,771	595,086	2,093,347
Depreciation					
At 1 January 2019 (Combined)	378,919	158,237	209,383	445,604	1,192,143
Charge for period	31,439	(3,216)	33,006	24,296	85,525
Disposals	-	(1,404)	(68,017)	(58,416)	(127,837)
At 31 December 2019	410,358	153,617	174,372	411,484	1,149,831
Net book value					
At 31 December 2019	637,592	12,923	109,399	183,602	943,516
At 31 December 2018 (combined)	669,031	9,707	101,934	179,903	960,575

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019 (continued)

12. TANGIBLE FIXED ASSETS (continued)

The net book value of assets, held under hire purchase contracts included above is as follows:

				Combined 2019	Combined 2018
Motor vehicles				<u>£35,161</u>	<u>£ 10,704</u>
Charity	Heritable property £	Tenant's improvements £	Motor vehicles £	Warehouse and office equipment £	Total £
Cost					
At 1 January 2019 (Combined)	454,950	-	101,254	100,441	656,645
Additions	-	-	16,250	14,601	30,851
Disposals	-	-	(19,256)	(58,416)	(77,672)
Transfer from subsidiary	593,000	-	-	-	593,000
At 31 December 2018	<u>1,047,350</u>	<u>-</u>	<u>98,248</u>	<u>56,626</u>	<u>1,202,824</u>
Depreciation					
At 1 January 2019	156,138	-	72,264	99,741	328,143
Charge for period	31,439	-	13,572	4,591	49,602
Disposals	-	-	(19,249)	(58,416)	(77,665)
Transfer from subsidiary	222,781	-	-	-	222,781
At 31 December 2018	<u>410,358</u>	<u>-</u>	<u>66,587</u>	<u>45,916</u>	<u>522,861</u>
Net book value					
At 31 December 2019	<u>637,592</u>	<u>-</u>	<u>31,661</u>	<u>10,710</u>	<u>679,963</u>
At 31 December 2018	<u>298,812</u>	<u>-</u>	<u>28,990</u>	<u>700</u>	<u>328,502</u>

The heritable property transferred from Old Blythwood is held on trust for New Blythwood by Old Blythwood.

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019 (continued)

13. FIXED ASSET INVESTMENTS

	Group	Combined	Charity	
	2019	2018	2019	2018
	£	£	£	£
Investment in subsidiary undertaking	-	-	2	2

Details of the investments in subsidiary undertakings held by Blythswood Care are as follows:

<i>Subsidiary</i>	<i>Holding</i>	<i>Proportion of voting rights and shares held</i>	<i>Nature of business</i>
Blythswood Trading Limited	Ordinary shares	100%	Charity shops and recycling

The activities and results of this company are summarised in note 4.

14. DEBTORS

	Group	Combined	Charity	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	98,773	63,993	-	-
Other debtors	23,453	71,395	15,382	13,312
VAT	99,201	20,021	20,208	5,250
Amounts due from group undertakings	-	-	231,959	173,921
	<u>221,427</u>	<u>155,409</u>	<u>267,549</u>	<u>192,483</u>

The amounts due to the group undertakings are interest free and repayable on demand.

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019 (continued)

15. CRÉDITORS: *amounts falling due within one year*

	Group		Charity	
	2019	Combined	2019	2018
	£	£	£	£
Bank loans and overdraft	220,249	230,308	220,049	-
Trade creditors	232,234	233,186	159,266	139,731
Taxation and social security	27,420	26,207	27,420	26,207
Other creditors	58,166	47,545	24,277	29,973
Corporation tax	1,364	-	-	-
Obligations under hire purchase contracts	6,600	4,000	4,750	-
	<u>546,033</u>	<u>541,246</u>	<u>435,762</u>	<u>195,911</u>

16. CREDITORS: *amounts falling due after more than one year*

	Group		Charity	
	2019	Combined	2019	2018
	£	£	£	£
Bank loans and overdraft	214,003	160,639	214,203	-
Obligations under hire purchase contracts	32,517	7,333	9,000	-
	<u>246,520</u>	<u>167,972</u>	<u>223,203</u>	<u>-</u>

The bank loans and overdraft are secured by a Standard Security over the Blythswood Depot, Deeplaven and the properties in Invergordon, Blairgowrie, Keith and Elgin and by a Bond and Floating Charge over the assets of Blythswood Trading Limited.

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019 (continued)

17. FINANCIAL INSTRUMENTS

	Group		Charity	
	2019	Combined	2019	2018
	£	£	£	£
Financial liabilities				
Financial liabilities measured at amortised cost	<u>766,307</u>	<u>709,218</u>	<u>658,965</u>	<u>195,911</u>
Financial assets				
Financial assets measured at amortised cost	<u>358,218</u>	<u>293,636</u>	<u>410,855</u>	<u>193,336</u>

18. PROVISION FOR LIABILITIES

	Group	Combined
	2019	2018
	£	£
Deferred taxation		
At 1 January 2019	15,643	20,987
Charge (release) for the period	<u>1,824</u>	<u>(5,344)</u>
At 31 December 2019	<u>17,467</u>	<u>15,643</u>

The provision for deferred taxation is made up as follows:

	2019	2018
	£	£
Accelerated capital allowances	<u>17,467</u>	<u>15,643</u>

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019 (continued)

19. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of net outgoing resources to net cash (outflow)/inflow from operating activities

	Group	Combined
	2019	2018
	£	£
Net outgoing resources	(34,733)	(131,640)
Deferred tax	1,942	306
Interest paid	20,673	12,006
Loss on sale of fixed assets	2,947	5,263
Depreciation	85,525	96,512
Increase in stock	(2,903)	(3,835)
Increase in debtors	(66,018)	(23,102)
Increase in creditors	12,128	2,593
Net cash (outflow)/inflow from operating activities	<u>19,561</u>	<u>(41,897)</u>

(b) Cash and cash equivalents

	Group	Combined
	2019	2018
	£	£
Cash at bank and in hand	136,791	138,227
Overdraft	(192,186)	(200,060)
	<u>(55,395)</u>	<u>(61,833)</u>

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019 (continued)

20. TOTAL FUNDS

	At 1 January 2019 £	Income £	Expenditure £	Transfers between funds £	At 31 December 2019 £
<i>(a) Current year</i>					
Group					
Unrestricted	291,490	7,618,427	(7,466,511)	(150,355)	293,051
Restricted (note 21)	251,597	413,253	(599,902)	150,355	215,303
Total funds 2019	543,087	8,031,680	(8,066,413)	-	508,354
Charity					
Unrestricted	204,581	5,481,456	(5,239,578)	(150,355)	296,104
Restricted (note 21)	121,348	387,355	(544,778)	150,355	114,280
Total funds 2019	325,929	5,868,811	(5,784,356)	-	410,384
	At 1 January 2018 £	Income £	Expenditure £	Transfers between funds £	At 31 December 2018 £
<i>(b) Prior year</i>					
Group					
Unrestricted	392,155	6,930,148	(6,889,899)	(140,914)	291,490
Restricted (note 21)	282,572	447,585	(619,474)	140,914	251,597
Total funds 2018 (combined)	674,727	7,377,733	(7,509,373)	-	543,087
Charity					
Unrestricted	-	4,841,304	(4,529,766)	(106,957)	204,581
Restricted (note 21)	-	462,039	(447,648)	106,957	121,348
Total funds 2018	-	5,303,343	(4,977,414)	-	325,929

Funds are transferred from general funds to restricted funds to make up shortfalls in funding. Also a small management charge (5%) is sometimes applied to restricted funds where appropriate.

Transfers from BC93

The restricted funds at 31 March 2019 were transferred from Old Blythswood (Blythswood Care 1993) to New Blythswood (Blythswood Care) under the Donation Agreement referred to in note 27. This transfer forms part of the donation income received in the period.

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019 (continued)

21. RESTRICTED FUNDS

	At 1 January 2019 (Combined) £	Income £	Expenditure £	Transfers between funds £	At 31 December 2019 £
<i>(a) Current year Group & Charity</i>					
<i>Restricted funds</i>					
Albania	-	50	-	-	50
Africa	1,044	39,059	(65,363)	25,260	-
Bulgaria	-	4,965	(8,845)	3,880	-
India	15,944	43,504	(55,015)	4,052	8,485
Moldova	-	4,368	(31,918)	27,550	-
Pakistan	8,210	31,489	(38,785)	3,382	4,296
Philippines	415	500	(910)	(5)	-
Serbia	-	19,665	(36,707)	17,042	-
Romania	7,224	90,476	(189,551)	98,697	6,846
Total	32,837	234,076	(427,094)	179,858	19,677
Disaster and General UK Projects	75,741	53,659	(56,913)	7,912	80,399
Blythswood Care & Blythswood Care 1993	121,348	387,355	(544,778)	150,335	114,280
Blythswood Trading	130,249	25,898	(55,124)	-	101,023
Group restricted funds total	251,597	413,253	(599,902)	150,355	215,303

Blythswood Trading Limited's restricted funds relate to capital based government grants received by the subsidiary for the purchase of fixed assets.

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019 (continued)

21. RESTRICTED FUNDS (continued)

	At 1 January 2018 (Combined) £	Income £	Expenditure £	Transfers between funds £	At 31 December 2018 £
<i>(b) Prior year Group</i>					
<i>Restricted funds</i>					
Africa	6,386	44,220	(58,884)	9,322	1,044
Bulgaria	-	4,200	(5,205)	1,005	-
India	21,819	48,901	(51,059)	(3,717)	15,944
Moldova	-	3,128	(30,974)	27,846	-
Pakistan	-	46,703	(45,921)	7,428	8,210
Philippines	-	2,175	(1,702)	(58)	415
Serbia	-	19,620	(28,286)	8,666	-
Romania	21,427	85,898	(189,950)	89,849	7,224
Total	49,632	254,845	(411,981)	140,341	32,837
Disaster and General UK Projects	92,860	54,232	(52,084)	(19,267)	75,741
	-	65,853	(72,923)	19,840	12,770
Blythswood Care & Blythswood Care 1993	142,492	374,930	(536,988)	140,914	121,348
Blythswood Trading	140,080	72,655	(82,486)	-	130,249
Group restricted funds total	282,572	447,585	(619,474)	140,914	251,597

Blythswood Trading Limited's restricted funds relate to capital based government grants received by the subsidiary for the purchase of fixed assets.

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019 (continued)

21. RESTRICTED FUNDS (continued)

	At 1 January 2018 (Combined) £	Income £	Expenditure £	Transfers between funds £	Transfers from BC93 £	At 31 December 2018 £
Charity						
Restricted funds						
Africa	-	38,378	(48,029)	4,110	6,585	1,044
Bulgaria	-	3,150	(5,205)	1,046	1,009	-
India	-	30,967	(37,967)	(4,288)	27,232	15,944
Moldova	-	3,128	(28,468)	25,340	-	-
Pakistan	-	45,938	(45,921)	7,461	732	8,210
Philippines	-	1,725	(1,137)	(173)	-	415
Serbia	-	13,905	(24,879)	8,889	2,085	-
Romania	-	75,050	(159,882)	75,479	16,577	7,224
Total	-	212,241	(351,488)	117,864	54,220	32,837
Disaster and General						
UK Projects	-	44,849	(38,671)	(31,564)	101,127	75,741
	-	36,423	(57,490)	20,658	13,179	12,770
Total current year	-	293,513	(447,649)	106,958	168,526	121,348
Prior year	-	-	-	-	-	-

22. FUNDS

<i>Name of Fund</i>	<i>Description, nature and purposes of the fund</i>
General Fund	The Charity's own reserves
Disaster and general	The purpose of this fund is to support disasters and crisis around the world where appropriate to do so and general funds are used to compliment other restricted funds where there may be a shortfall.
UK Projects	The purpose of this fund is to support projects like the Highland Foodbank and other partners undertaking projects within the UK.

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019 (continued)

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total Funds 2019 £
Group			
<i>(a) Current year</i>			
Tangible fixed assets	842,493	101,023	943,516
Current assets	257,274	117,584	374,858
Creditors: due within one year	(542,729)	(3,304)	(546,033)
Creditors: due after more than one year	(246,520)	-	(246,520)
Provisions for liabilities	(17,467)	-	(17,467)
	<u>293,051</u>	<u>215,303</u>	<u>508,354</u>
<i>(b) Prior year</i>			
Tangible fixed assets	830,326	130,249	960,575
Current assets	186,025	121,348	307,373
Creditors: due within one year	(541,246)	-	(541,246)
Creditors: due after more than one year	(167,972)	-	(167,972)
Provisions for liabilities	(15,643)	-	(15,643)
	<u>291,490</u>	<u>251,597</u>	<u>543,087</u>
	Unrestricted funds 2019 £	Restricted funds 2019 £	Total Funds 2019 £
Charity			
<i>(c) Current year</i>			
Tangible fixed assets	679,965	-	679,965
Current assets	271,800	117,584	389,384
Creditors: due within one year	(432,458)	(3,304)	(435,762)
Creditors: due after more than one year	(223,203)	-	(223,203)
Provisions for liabilities	-	-	-
	<u>296,104</u>	<u>114,280</u>	<u>410,384</u>
<i>(d) Prior year</i>			
Tangible fixed assets	328,502	-	328,502
Investments	2	-	2
Current assets	71,988	121,348	193,336
Creditors: due within one year	(195,911)	-	(195,911)
Creditors: due after more than one year	-	-	-
Provisions for liabilities	-	-	-
	<u>204,581</u>	<u>121,348</u>	<u>325,929</u>

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2019 (continued)

24. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2019 the group had future minimum lease payments under non-cancellable operating leases as follows:

Group	2019 £	Combined 2018 £
Not later than 1 year	79,974	99,490
Later than 1 year and not later than 5 years	123,578	141,779
	<u>203,552</u>	<u>241,269</u>

25. PENSION COMMITMENTS

The charity contributes to employees' personal pension plans. The pension cost charge represents contributions payable by the charity to the fund and amounted to £81,117 (2018 (combined) - £88,609). Contributions totalling £8,040 (2018 (combined) - £7,545) were payable at the balance sheet date.

26. RELATED PARTY TRANSACTIONS

Throughout the period the Group was controlled by the Board of Directors.

The charity has taken advantage of the exemption contained in Financial Reporting Standard 102 from disclosing transactions with parties wholly owned within the same group.

During the period the group had the following arm's length transactions with related parties:

	Transaction £	Balance outstanding £
ASC Blythswood, Romania		
An entity of which J M Campbell is a director		
Donations to ASC Blythswood Romania		
From Blythswood Care	116,064	415