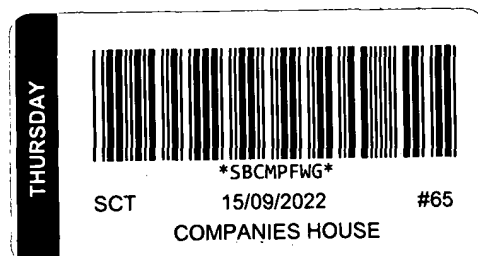


BLYTHSWOOD CARE

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

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

(a company limited by guarantee and not having a share capital)
31 DECEMBER 2021



BLYTHSWOOD CARE
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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**BLYTHSWOOD CARE
LEGAL AND ADMINISTRATIVE INFORMATION**

DIRECTORS

J M Campbell
I Gillies
C Gordon
L Gray
D K Laing (Chairman)
R J McCallum (Appointed March 2022)
P L Lyall
J E Ross
S J Worgan (Resigned November 2021)

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

AUDITOR

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 2021. The group comprises Blythswood Care, its subsidiaries Blythswood Ireland Limited, Blythswood Trading Limited, and its predecessor charity Blythswood Care 1993.

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 long to see people of all ages come to living faith in the Lord Jesus Christ and to see God **transforming lives through Christian care**.

On this journey, our activities:

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

Vision, Values and Mission:

Our Vision

To see lives transformed through Christian care.

Our Values

- We aim to serve the physical, emotional and spiritual needs of others with integrity and compassion, at home and abroad.
- We strive for excellence in all that we do, giving opportunity to people with different levels of ability and treating each individual with respect, regardless of background or belief.
- We value our people, both staff and volunteers, and believe that they deserve an equitable and motivating working environment which expresses care for people.
- We are committed to care responsibly for God's creation and to aim for sustainability in the projects we initiate and develop.

Our Mission

To see lives transformed through the impact of **educational opportunity, community action and gospel teaching**.

- **Education** projects offer opportunities for children and young people (and particularly the disadvantaged) to realise their potential.
- **Community action** provides people of all ages with sustainable and transformational life-changing opportunities, especially in areas of deprivation.
- Christian ministry and literature distribution enables effective sharing of the life-changing **gospel** message of Jesus Christ, bringing hope and purpose to those we serve.

**BLYTHSWOOD CARE
TRUSTEES' ANNUAL REPORT**

2021 highlights and achievements

Story from Talita Kum - ROMANIA

Healthy diet gives strength and motivation to learn

When he gets to school at eight o'clock in the morning, Alessio receives the milk and biscuits which are available to every pupil in Romania. His first meal of the day is at Blythswood's after-school programme Talita Kum, where he sits down to a cooked meal at lunchtime. The first course is always soup, followed by meat with potatoes or cabbage, or pasta Bolognese, or rice with chilli con carne.

"The meals provided by Blythswood are more nutritionally-balanced than what most of the children would receive at home," says Carmen Popa. "And in the evening before they go home, they each are given a piece of cake or strudel, or pancakes."

Eight-year-old Alessio started his first year at school in September and is not doing particularly well, according to Carmen. "But we're confident that since he enjoys the meals so much and attends the programme every day he will be motivated to learn," she says. "The healthy diet at Talita Kum helps the children concentrate on their homework and grow strong."



Story from our Foodbank - UK

Foodbank referral leads to ongoing benefit for young family

When she realised she couldn't feed her two children, Anna* phoned her local foodbank. It had been an incredibly difficult time for the young mum - the breakdown of a family relationship had resulted in her having to find new accommodation and now she was struggling to pay rent and bills and buy food on an extremely tight budget.

"As people are referred to foodbank by key agencies across the Highlands, we advised Anna to contact her local Citizens Advice Bureau," says Lorna Dempster, manager of Blythswood's Highland Foodbank. "Sure enough, a referral came through for Anna and her family."

The bags of shopping which she received from us gave her hope in what seemed like a hopeless situation. Not only did she receive food and toiletries, which was one less thing to worry about, but by engaging with Citizens Advice and getting a review of her benefits, it was discovered that Anna was entitled to an extra £20 per week which she didn't know about.



**BLYTHSWOOD CARE
TRUSTEES' ANNUAL REPORT**

"For some people, £20 is loose change but for Anna, this was the difference going forward between being able to buy her own food or not."

By putting them in touch with other agencies, Blythswood's foodbanks make sure that people receive the help they need.

**not her real name*

Story from Cornerstone Trust - INDIA

Cornerstone a place of safety for children at risk of exploitation

"Behold, I am laying in Zion a stone, a cornerstone chosen and precious, and whoever believes in him will not be put to shame." 1 Peter 2:6 ESV

Maya is 14 years old. She is deaf and largely unable to speak. Her parents are in prison and unlikely to be freed any time soon.

Two things stand between Maya and the risk of cruel exploitation in the red-light district of Mumbai in which she is growing up. One is a kind neighbour, herself a sex worker, and known to Maya and her little sister as aunty. The other is Cornerstone, a Christian ministry supported by Blythswood Care to bring the gospel to women and children in this sector of India's biggest city.

"Maya and her sister Anamika have found a place of solace at our Cornerstone centre," says Asmita Vadavana. "Their parents were arrested a year ago and charged with the murder of a brothel keeper following a dispute over money. Due to the pandemic their case was delayed.

"The girls spend most of the day with us, studying, playing and helping out their teacher. Thanks to your kind support, they have their meals with our staff so as not to be a burden to their aunty who has also been struggling financially because of the pandemic.

"Maya does not attend mainstream school but Anamika has been following lessons online at Cornerstone and will re-join her class when the schools open again. Meanwhile we are paying close attention to the well-being of these girls and are helping Maya with basic speech therapy."



**BLYTHSWOOD CARE
TRUSTEES' ANNUAL REPORT**

Story from Elpis Foundations' work in - UKRAINE

Children first: Gospel mission helps unrooted families in Ukraine



An evangelical church in Ukraine, started by one of Blythswood's Romanian partner organisations, has been a source of support and hope for a child displaced by military conflict in the east of the country.

Christina, now 12, attended children's camps with other young people from displaced families and is now an eager participant in activities run by Philadelphia Church, Ternopil.

"Christina prays and helps to tell Bible stories at Sunday school," says Sorina Pop who works for Elpis Foundation. "She brings along her younger brother and her friends.

"Christina prays and helps to tell Bible stories at

Sunday school," says Sorina Pop who works for Elpis Foundation. "She brings along her younger brother and her friends.

"The spiritual metamorphosis of these children is visible and noticed by their parents who come to share their faith, too. The church is a light for these uprooted families, most of them with young children who need emotional support and hope for a better future."

Eastern Europe

Aid Relief

In all, 378 tonnes of aid were 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.

This aid included 82,592 Christmas shoeboxes, all of which were sent out before the end of the year.

Since it began in 1993, the Shoebox Appeal has delivered 2,565,641 boxes.



**1,128 aid loads
sent since 1990
valued at £42,010,000**

BLYTHSWOOD CARE TRUSTEES' ANNUAL REPORT

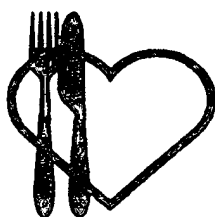
Societatea de Caritate Blythswood (SCB) in Romania were not able to make up shoeboxes for distribution in 2021 as there were very severe restrictions due to Covid-19.

The Basis project (distribution of food packages to families in need) continued with precautionary measures, and we are trying to reduce personal contact as much as possible for safety reasons, many of the beneficiaries being elderly people or people with health problems. The Basis project is still helping 30 families in a 50-kilometre radius from Cluj city.



UK Projects

Crisis Intervention



**Over 77,000
people fed
through our
foodbanks
since starting
in 2005**

The Highland Foodbank has continued to help people in crisis, distributing 19 tonnes of food from donations of food gifted in 2021 by providing a three-day food supply to 4,838 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 Foodbank in Inverness, rural foodbanks have been supported in AIness, Dingwall, Tain and Nairn throughout 2021.

Edinburgh Southeast Foodbank also distributed food to 2,876 clients.

Christian Literature and Ministry

Sarah and Abraham: The Wonderful Promise retells one of the foundational Old Testament stories in a way which is accessible to younger readers. This was our children's book for the 2021 Shoe Box Appeal. Specially produced in Albanian, Bulgarian, Hungarian, Romanian, Serbian and Ukrainian it found its way into homes from Ukraine to the Adriatic Sea. Our booklet for teenagers was *Take Me Up*, an abbreviated account of the conversion story of the African evangelist, Stephen Lungu. Boxes for adults included a *Words of Life* calendar in the relevant language. Altogether the Shoe Box Appeal continues to be our best vehicle for the distribution of gospel literature, with 106,900 items being produced for this purpose and associated grants.

In the course of the year, 116 grants were made to 42 grantees in 14 countries. These included 42,600 old-style gospel tracts which continue to prove an effective means of communication in London and in other parts of the English-speaking world. They also included keyring tags with a QR code which can lead via your mobile phone to an online Bible and Bible-study materials in multiple languages. The word of God never changes but there are always new ways to share it with people around the world.

BLYTHSWOOD CARE TRUSTEES' ANNUAL REPORT

Our biggest grant of gospel material was to India Bible Literature. Utilising unsold stock from the 10ofthose.com book selection in our charity shops, we sent two pallets with 7,686 new and second-hand Christian books via Belfast.

Following an almost total shutdown with the pandemic in the previous year, we were glad once again to provide the Seafarers' Centre in Invergordon with literature, mainly copies of the New Testament, in 14 languages. QR keyrings proved popular here, too, as crew members on the cruise ships are typically young adults familiar with technology.

In the last quarter we were able to sponsor a six-month literacy programme by Mission Possible Bulgaria. Our friends in Sofia realised that after two years of Covid lockdown children from the Roma community who should have been in grades one to three had been unable to participate in online classes and risked becoming an illiterate generation.



The programme ran from December 2021 to June 2022 and benefited 230 children in 12 groups at eight locations. For most, Bulgarian was not their mother tongue but having completed the programme they can read it. School teachers observed an improvement in behaviour as well as in reading skills. Five titles of our children's books from previous years' Shoe Box Appeals were used for instruction. The gospel and literacy go together today in a pattern that would have been recognisable to previous generations here in the north of Scotland.

In 2021 Blythswood supported the ministries of ten pastors and mission workers in Central and Eastern Europe and three pastors in Asia.

Trading and Recycling

In 2021 after the initial Covid-19 lockdown 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. This creates many employment and volunteering opportunities for people with various skill levels and backgrounds, including those with learning difficulties.

Blythswood Trading's turnover for 2021 was £2,474M. Over 1,700 tonnes of donated goods were reused and recycled by Blythswood Trading Limited.

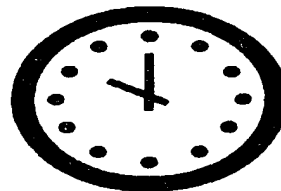
Blythswood is a member of Community Resources Network Scotland (CRNS) and The Charity Retail Association (CRA).

BLYTHSWOOD CARE TRUSTEES' ANNUAL REPORT

Volunteers

People of all ages find an opportunity to volunteer their time and skills in Blythswood Care. We have over 1,000 volunteers around Great Britain and Northern Ireland - 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.

Over 30,000 hours were generously given by these volunteers in 2021 which have a value of more than £300,000 (based on the National Living Wage).



**Over 30,000
volunteer hours
given in 2021
valued at more than
£300,000 at the national
living wage**

Appreciation

The Trustees take this opportunity to express their gratitude publicly to our dedicated staff and volunteers and our many prayer and financial supporters for their commitment and passion to see the work of Blythswood Care continue and develop. Despite all the challenges and uncertainties around us, we praise God for going before us and providing the resources needed to maintain our work in His service.

"Let us hold unswervingly to the hope we profess, for he who promised is faithful." Hebrews 10:23

Results

The financial statements show net incoming resources of £595,517 (2020 - net incoming resources of £1,180,426). Other operating income was received during the year in respect of COVID-19 support grants.

Donation income was £6,197,166 (2020 - £3,706,234) with £4,598,243 (2020 - £1,915,926) being donations in kind. Blythswood Trading Limited made a gift aid payment of £322,724 (2020 - £29,103) to the Charity.

Administration costs

The trustees are pleased to report that administration costs were contained to only 1.3% (2020 - 1.8%) of incoming resources, thereby enabling most of the income generated to be used for the provision of aid.

BLYTHSWOOD CARE TRUSTEES' ANNUAL REPORT

Trustees

The trustees who served during the year and to the date of this report were as follows:

J M Campbell (Chief Executive)
I Gillies
C Gordon
L Gray
D K Laing (Chairman)
P Lyall
M McCheyne (Resigned 07 July 2021)
J Ross (Appointed 25 February 2021)
S Worgan (Resigned 18 November 2021)
R McCallum (Appointed on 16 March 2022)

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.

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 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 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 is an unincorporated charity that continues to hold legal title to some of the retail properties which are operated through Blythswood Trading Limited ("BTL") and acts as the prospective recipient of any legacies for the benefit of Blythswood Care.

BTL is a wholly owned subsidiary of Blythswood Care.

Blythswood Care is the sole member of Blythswood Ireland Ltd. ("BIL"), a company limited by guarantee and a charity registered in Northern Ireland, which works in partnership with Blythswood Care. As the sole member of BIL, Blythswood Care has consolidated the results of BIL since 01 January 2021.

Related Parties

The Trustees all gave of their time and expertise without any form of remuneration or other benefits in cash or kind. Expenses paid to trustees during the year 2021 amounted to £nil (2020: £nil).

During the year 2021, six trustees donated £3,250 to the charity's general funds. (2020: three trustees donated £2,970)

BLYTHSWOOD CARE TRUSTEES' ANNUAL REPORT

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 Blythswood's charitable activities at home and abroad.

The Talita Kum Project in Jimbolia, South-East Romania, plans to extend throughout 2022 providing additional support for youngsters' further education and vocational training. We also hope to support the Turbe after-school programme in Navi Mumbai as they develop their work further.

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

By Tuesday 1 March we knew we had to respond to the growing emergency in Ukraine. The involvement of key partners in surrounding countries - Christians whom we have worked alongside for years - and the insistent generosity of our supporters here were compelling.

Already our friends in Chisinau, Cluj, Suceava, Satu Mare and Marghita were providing food, shelter and transport and other necessities out of their own limited resources. And in Kyiv itself our fellow-workers offered refuge and reassurance to people displaced from their homes further east.

By the end of April, we were helping 15 partner projects in five countries. By the end of June, we had helped over 30,000 people with food, shelter, hygiene, health, and transport.

In March, Blythswood's long-established partnership with the Scottish Emergency Rescue Association (SERA) delivered four fire engines and a truckload of equipment to Hungary's border with Ukraine, for the city of Kharkiv; and in July, to Poland's border with Ukraine, a further two fire engines, two trucks with cranes and a bus to transport people displaced from their homes.

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 cover the working capital and ongoing charitable activities 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 the likelihood of occurrence, and identifying means of mitigating the risks. This process is monitored by the Board quarterly and reviewed at least 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.

**BLYTHSWOOD CARE
TRUSTEES' ANNUAL REPORT**

Attention has also been focused on non-financial risks arising from fire, health and safety at all the organisation's 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' quarterly.

Post Balance Sheet Events

The directors consider that there has been no change to the operating activities of the group during 2021.

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

The global pandemic of COVID-19 had a significant effect on trading from the national lockdown on 24 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 80% of their salaries throughout the lockdown period.

As a result of the gradual lifting of restrictions in Scotland, permission was granted to reopen retail outlets from 29 June 2020. We were able to achieve a gradual reopening of shops and depots throughout July and August. Trading was very encouraging when the shops reopened, and the re-introduction of collections and deliveries enhanced this further when it was safe to do so.

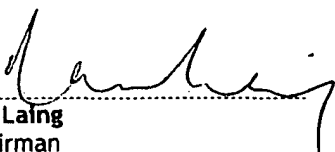
We received a Third Sector Resilience Grant, which enabled us to maintain payments to our landlords and utility companies from April to June 2020. In addition, Scottish Business Grants which were made available for many of our shops from the Scottish Government has supported the phased reopening of our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

The second lockdown was announced, effective from 26 December 2020, with all retail and depot outlets remaining closed until 26 April 2021. Trading activities have been buoyant since the reopening, and the grant assistance available from the Scottish Government has once again supported the phased reopening of our commercial activities.

We are grateful to all our supporters for their faithful and dedicated generosity, which has enabled us to maintain all of our projects at home and abroad throughout 2020 and into 2021.

On 18 November 2021 Stephen Worgan stepped down as a trustee to focus on his role as chair of another Christian charity. We extend our thanks to him for his contribution to the work of the Board during his time in office.

On 16 March 2022 we welcomed Richard McCallum as a new trustee of Blythswood Care. Richard is a senior finance director in the public sector.


D K Laing
Chairman

Date: 23 August 2022

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 AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS OF BLYTHSWOOD CARE

OPINION

We have audited the financial statements of Blythswood Care (the 'charity') for the year ended 31 December 2021 set out on pages 16 to 41. 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 2021 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

BLYTHSWOOD CARE

INDEPENDENT AUDITOR'S 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 Auditor's 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.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 44(1)(c) of the Charities and 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 Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

BLYTHSWOOD CARE

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

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

We considered the opportunities and incentives that may exist within the charity and its group for fraud and identified the greatest potential for fraud to be income recognition and posting of unusual journal entries. Audit procedures performed to address these risks included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Testing of management's controls designed to prevent and detect irregularities;
- Challenging assumptions and judgements made by management in its significant accounting estimates;
- Identifying and testing journal entries; and
- Testing a sample of income transactions to source documentation.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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.



Andrew Shaw (Senior statutory auditor)

for and on behalf of Anderson Anderson & Brown Audit LLP

Kingshill View
Prime Four Business Park
Kingswells
Aberdeen
AB15 8PU

Date: 23 August 2022

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 2021**

	Note	Unrestricted funds £	Restricted funds £	2021 Total Funds £	2020 Total Funds £
INCOME FROM:					
Donations and legacies	3	6,191,872	483,130	6,675,002	4,252,488
Commercial trading operations	4	2,428,543	-	2,428,543	2,070,768
Other operating income		1,007,690	-	1,007,690	718,624
Investments	5	235	-	235	2,003
Gain on acquisition of subsidiary		-	-	-	624,493
TOTAL		9,628,340	483,130	10,111,470	7,668,376
EXPENDITURE ON:					
Raising funds	6	420,007	11,700	431,707	396,101
Commercial trading operations		2,872,757	-	2,872,757	2,821,787
Charitable activities	7	5,581,310	630,179	6,211,489	3,270,062
TOTAL		8,874,074	641,879	9,515,953	6,487,950
NET INCOME/(EXPENDITURE)		754,266	(158,749)	595,517	1,180,426
Transfer between funds		(137,384)	137,384	-	-
NET MOVEMENT ON FUNDS		616,882	(21,365)	595,517	1,180,426
RECONCILIATION OF FUNDS					
Total funds brought forward		1,430,787	257,993	1,688,780	508,354
Total funds carried forward		2,047,669	236,628	2,284,297	1,688,780

All income and expenditure derive from continuing operations.

The notes on pages 21 to 41 form part of these financial statements.

BLYTHSWOOD CARE
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 31 DECEMBER 2021

	Note	Unrestricted funds £	Restricted funds £	2021 Total Funds £	2020 Total Funds £
INCOME FROM:					
Donations and legacies	3	6,487,969	483,130	6,971,099	4,163,310
Investments	5	44	-	44	1,841
TOTAL		6,488,013	483,130	6,971,143	4,165,151
EXPENDITURE ON:					
Raising funds	6	420,007	-	420,007	383,426
Charitable activities	7	5,489,021	630,179	6,119,200	3,223,449
TOTAL		5,909,028	630,179	6,539,207	3,606,875
NET INCOME/(EXPENDITURE)		578,985	(147,049)	431,936	558,276
Transfer between funds		(161,643)	161,643	-	-
NET MOVEMENT ON FUNDS		417,342	14,594	431,936	558,276
RECONCILIATION OF FUNDS					
Total funds brought forward		802,231	166,429	968,660	410,384
Total funds carried forward		1,219,573	181,023	1,400,596	968,660

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

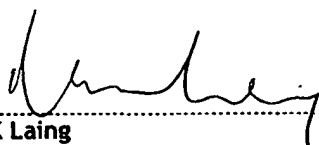
The notes on pages 21 to 41 form part of these financial statements.

BLYTHSWOOD CARE
CONSOLIDATED BALANCE SHEET - 31 DECEMBER 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible fixed assets	12	<u>1,610,511</u>	<u>1,631,823</u>
CURRENT ASSETS			
Stock		12,299	12,151
Debtors	14	169,309	162,928
Cash at bank and in hand		<u>1,240,764</u>	<u>736,146</u>
		<u>1,422,372</u>	<u>911,225</u>
CREDITORS: amounts falling due within one year	15	<u>(319,829)</u>	<u>(365,745)</u>
NET CURRENT ASSETS		<u>1,102,543</u>	<u>545,480</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,713,054	2,177,303
CREDITORS: amounts falling due after more than one year			
Provision for liabilities	16 18	(381,049) (47,708)	(466,798) (21,725)
NET ASSETS		<u>2,284,297</u>	<u>1,688,780</u>
FUNDS			
Unrestricted funds	20	2,047,669	1,430,787
Restricted funds	20	<u>236,628</u>	<u>257,993</u>
		<u>2,284,297</u>	<u>1,688,780</u>

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 K Laing
Chairman

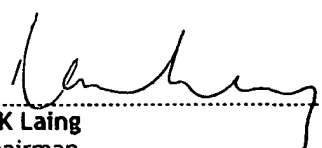
Date: 23 August 2022

The notes on pages 21 to 41 form part of the financial statements.

BLYTHSWOOD CARE
BALANCE SHEET - 31 DECEMBER 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible fixed assets	12	650,066	703,102
Investments	13	2	2
		<u>650,068</u>	<u>703,104</u>
CURRENT ASSETS			
Debtors	14	303,204	282,496
Cash at bank and in hand		786,266	387,553
		<u>1,089,470</u>	<u>670,049</u>
CREDITORS: amounts falling due within one year	15	<u>(117,593)</u>	<u>(135,292)</u>
NET CURRENT ASSETS		<u>971,877</u>	<u>534,757</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,621,945	1,237,861
CREDITORS: amounts falling due after more than one year	16	<u>(221,349)</u>	<u>(269,201)</u>
NET ASSETS		<u>1,400,596</u>	<u>968,660</u>
FUNDS			
Unrestricted funds	20	1,219,573	802,231
Restricted funds	20	181,023	166,429
		<u>1,400,596</u>	<u>968,660</u>

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


D K Laing
Chairman

Date: 23 August 2022

The notes on pages 21 to 41 form part of the financial statements.

BLYTHSWOOD CARE
CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Cash flows from operating activities:			
Net cash provided by operating activities	19(a)	657,050	666,609
Net cash provided by operating activities		657,050	666,609
Cash flows from investing activities:			
Purchase of tangible fixed assets		(146,792)	(78,666)
Proceeds from sale of tangible fixed assets		75,246	49,304
Interest receivable and similar income		235	203
Cash acquired with subsidiary		-	124,932
Net cash from/ (used in) investing activities		(71,311)	95,773
Cash flows from financing activities:			
Net cash inflows from borrowings		-	83,511
Repayments of borrowings		(91,401)	(32,033)
Interest paid		(17,062)	(6,187)
Hire purchase borrowings		43,000	-
Hire purchase repayments		(15,658)	(16,132)
Net cash from financing activities		(81,121)	29,159
Increase in cash and cash equivalents in the period		504,618	791,541
Cash and cash equivalents at 31 December 2020	19(b)	736,146	(55,395)
Cash and cash equivalents at 31 December 2021	19(b)	<u>1,240,764</u>	<u>736,146</u>

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021

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) - (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.

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

(d) Consolidation

These financial statements consolidate the accounts of Blythswood Care, Blythswood Care 1993, Blythswood Trading Limited and Blythswood Ireland Limited. Acquisitions are included within the consolidated statements from the date of acquisition. Gains arising on acquisition are recognised as a donation. 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. Revenue grants are recognised in full in the Statement of Financial Activities in the year in which the Charity is entitled to the income. Capital grants are recognised in the Statement of Financial Activities as the related assets are used.

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.

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

(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.

(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

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

(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. Donated good for resale are not valued and are held at nil value.

(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.

(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.

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

(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 2021
3. INCOME FROM DONATIONS AND LEGACIES

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Donations - cash	1,598,923	1,790,308	1,572,296	1,771,332
Donations - gifts in kind	4,598,243	1,915,926	4,598,243	1,915,926
Legacies	435,806	362,342	435,806	362,342
Grants	42,030	183,912	42,030	84,607
Donation from Blythswood Trading	-	-	322,724	29,103
	<u>6,675,002</u>	<u>4,252,488</u>	<u>6,971,099</u>	<u>4,163,310</u>
Attributable to funds as follows:				
Unrestricted	6,191,872	3,819,827	6,487,969	3,730,859
Restricted	483,130	432,661	483,130	432,451
	<u>6,675,002</u>	<u>4,252,488</u>	<u>6,971,099</u>	<u>4,163,310</u>

Income from grants comprises COVID support grants, 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).

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 Ireland Limited is a charity within the group and has some trading operations.

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

	2021 £	2020 £
Turnover	2,428,543	2,070,768
Cost of sales, distribution and administration costs	(2,855,694)	(2,809,070)
Other operating income	1,007,690	817,929
Interest payable	(791)	(818)
Taxation	(17,063)	(11,369)
Net profit	562,685	67,440
Amount gift aided to charity	(322,724)	(29,103)
Retained in subsidiaries	<u>239,961</u>	<u>38,337</u>

BLYTHSWOOD CARE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021 (continued)
5. INCOME FROM INVESTMENTS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Rent	-	1,800	-	1,800
Other	235	203	44	41
	<u>235</u>	<u>2,003</u>	<u>44</u>	<u>1,841</u>

All income from investments was attributable to unrestricted funds.

6. EXPENDITURE ON RAISING FUNDS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Cost of raising funds	<u>431,707</u>	<u>396,101</u>	<u>420,007</u>	<u>383,426</u>
	<u>431,707</u>	<u>396,101</u>	<u>420,007</u>	<u>383,426</u>
Attributable to funds as follows:				
Unrestricted	420,007	383,426	420,007	383,426
Restricted	11,700	12,675	-	-
	<u>431,707</u>	<u>396,101</u>	<u>420,007</u>	<u>383,426</u>

BLYTHSWOOD CARE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021 (continued)
7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Costs to further charity's objects				
Aid trips and transport	5,169	3,050	5,169	3,050
Relief aid	4,646,629	1,917,503	4,598,243	1,915,926
Pastor support - Romania and Italy	9,360	11,900	9,360	11,900
Christian literature and education	19,427	18,035	19,427	18,035
Shoebox expenses	340,902	292,263	340,902	292,263
Salaries	409,107	351,165	379,580	351,165
Special projects	635,897	526,505	630,179	524,667
Deephaven/Glasgow costs	12,091	13,035	12,091	13,035
Relief aid - women & children	2,000	-	2,000	-
	<u>6,080,582</u>	<u>3,133,456</u>	<u>5,996,951</u>	<u>3,130,041</u>
Support costs				
Staff travel and accommodation	5,448	10,195	5,448	10,195
Salaries	6,158	37,012	-	-
Other expenses	78,039	48,507	78,039	44,181
Bank interest payable	17,062	15,592	17,062	15,592
Governance costs				
Audit fee charity	21,700	23,300	21,700	23,440
Audit fee charity - subsidiary	2,500	2,000	-	-
	<u>130,907</u>	<u>136,606</u>	<u>122,249</u>	<u>93,408</u>
Total	<u>6,211,489</u>	<u>3,270,062</u>	<u>6,119,200</u>	<u>3,223,449</u>
Attributable to funds as follows:				
Unrestricted funds	5,581,310	2,745,395	5,489,021	2,698,782
Restricted funds	630,179	524,667	630,179	524,667
	<u>6,211,489</u>	<u>3,270,062</u>	<u>6,119,200</u>	<u>3,223,449</u>

BLYTHSWOOD CARE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021 (continued)****8. NET MOVEMENT IN TOTAL FUNDS FOR THE PERIOD is stated after charging:**

	Group	
	2021	2020
	£	£
Depreciation		
- owned assets	95,286	98,942
- assets under hire purchase agreements	9,057	12,796
Operating lease rentals		
- land and buildings	223,308	324,858
- plant & machinery	-	-
Auditor's remuneration		
- Audit	17,000	16,150
- Tax compliance services	2,200	2,150
- Accounting support	5,000	5,000

9. STAFF COSTS AND NUMBERS

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

	Group		Charity	
	2021	2020	2021	2020
Employees	161	158	120	122

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Staff costs:				
Wages and salaries	2,233,394	2,155,483	506,692	453,719
Social security costs	111,489	103,011	111,489	103,011
Pension costs	100,391	76,901	69,327	63,398
	2,445,274	2,335,395	687,508	620,128

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

	2021	2020
	no	no
£60,000 - £69,999	-	1
£70,000 - £79,999	1	-

All staff are employed by Blythswood Care. Staff costs for personnel working for subsidiaries are recharged at cost.

BLYTHSWOOD CARE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021 (continued)****10. DIRECTORS' REMUNERATION**

James M Campbell received remuneration totalling £71,228 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 (2020 - £Nil).

11. KEY MANAGEMENT PERSONNEL

Day to day management of the group is delegated to the Chief Executive, Head of Projects, Head of Operations, Head of Fundraising and the Head of Finance. These five 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:

	2021 £	2020 £
Blythswood Care	205,358	190,698
Blythswood Trading Limited	84,490	72,551
	<u>289,848</u>	<u>263,249</u>

BLYTHSWOOD CARE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021 (continued)
12. TANGIBLE FIXED ASSETS

Group	Heritable property £	Tenant's improvements £	Motor vehicles £	Warehouse and office equipment £	Total £
Cost					
At 1 January 2021	2,087,382	169,414	343,653	684,971	3,285,420
Additions	-	6,000	130,938	9,854	146,792
Disposals	(30,000)	-	(40,500)	(28,288)	(98,788)
At 31 December 2021	<u>2,057,382</u>	<u>175,414</u>	<u>434,091</u>	<u>666,537</u>	<u>3,333,424</u>
Depreciation					
At 1 January 2021	741,451	154,785	244,311	513,050	1,653,597
Charge for period	52,495	3,680	27,363	20,805	104,343
Disposals	(10,800)	-	-	(24,227)	(35,027)
At 31 December 2021	<u>783,146</u>	<u>158,465</u>	<u>271,674</u>	<u>509,628</u>	<u>1,722,913</u>
Net book value					
At 31 December 2021	<u>1,274,236</u>	<u>16,949</u>	<u>162,417</u>	<u>156,909</u>	<u>1,610,511</u>
At 31 December 2020	<u>1,345,931</u>	<u>14,629</u>	<u>99,342</u>	<u>171,921</u>	<u>1,631,823</u>

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

	2021	2020
Motor vehicles	<u>£78,355</u>	<u>£37,821</u>

BLYTHSWOOD CARE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021 (continued)****12. TANGIBLE FIXED ASSETS (continued)**

Charity	Heritable property £	Motor vehicles £	Warehouse and office equipment £	Total £
Cost				
At 1 January 2021	1,105,704	87,930	57,122	1,250,756
Additions	6,000	-	2,404	8,404
Disposals	(30,000)	-	(9,982)	(39,982)
At 31 December 2021	<u>1,081,704</u>	<u>87,930</u>	<u>49,544</u>	<u>1,219,178</u>
Depreciation				
At 1 January 2021	432,729	65,796	49,129	547,654
Charge for period	33,351	6,640	2,249	42,240
Disposals	(10,800)	-	(9,982)	(20,782)
At 31 December 2021	<u>455,280</u>	<u>72,436</u>	<u>41,396</u>	<u>569,112</u>
Net book value				
At 31 December 2021	<u>626,424</u>	<u>15,494</u>	<u>8,148</u>	<u>650,066</u>
At 31 December 2020	<u>672,975</u>	<u>22,134</u>	<u>7,993</u>	<u>703,102</u>

BLYTHSWOOD CARE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021 (continued)
13. FIXED ASSET INVESTMENTS

	Group		Charity	
	2021	Combined 2020	2021	2020
	£	£	£	£
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

Blythswood Ireland Limited is consolidated in full by virtue of control.

14. DEBTORS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	52,655	16,026	-	-
Other debtors	93,858	80,767	27,224	19,588
Prepayments and accrued income	10,644	16,543	-	-
VAT	12,152	49,592	1,054	30,233
Amounts due from group undertakings	-	-	274,926	232,675
	169,309	162,928	303,204	282,496

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

BLYTHSWOOD CARE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021 (continued)****15. CREDITORS: amounts falling due within one year**

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Bank loans and overdrafts	112,089	90,699	34,313	17,923
Trade creditors	87,022	165,860	27,274	55,145
Taxation and social security	38,422	36,043	33,137	31,462
Other creditors	5,562	13,273	2,591	10,484
Corporation tax	-	8,920	-	-
Obligations under hire purchase contracts	16,075	15,775	3,000	3,000
Accruals and deferred income	60,659	35,175	17,278	17,278
	<u>319,829</u>	<u>365,745</u>	<u>117,593</u>	<u>135,292</u>

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

	Group		Charity	
	2021	2019	2021	2019
	£	£	£	£
Bank loans	335,757	448,548	216,599	261,451
Obligations under hire purchase contracts	45,292	18,250	4,750	7,750
	<u>381,049</u>	<u>466,798</u>	<u>221,349</u>	<u>269,201</u>

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

Bank loans held within Blythswood Ireland Limited (£151,934) are secured on its property.

BLYTHSWOOD CARE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021 (continued)****17. FINANCIAL INSTRUMENTS**

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Financial liabilities				
Financial liabilities measured at amortised cost	<u>700,878</u>	<u>823,543</u>	<u>338,942</u>	<u>404,493</u>
Financial assets				
Financial assets measured at amortised cost	<u>1,410,073</u>	<u>899,074</u>	<u>1,089,470</u>	<u>670,049</u>

18. PROVISION FOR LIABILITIES

	Group	
	2021	2020
	£	£
Deferred taxation		
At 1 January 2021	21,725	17,467
Charge for the year	<u>25,983</u>	<u>4,258</u>
At 31 December 2021	<u>47,708</u>	<u>21,725</u>

The provision for deferred taxation is made up as follows:

	2021	2020
	£	£
Accelerated capital allowances	<u>47,708</u>	<u>21,725</u>

BLYTHSWOOD CARE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021 (continued)****19. NOTES TO THE STATEMENT OF CASH FLOWS****(a) Reconciliation of net outgoing resources to net cash (outflow)/inflow from operating activities**

	Group	
	2021	2020
	£	£
Net incoming resources	595,517	1,180,426
Taxation	17,063	11,369
Interest paid	17,062	15,430
Interest receivable	(235)	-
Gain on sale of fixed assets	(11,485)	(39,616)
Gain on acquisition of subsidiary	-	(624,493)
Depreciation	104,343	111,738
(Increase)/decrease in stock	(148)	4,789
(Increase)/decrease in debtors	(6,381)	119,640
Decrease in creditors	(58,686)	(112,674)
Net cash inflow from operating activities	<u>657,050</u>	<u>666,609</u>

(b) Cash and cash equivalents

	Group	
	2021	2020
	£	£
Cash at bank and in hand	<u>1,240,764</u>	<u>736,146</u>
	<u>1,240,764</u>	<u>736,146</u>

BLYTHSWOOD CARE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021 (continued)
20. TOTAL FUNDS

	At 1 January 2021 £	Income £	Expenditure £	Transfers between funds £	At 31 December 2021 £
(a) Current year Group					
Unrestricted					
- General	1,430,787	9,628,340	(8,874,074)	(2,032,972)	152,081
- Program	-	-	-	335,697	335,697
- Fixed Assets	-	-	-	1,559,891	1,559,891
Total Unrestricted	1,430,787	9,628,340	(8,874,074)	(137,384)	2,047,669
Restricted (note 21)	257,993	483,130	(641,879)	137,384	236,628
Total funds 2021	1,688,780	10,111,470	(9,515,953)	-	2,284,297
Charity					
Unrestricted					
- General	802,231	6,488,013	(5,909,028)	(1,147,408)	233,808
- Program	-	-	-	335,697	335,697
- Fixed Assets	-	-	-	650,068	650,068
Total Unrestricted	802,231	6,488,013	(5,909,028)	(161,643)	1,219,573
Restricted (note 21)	166,429	483,130	(630,179)	161,643	181,023
Total funds 2021	968,660	6,971,143	(6,539,207)	-	1,400,596
	At 1 January 2020 £	Income £	Expenditure £	Transfers between funds £	At 31 December 2020 £
(b) Prior year Group					
Unrestricted	293,051	7,206,565	(5,950,608)	(118,221)	1,430,787
Restricted (note 21)	215,303	461,811	(537,342)	118,221	257,993
Total funds 2020	508,354	7,668,376	(6,487,950)	-	1,688,780
Charity					
Unrestricted	296,104	3,732,700	(3,082,208)	(144,365)	802,231
Restricted (note 21)	114,280	432,451	(524,667)	144,365	166,429
Total funds 2020	410,384	4,165,151	(3,606,875)	-	968,660

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.

BLYTHSWOOD CARE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021 (continued)
21. RESTRICTED FUNDS

	At 1 January 2021 £	Income £	Expenditure £	Transfers between funds £	At 31 December 2021 £
<i>(a) Current year Group & Charity</i>					
<i>Restricted funds</i>					
Albania	50	63	-	(63)	50
Africa	1,561	54,441	(96,583)	42,499	1,918
Bulgaria	-	8,214	(23,875)	15,661	-
India	-	59,364	(56,393)	2,994	5,965
Moldova	2,000	1,869	(26,728)	22,859	-
Pakistan	1,902	10,874	(87,236)	74,460	-
Serbia	-	19,305	(57,604)	38,299	-
Romania	11,662	94,831	(189,944)	85,571	2,120
Total	17,175	248,961	(538,363)	282,280	10,053
Disaster and General	98,678	67,124	(42,389)	(28,580)	94,833
UK Projects	50,576	167,045	(49,427)	(92,057)	76,137
Blythswood Care	166,429	483,130	(630,179)	161,643	181,023
Blythswood Trading	74,879	-	-	(24,259)	50,620
Blythswood Ireland	16,685	-	(11,700)	-	4,985
	257,993	483,130	(641,879)	137,384	236,628

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 2021 (continued)
21. RESTRICTED FUNDS (continued)

	At 1 January 2020 £	On acq. £	Income £	Expenditure £	Transfers between funds £	At 31 December 2020 £
<i>(b) Prior year Group & Charity</i>						
Restricted funds						
Albania	50	-	-	-	-	50
Africa	-	-	52,068	(74,904)	24,397	1,561
Bulgaria	-	-	10,395	(25,761)	15,366	-
India	8,485	-	14,211	(58,670)	35,974	-
Moldova	-	-	7,165	(25,351)	20,186	2,000
Pakistan	4,296	-	4,112	(9,545)	3,039	1,902
Philippines	-	-	375	(374)	(1)	-
Serbia	-	-	16,249	(54,816)	38,567	-
Romania	6,846	-	44,563	(182,437)	142,690	11,662
Total	19,677	-	149,138	(431,858)	280,218	17,175
Disaster and General	80,399	-	76,598	(38,888)	(19,431)	98,678
UK Projects	14,204	-	206,715	(53,921)	(116,422)	50,576
Blythswood Care	114,280	-	432,451	(524,667)	144,365	166,429
Blythswood Trading	101,023	-	-	-	(26,144)	74,879
Blythswood Ireland	-	29,150	210	(12,675)	-	16,685
	215,303	29,150	432,661	(537,342)	118,221	257,993

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 2021 (continued)****22. FUNDS**

<i>Name of Fund</i>	<i>Description, nature and purposes of the fund</i>
General Fund	This fund holds the value of the reserves of the Group which are not held in either Restricted or Designated Funds.
Fixed Asset Fund	This fund has been designated by the Trustees to hold the value of the fixed assets of the Group.
Program Fund	This fund has been designated by the Trustees to hold a portion of the reserves of the Group deriving from specific gifts for use at the discretion of the Trustees.
Disaster and general	This fund comprises the value of donations and legacies given specifically for relief of disasters and crises around the world.
UK Projects	This fund comprises the value of donations and legacies given specifically for projects within the UK.

BLYTHSWOOD CARE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021 (continued)
23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Funds 2021 £
Group			
<i>(a) Current year</i>			
Fixed assets	1,559,891	50,620	1,610,511
Current assets	1,236,364	186,008	1,422,372
Creditors: <i>due within one year</i>	(319,829)	-	(319,829)
Creditors: <i>due after more than one year</i>	(381,049)	-	(381,049)
Provisions for liabilities	(47,708)	-	(47,708)
	<u>2,047,669</u>	<u>236,628</u>	<u>2,284,297</u>
<i>(b) Prior year</i>			
Fixed assets	1,556,944	74,879	1,631,823
Current assets	728,111	183,114	911,225
Creditors: <i>due within one year</i>	(373,495)	-	(373,495)
Creditors: <i>due after more than one year</i>	(459,048)	-	(459,048)
Provisions for liabilities	(21,725)	-	(21,725)
	<u>1,430,787</u>	<u>257,993</u>	<u>1,688,780</u>
	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Funds 2021 £
Charity			
<i>(c) Current year</i>			
Fixed assets	650,068	-	650,068
Current assets	908,447	181,023	1,089,470
Creditors: <i>due within one year</i>	(117,593)	-	(117,593)
Creditors: <i>due after more than one year</i>	(221,349)	-	(221,349)
	<u>1,219,573</u>	<u>181,023</u>	<u>1400,596</u>
<i>(d) Prior year</i>			
Fixed assets	703,104	-	703,104
Current assets	503,620	166,429	670,049
Creditors: <i>due within one year</i>	(143,042)	-	(143,042)
Creditors: <i>due after more than one year</i>	(261,451)	-	(261,451)
	<u>802,231</u>	<u>166,429</u>	<u>968,660</u>

BLYTHSWOOD CARE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2021 (continued)****24. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2021 the group had future minimum lease payments under non-cancellable operating leases as follows:

Group	2021 £	2020 £
Not later than 1 year	68,937	72,474
	<u>68,937</u>	<u>72,474</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 £69,327 (2020 - £63,398). Contributions totalling £nil (2020 - £8,986) 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 year the group had the following arm's length transactions with related parties:

	Transaction £	Balance outstanding £
ASC Blythswood, Romania (Of which J M Campbell is a director) Donations to ASC Blythswood Romania from Blythswood Care	139,823	-
The Macangus Charitable Trust (Of which D K Laing is a trustee) Receipt of grants by Blythswood Care from The Macangus Charitable Trust	108,208	-