

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 2020

THURSDAY



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23/09/2021

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**BLYTHSWOOD CARE
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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BLYTHSWOOD CARE
LEGAL AND ADMINISTRATIVE INFORMATION

DIRECTORS

J M Campbell
I Gillies
C Gordon
L Gray
D K Laing (Chairman)
P L Lyall
J Ross
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

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 2020. 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 for body and soul.

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.

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**

2020 highlights and achievements

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

Story from Talita Kum - ROMANIA

Providing the Most Important Meal of the Day Breakfast. Would you let your child leave home without it?



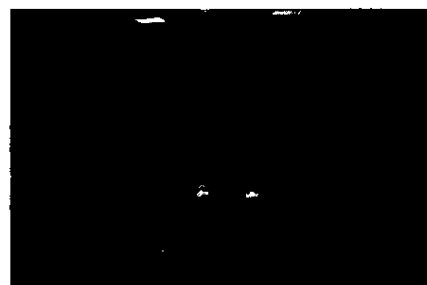
Gabriel, aged 13, doesn't have anyone to tell him what to do. He lost his parents when he was very young. His older brother is working in Germany. The sister with whom he stays is working full-time and frequently away overnight.

There is no one to cook him a meal. No one to tell him to go to bed. No one to say to him when to get up. And with the schools closed during the coronavirus lockdown in Romania, he has no incentive to follow schoolwork.

Only TK2, Blythswood's after-school programme for early teens, brings some order into Gabriel's life. "We gave him a tablet so that he can connect to online classes, but we insist on him coming in here each morning," says Carmen Popa, a teacher at Talita Kum. "This means he starts with a nutritious breakfast before joining school online under our supervision so that he doesn't fall asleep. Then we give him lunch and continue with the regular pre-lockdown TK2 programme of homework, games and other activities.

"He is managing okay at school, but he's a bright kid, and we know he could do so much better. Regular meals and sleep patterns are so important. Without the TK2 programme, his talents would be wasted."

Bright kid: Gabriel taught himself to ride the unicycle and is good at football and chess



Story from our Foodbank - UK

Foodbank Provides for Family Denied Access to Public Funds

In January, a mother with four children was referred to Blythswood's southeast Edinburgh Foodbank by the Health Visitors Team. The eldest child was nine years old and the youngest just two months.

"The health visitor advised us that they have been placed in temporary accommodation and that they have no access to public funds," says Rosie Fraser, the Foodbank volunteer who arranged delivery of a food parcel to the family.

The Foodbank follows the Trussell Trust policy, which is to help people in need at the immediate point of crisis, not on an ongoing basis. Exceptions can only be made in close cooperation with the referring agency. "The Health Visitor has asked that we do this weekly until their situation improves," Rosie says. "At least they are in a flat which has a kitchen and crockery.

**BLYTHSWOOD CARE
TRUSTEES' ANNUAL REPORT**

"Before Christmas, we were asked to help a family from Romania. They had been placed in a budget hotel room with no cooking facilities, no crockery and utensils and no fridge. So for them, we put together what we call a kettle pack, with Cuppa Soup, Pot Noodle, biscuits, tea, coffee, tins of cold meat and crisps - any foodstuffs which don't require cooking. We also gave them cereal and bought cutlery and bowls so that they could eat it."

Story from Cornerstone Trust - INDIA

**Data Allowance Keeps Teens focussed on school
Can you afford to pay for internet access?**

In the face of a global pandemic, some of the challenges people face today are the same worldwide. For example, when the school attended by Sima went into lockdown, the 14-year-old had to access classes on her mobile phone. And with her mother's earning in Mumbai's red-light district at a halt, they didn't even have money for food.

But with your support through Blythswood Care, a Christian after-school programme was able to help them with both food and a data allowance.

"When the lockdown hit, her mother's partner left them abruptly to return to his village," says Asmita Vadavana, who runs Cornerstone Trust, the programme which seeks to protect children and their mothers from exploitation. "This caused emotional and financial stress as they had no food and no income. "We soon realised that it was not only Sima's mother who was in need but the whole community. So we provided 60 families with a monthly parcel of basic groceries like oil, sugar, rice and pulses, and hygiene essentials.

"We also provided a data allowance so that the children could follow the online lessons from their teachers and our after-school programme. "Sima and her mother are very thankful for the help they received. Her mother comes for counselling and prayer. She understands the vulnerability of her occupation and is looking for other ways to earn a living.

"Education is key to breaking their link to the sex trade. We constantly work with families to ensure that no child drops out of school. None of these mothers would want her child to be exploited in this way."

During the pandemic, donations received have helped children such as Sima to keep up with school lessons and to stay safe



**BLYTHSWOOD CARE
TRUSTEES' ANNUAL REPORT**

Topics covered by Cornerstone's life-skills programme for teenagers

- Self-respect and peer pressure
- You are uniquely made by God
- Body and puberty changes
- Friendship, love and dating
- Good touch, bad touch
- You reap what you sow
- Origin, causes and prevention of AIDS
- Safe and healthy family dynamics

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

Story from My Child is My Blessing - MOLDOVA

Ageing Parents Share Their Blessings in Chisinau
When Alexander's daughter was born 25 years ago, doctors at the maternity hospital suggested that he and his wife should abandon the child and leave her to be cared for by the state. Alexander's wife was in her 40s, and Maryanna had been born with Down syndrome.



**1,097 aid loads
sent since 1990
valued at £37,412,000**

"Our decision was to keep her," remembers Alexander, who is retired and lives in Chisinau, Moldova. "She was our daughter, and we were going to bring her up. But eight years later, when my wife took a stroke and died suddenly, I found myself in a difficult situation. It was not easy to look after my child and to work at the same time."

"Seven years ago, Maryanna and I were invited to spend a week at a camp for people with disability, run by an organisation called My Child is My Blessing. There I met people with the same difficulties as myself. We could share our problems and our joys.

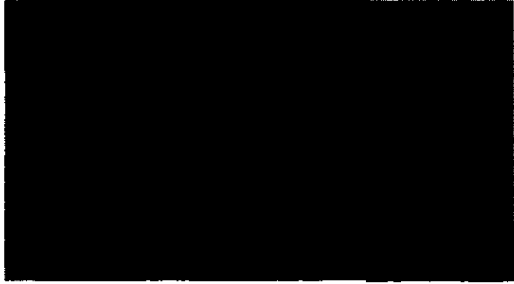
"It was there that I heard that God has an interest in people like us, and I became a Christian."

With your support, My Child is My Blessing assists families like that of Alexander and Maryanna with food and clothes. "I know this comes from Blythswood," says Alexander. "It is a great help as the pension is not enough to survive on. Thank you very much."

The group holds regular meetings for elderly parents of adult children with disabilities. Alexander says: "We encourage each other and pray for each other."

Alexander with his daughter Maryanna: "We share our problems and our joys."

**BLYTHSWOOD CARE
TRUSTEES' ANNUAL REPORT**

<p><i>Eastern Europe</i></p> <p>Aid Relief</p> <p>In all, 133 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.</p>	
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This aid included 75,218 Christmas shoeboxes, all of which were sent out before the end of the year.

Since it began in 1993, the appeal has delivered 2,483,049 boxes.

Societatea de Caritate Blythswood (SCB) in Romania were not able to make up shoeboxes for distribution in 2020 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.



**BLYTHSWOOD CARE
TRUSTEES' ANNUAL REPORT**

UK projects

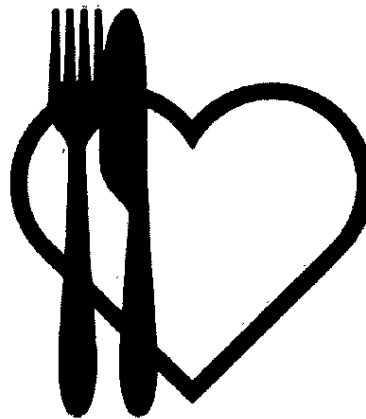
Crisis Intervention

The Highland Foodbank has continued to help people in crisis, distributing 25 tonnes of food from donations of food gifted in 2020 by providing a three-day food supply to 8,267 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 Alness, Aviemore, Dingwall, Tain, Nairn, Kyle, Thurso and Wick throughout 2020.

Edinburgh Southeast Foodbank also distributed food to 1,288 clients.

Jenny, a single mum of two children, recently phoned Foodbank looking for some help with food. As we operate on a referral basis, the volunteers on duty suggested she contact her local CAB. CAB was able to help Jenny with a benefit check, as well as making a referral to her local Foodbank. The outcome of the benefits check was that Jenny was entitled to another benefit amounting to an extra £20 per week. This was enough to boost her income and make further referrals to Foodbank not necessary.



**Over 70,000
people fed
through our
foodbanks
since starting
in 2005**

Christian literature and ministry

Year after year, the Shoe Box Appeal provides Blythswood's biggest opportunity to distribute gospel literature. In boxes for younger children, we use CFP's Bible Wise series. These books retell bible stories in a way that is faithful to Scripture and attractively presented in full colour.

Miriam: The Big Sister's Secret tells how the sister of Moses watched over her baby brother hidden among the bulrushes; and how years later she sang a song of praise to God when her people escaped from slavery in Egypt. It includes the story of how she became jealous of Moses, how she was struck with leprosy, and how she was forgiven and healed.

Do You Still Love Me? is the testimony of Emanuela Plantenga, telling how her Christian faith was tested when she was still a child and adolescent, growing up in the city of Cluj. This booklet for teenagers combines her story with the first 12 verses of Psalm 139 and concludes with a personal appeal from Emanuela, urging her readers to pray to Jesus.

BLYTHSWOOD CARE TRUSTEES' ANNUAL REPORT

Both books were produced in Albanian, Bulgarian, Hungarian, Romanian, Serbian and Ukrainian. For adults' shoeboxes, we obtained Words of Life calendars from the Trinitarian Bible Society in five languages and producing one in Bulgarian with pictures photographed by our chaplain Mike Ogborne.

A spin off from the Shoe Box Appeal is that Christian books for children and young people are made available to other organisations - without the SBA, these books would not be published in East European languages. Albanian books were supplied to a church in Kosovo; Bulgarian to our friends in Mission Possible (who help us with Bulgarian translations); and Romanian to YWAM in Cluj.

The biggest grant was of Bulgarian to The Foundation for Social Change and Inclusion (FSCI), formerly part of the Trussell Trust and operating in Bulgaria. It's a great encouragement to see this organisation share our vision to spread the gospel through attractive, Bible-based books. They received a grant of 4,000 copies of Miriam, 840 of Do You Still Love Me and 1,020 calendars.

Lidia Luca ministers to parents of children with disabilities in Iasi, Romania. She received 200 of the children's book, 20 of the teens' and 100 calendars.

In 2020 a total of 98 grants of Christian literature were made to 46 grantees in 11 countries (Bulgaria, India, Kenya, Kosovo, Liberia, Malawi, Nigeria, Pakistan, Romania, South Africa, and the UK). These included Bibles in Chichewa for Malawi and in Tamil for India and over 43,000 gospel tracts.

In November, we made an appeal to a section of our database to support our grant of 15,000 children's books to Africa Christian Textbooks for internally displaced people living in camps in Nigeria. The consignment went via our friends in Belfast and was fully funded by donations.

In 2020 Blythswood supported the ministries of ten pastors and mission workers in Central and Eastern Europe and three pastors in Asia.




400
pastors
supported in
the last
20 years

**BLYTHSWOOD CARE
TRUSTEES' ANNUAL REPORT**

Trading & Recycling

In 2020 outside of the 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 2020 was £1.969M

Over 1,670 tonnes of donated goods were reused and recycled by Blythswood Trading, equating to over five million individual items.

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

Volunteers

People of all ages find an 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 50,000
volunteer hours
given in 2020**

**valued at more than
£450,000 at the national
minimum wage**

Volunteers

People of all ages find an 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.

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 perseverance and passion to see the work of Blythswood Care continue throughout last year. Despite all the challenges of this most difficult year, we praise God for going before us, and the group is in good health as restrictions on business and social activities are easing at last

"Lord you are my God, I will exalt you and praise your name, for in perfect faithfulness you have done wonderful things, things planned long ago." Isaiah 25:1

BLYTHSWOOD CARE TRUSTEES' ANNUAL REPORT

Results

The financial statements show net incoming resources of £1,180,426 (2019 - net outgoing resources of £34,733). Other operating income was received during the year in respect of COVID-19 support grants.

Donation income was £3,706,234 (2019 - £5,258,440) with £1,915,926 (2019 - £4,025,582) being donations in kind. Blythswood Trading Limited made a gift aid payment of £29,103 (2019 - £nil) to the Charity.

Administration costs

The trustees are pleased to report that administration costs were contained to only 1.8% (2019 - 3.0%) 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 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
R M McCheyne (Resigned 7 July 2021)
S Worgan
J Ross (Appointed 25 February 2021)

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, a registered 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 2020.

BLYTHSWOOD CARE TRUSTEES' ANNUAL REPORT

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 2020 amounted to £nil (2019: £635)

During the year 2020, three trustees donated £2,970 to the charity's general funds. (2019: six trustees donated £6,511)

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 2021 providing additional support for youngsters' further education and vocational training. We also hope to support Dayspring House in Hyderabad, India, and 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.

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 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 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.

**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 2020 other than the addition of the activities of BIL on the first day of the year as described above.

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 FRS102.

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.

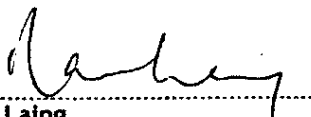
We received a Third Sector Resilience Grant, which enabled us to maintain payments to our landlords and utility companies from April to June 2020. In addition, Scottish Business Grants which were made available for many of our shops from the Scottish Government has supported the phased reopening of our 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 25 February 2021, we welcomed Rev Jeremy Ross as a new trustee of Blythswood Care. Jeremy is a son of the late Rev Jackie Ross, the founder of Blythswood.

On 7 July 2021, Murray McCheyne stepped down as a trustee, and we extend our thanks to him for his significant and passionate contribution to Blythswood's work during his time on the Board.



D K Laing
Chairman

Date: 25 August 2021

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 period ended 31 December 2020 set out on pages 17 to 44. 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 2020 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:

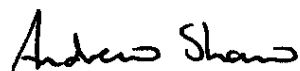
We considered the opportunities and incentives that may exist within the charity and its group for fraud and identified the greatest potential for fraud to be income recognition and posting of unusual journal entries. Audit procedures performed to address these risks included:

- 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: 1 September 2021

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 2020**

	Note	Unrestricted funds £	Restricted funds £	2020 Total Funds £	2019 Total Funds £
INCOME FROM:					
Donations and legacies	3	3,819,827	432,661	4,252,488	5,710,919
Commercial trading operations	4	2,070,768	-	2,070,768	2,315,320
Other operating income		718,624	-	718,624	-
Investments	5	2,003	-	2,003	5,441
Gain on acquisition of subsidiary	27	595,343	29,150	624,493	-
TOTAL		7,206,565	461,811	7,668,376	8,031,680
EXPENDITURE ON:					
Raising funds	6	383,426	12,675	396,101	401,930
Commercial trading operations		2,821,787	-	2,821,787	2,373,497
Charitable activities	7	2,745,395	524,667	3,270,062	5,290,986
TOTAL		5,950,608	537,342	6,487,950	8,066,413
NET INCOME/(EXPENDITURE)		1,255,957	(75,531)	1,180,426	(34,733)
Transfer between funds		(118,221)	118,221	-	-
NET MOVEMENT ON FUNDS		1,137,736	42,690	1,180,426	(34,733)
RECONCILIATION OF FUNDS					
Total funds brought forward		293,051	215,303	508,354	543,087
Total funds carried forward		1,430,787	257,993	1,688,780	508,354

All income and expenditure derive from continuing operations.

The notes on pages 22 to 44 form part of these financial statements.

BLYTHSWOOD CARE
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 31 DECEMBER 2020

	Note	Unrestricted funds £	Restricted funds £	2020 Total Funds £	2019 Total Funds £
INCOME FROM:					
Donations and legacies	3	3,730,859	432,451	4,163,310	5,771,930
Investments	5	1,841	-	1,841	96,881
TOTAL		3,732,700	432,451	4,165,151	5,868,811
EXPENDITURE ON:					
Raising funds	6	383,426	-	383,426	401,930
Charitable activities	7	2,698,782	524,667	3,223,449	5,382,426
TOTAL		3,082,208	524,667	3,606,875	5,784,356
NET INCOME/(EXPENDITURE)		650,492	(92,216)	558,276	84,455
Transfer between funds		(144,365)	144,365	-	-
NET MOVEMENT ON FUNDS		506,127	52,149	558,276	84,455
RECONCILIATION OF FUNDS					
Total funds brought forward		296,104	114,280	410,384	325,929
Total funds carried forward		802,231	166,429	968,660	410,384

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

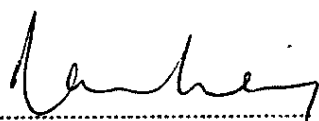
The notes on pages 22 to 44 form part of these financial statements.

BLYTHSWOOD CARE
CONSOLIDATED BALANCE SHEET - 31 DECEMBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible fixed assets	12	<u>1,631,823</u>	<u>943,516</u>
CURRENT ASSETS			
Stock		12,151	16,640
Debtors	14	162,928	221,427
Cash at bank and in hand		<u>736,146</u>	<u>136,791</u>
		<u>911,225</u>	<u>374,858</u>
CREDITORS: amounts falling due within one year	15	<u>(365,745)</u>	<u>(546,033)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>545,480</u>	<u>(171,175)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,177,303	772,341
CREDITORS: amounts falling due after more than one year			
Provision for liabilities	16 18	(466,798) (21,725)	(246,520) (17,467)
NET ASSETS		<u>1,688,780</u>	<u>508,354</u>
FUNDS			
Unrestricted funds	20	1,430,787	293,051
Restricted funds	20	<u>257,993</u>	<u>215,303</u>
		<u>1,688,780</u>	<u>508,354</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

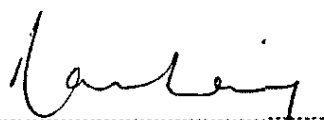
Date: 25 August 2021

The notes on pages 22 to 44 form part of the financial statements.

BLYTHSWOOD CARE
BALANCE SHEET - 31 DECEMBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible fixed assets	12	703,102	679,963
Investments	13	2	2
		<u>703,104</u>	<u>679,965</u>
CURRENT ASSETS			
Debtors	14	282,496	267,549
Cash at bank and in hand		387,553	121,835
		<u>670,049</u>	<u>389,384</u>
CREDITORS: amounts falling due within one year	15	<u>(135,292)</u>	<u>(435,762)</u>
NET CURRENT ASSET/(LIABILITIES)		<u>534,757</u>	<u>(46,378)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,237,861	633,587
CREDITORS: amounts falling due after more than one year	16	<u>(269,201)</u>	<u>(223,203)</u>
NET ASSETS		<u>968,660</u>	<u>410,384</u>
FUNDS			
Unrestricted funds	20	802,231	296,104
Restricted funds	20	166,429	114,280
		<u>968,660</u>	<u>410,384</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: 25 August 2021

The notes on pages 22 to 44 form part of the financial statements.

BLYTHSWOOD CARE
CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities:			
Net cash provided by operating activities	19(a)	666,609	19,561
Net cash provided by operating activities		666,609	19,561
Cash flows from investing activities:			
Purchase of tangible fixed assets		(78,666)	(71,413)
Proceeds from sale of tangible fixed assets		49,304	-
Interest receivable and similar income		203	-
Cash acquired with subsidiary	27	124,932	-
Net cash from/(used in) investing activities		95,773	(71,413)
Cash flows from financing activities:			
Net cash inflows from borrowings		83,511	84,625
Repayments of borrowings		(32,033)	(33,446)
Interest paid		(6,187)	(20,673)
Hire purchase borrowings		-	33,000
Hire purchase repayments		(16,132)	(5,216)
Net cash from financing activities		29,159	58,290
Increase in cash and cash equivalents in the period		791,541	6,438
Cash and cash equivalents at 31 December 2019	19(b)	(55,395)	(61,833)
Cash and cash equivalents at 31 December 2020	19(b)	736,146	(55,395)

BLYTHSWOOD CARE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2020

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.

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 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 2020

1. ACCOUNTING POLICIES (continued)

(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.

(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 2020

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. Donated goods 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.

BLYTHSWOOD CARE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2020

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.

BLYTHSWOOD CARE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2020****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.

3. INCOME FROM DONATIONS AND LEGACIES

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Donations - cash	1,790,308	1,232,858	1,771,332	1,232,858
Donations - gifts in kind	1,915,926	4,025,582	1,915,926	4,025,582
Legacies	362,342	426,581	362,342	131,074
Grants	183,912	25,898	84,607	-
Donation from Blythswood Trading	-	-	29,103	-
Donation from Blythswood Care 1993	-	-	-	382,416
	4,252,488	5,710,919	4,163,310	5,771,930
Attributable to funds as follows:				
Unrestricted	3,819,827	5,297,666	3,730,859	5,384,575
Restricted	432,661	413,253	432,451	387,355
	4,252,488	5,710,919	4,163,310	5,771,930

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).

The donation from Blythswood Care 1993 in 2019 relates to the net book value of assets transferred under the Donation Agreement.

BLYTHSWOOD CARE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2020 (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 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.

	2020 £	2019 £
Turnover	2,070,768	2,315,320
Cost of sales, distribution and administration costs	(2,809,070)	(2,370,735)
Other operating income	817,929	55,124
Interest payable	(818)	(841)
Taxation	(11,369)	(1,921)
Net profit	67,440	(3,053)
Amount gift aided to charity	(29,103)	-
Retained in subsidiaries	38,337	(3,053)

BLYTHSWOOD CARE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2020 (continued)****5. INCOME FROM INVESTMENTS**

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Donation received from subsidiary	-	-	-	11,440
Rent	1,800	5,400	1,800	85,400
Other	203	41	41	41
	<u>2,003</u>	<u>5,441</u>	<u>1,841</u>	<u>96,881</u>

All income from investments was attributable to unrestricted funds.

6. EXPENDITURE ON RAISING FUNDS

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Cost of raising funds	<u>396,101</u>	<u>401,930</u>	<u>383,426</u>	<u>401,930</u>
	<u>396,101</u>	<u>401,930</u>	<u>383,426</u>	<u>401,930</u>

All expenditure on raising funds was attributable to unrestricted funds.

BLYTHSWOOD CARE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2020 (continued)
7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Costs to further charity's objects				
Aid trips and transport	3,050	4,450	3,050	4,450
Relief aid	1,917,503	4,025,582	1,915,926	4,025,582
Romania - staff support	-	965	-	965
Pastor support - Romania and Italy	11,900	7,200	11,900	7,200
Christian literature and education	18,035	20,800	18,035	20,800
Shoebox expenses	292,263	229,381	292,263	229,381
Salaries	351,165	213,022	351,165	213,022
Special projects	526,505	544,778	524,667	544,778
Relief aid - women and children	-	-	-	-
Deephaven/Glasgow costs	13,035	1,000	13,035	1,000
	<u>3,133,456</u>	<u>5,047,178</u>	<u>3,130,041</u>	<u>5,047,178</u>
Support costs				
Staff travel and accommodation	10,195	24,409	10,195	24,409
Salaries	37,012	135,175	-	135,175
Other expenses	48,507	53,359	44,181	144,799
Bank interest payable	15,592	12,065	15,592	12,065
Governance costs				
Audit fee charity	23,300	18,800	23,440	18,800
Audit fee charity - subsidiary	2,000	-	-	-
	<u>136,606</u>	<u>243,808</u>	<u>93,408</u>	<u>335,248</u>
Total	<u>3,270,062</u>	<u>5,290,986</u>	<u>3,223,449</u>	<u>5,382,426</u>
Attributable to funds as follows:				
Unrestricted funds	2,745,395	4,691,084	2,698,782	4,837,648
Restricted funds	524,667	599,902	524,667	544,778
	<u>3,270,062</u>	<u>5,290,986</u>	<u>3,223,449</u>	<u>5,382,426</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	
	2020	2019
	£	£
Depreciation		
- owned assets	98,942	74,703
- assets under hire purchase agreements	12,796	10,822
Operating lease rentals		
- land and buildings	324,858	251,724
- plant & machinery	-	-
Auditor's remuneration		
- Audit	16,150	13,800
- Tax compliance services	2,150	2,100
- Accounting support	5,000	5,000
	<u> </u>	<u> </u>

9. STAFF COSTS AND NUMBERS

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

	Group		Charity	
	2020	2019	2020	2019
Employees	158	122	122	122
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Staff costs:				
Wages and salaries	2,155,483	1,731,147	1,691,698	564,981
Social security costs	103,011	110,767	103,011	41,651
Pension costs	76,901	81,117	63,398	40,986
	<u>2,335,395</u>	<u>1,923,031</u>	<u>1,858,107</u>	<u>647,618</u>

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

	2020	2019
	no	no
£60,000 - £69,999	1	1
	<u> </u>	<u> </u>

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 2020 (continued)****10. DIRECTORS' REMUNERATION**

James M Campbell received remuneration totalling £68,046 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 (2019 - £635).

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:

	2020 £	2019 £
Blythswood Care	190,698	126,961
Blythswood Care 1993	-	-
Blythswood Trading Limited	72,551	96,536
Blythswood Ireland Limited	-	-
	<u>263,249</u>	<u>223,497</u>

BLYTHSWOOD CARE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2020 (continued)
12. TANGIBLE FIXED ASSETS

Group	Heritable property £	Tenant's improvements £	Motor vehicles £	Warehouse and office equipment £	Total £
Cost					
At 1 January 2020	1,047,950	166,540	283,771	595,086	2,093,347
Acquired through business combination	981,678	-	71,850	88,973	1,142,501
Additions	77,754	2,874	-	912	81,540
Disposals	(20,000)	-	(11,968)	-	(31,968)
At 31 December 2020	2,087,382	169,414	343,653	684,971	3,285,420
Depreciation					
At 1 January 2020	410,358	153,617	174,372	411,484	1,149,831
Acquired through business combination	286,226	-	49,889	78,193	414,308
Charge for period	55,667	1,168	31,530	23,373	111,738
Disposals	(10,800)	-	(11,480)	-	(22,280)
At 31 December 2020	741,451	154,785	244,311	513,050	1,653,597
Net book value					
At 31 December 2020	1,345,931	14,629	99,342	171,921	1,631,823
At 31 December 2019	637,592	12,923	109,399	183,602	943,516

BLYTHSWOOD CARE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2020 (continued)****12. TANGIBLE FIXED ASSETS (continued)**

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

	2020		2019	
Motor vehicles	<u>£37,821</u>		<u>£ 35,161</u>	
Charity	Heritable property £	Motor vehicles £	Warehouse and office equipment £	Total £
Cost				
At 1 January 2020	1,047,950	98,248	56,626	1,202,824
Additions	77,754	-	496	78,250
Disposals	<u>(20,000)</u>	<u>(10,318)</u>	<u>-</u>	<u>(30,318)</u>
At 31 December 2020	<u>1,105,704</u>	<u>87,930</u>	<u>57,122</u>	<u>1,250,756</u>
Depreciation				
At 1 January 2020	410,358	66,587	45,916	522,861
Charge for period	33,171	9,498	3,213	45,882
Disposals	<u>(10,800)</u>	<u>(10,289)</u>	<u>-</u>	<u>(21,089)</u>
At 31 December 2020	<u>432,729</u>	<u>65,796</u>	<u>49,129</u>	<u>547,654</u>
Net book value				
At 31 December 2020	<u>672,975</u>	<u>22,134</u>	<u>7,993</u>	<u>703,102</u>
At 31 December 2019	<u>637,592</u>	<u>31,661</u>	<u>10,710</u>	<u>679,963</u>

BLYTHSWOOD CARE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2020 (continued)****13. FIXED ASSET INVESTMENTS**

	Group		Charity	
	2020	Combined 2019	2020	2019
	£	£	£	£
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	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	16,026	98,773	-	-
Other debtors	80,767	23,453	19,588	15,382
Prepayments and accrued income	16,543	-	-	-
VAT	49,592	99,201	30,233	20,208
Amounts due from group undertakings	-	-	232,675	231,959
	162,928	221,427	282,496	267,549

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

BLYTHSWOOD CARE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2020 (continued)****15. CREDITORS: amounts falling due within one year**

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Bank loans and overdrafts	90,699	220,249	17,923	220,049
Trade creditors	165,860	232,234	55,145	159,266
Taxation and social security	36,043	27,420	31,462	27,420
Other creditors	13,273	58,166	10,484	24,277
Corporation tax	8,920	1,364	-	-
Obligations under hire purchase contracts	15,775	6,600	3,000	4,750
Accruals and deferred income	35,175	-	17,278	-
	<u>365,745</u>	<u>546,033</u>	<u>135,292</u>	<u>435,762</u>

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

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Bank loans	448,548	214,003	261,451	214,203
Obligations under hire purchase contracts	18,250	32,517	7,750	9,000
	<u>466,798</u>	<u>246,520</u>	<u>269,201</u>	<u>223,203</u>

The bank loans and overdraft 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 (£67,776) are secured on its property.

BLYTHSWOOD CARE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2020 (continued)****17. FINANCIAL INSTRUMENTS**

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Financial liabilities				
Financial liabilities measured at amortised cost	<u>823,543</u>	<u>766,307</u>	<u>404,493</u>	<u>658,965</u>
Financial assets				
Financial assets measured at amortised cost	<u>899,074</u>	<u>358,218</u>	<u>670,049</u>	<u>389,384</u>

18. PROVISION FOR LIABILITIES

	Group	
	2020	2019
	£	£
Deferred taxation		
At 1 January 2020	17,467	15,643
Charge for the year	<u>4,258</u>	<u>1,824</u>
At 31 December 2020	<u>21,725</u>	<u>17,467</u>

The provision for deferred taxation is made up as follows:

	2020	2019
	£	£
Accelerated capital allowances	<u>21,725</u>	<u>17,467</u>

BLYTHSWOOD CARE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2020 (continued)****19. NOTES TO THE STATEMENT OF CASH FLOWS****(a) Reconciliation of net outgoing resources to net cash (outflow)/inflow from operating activities**

	Group	
	2020	2019
	£	£
Net incoming/(outgoing) resources	1,180,426	(34,733)
Taxation	11,369	1,942
Interest paid	15,430	20,673
(Gain)/loss on sale of fixed assets	(39,616)	2,947
Gain on acquisition of subsidiary	(624,493)	-
Depreciation	111,738	85,525
Decrease/(increase) in stock	4,789	(2,903)
Decrease/(increase) in debtors	119,640	(66,018)
(Decrease)/increase in creditors	(112,674)	12,128
Net cash (outflow)/inflow from operating activities	<u>666,609</u>	<u>19,561</u>

(b) Cash and cash equivalents

	Group	
	2020	2019
	£	£
Cash at bank and in hand	736,146	136,791
Overdraft	-	(192,186)
	<u>736,146</u>	<u>(55,395)</u>

BLYTHSWOOD CARE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2020 (continued)
20. TOTAL FUNDS

	At 1 January 2020 £	Income £	Expenditure £	Transfers between funds £	At 31 December 2020 £
<i>(a) Current year</i>					
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
	At 1 January 2019 £	Income £	Expenditure £	Transfers between funds £	At 31 December 2019 £
<i>(b) Prior 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

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 2020 (continued)
21. RESTRICTED FUNDS

	At 1 January 2020 £	On acq. £	Income £	Expenditure £	Transfers between funds £	At 31 December 2020 £
<i>(a) Current year Group & Charity</i>						
<i>Restricted funds</i>						
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 2020 (continued)
21. RESTRICTED FUNDS (continued)

	At 1 January 2019 £	Income £	Expenditure £	Transfers between funds £	At 31 December 2019 £
<i>(b) Prior year Group</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	75,741	53,659	(56,913)	7,912	80,399
UK Projects	12,770	99,620	(60,771)	(37,415)	14,204
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 2020 (continued)****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 2020 (continued)
23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total Funds 2020 £
Group			
<i>(a) Current 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>
<i>(b) Prior year</i>			
Fixed assets	842,493	101,023	943,516
Current assets	257,274	117,584	374,858
Creditors: <i>due within one year</i>	(542,729)	(3,304)	(546,033)
Creditors: <i>due after more than one year</i>	(246,520)	-	(246,520)
Provisions for liabilities	(17,467)	-	(17,467)
	<u>293,051</u>	<u>215,303</u>	<u>508,354</u>
	Unrestricted funds 2020 £	Restricted funds 2020 £	Total Funds 2020 £
Charity			
<i>(c) Current 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)
Provisions for liabilities			
	<u>802,231</u>	<u>166,429</u>	<u>968,660</u>
<i>(d) Prior year</i>			
Fixed assets	679,965	-	679,965
Current assets	271,800	117,584	389,384
Creditors: <i>due within one year</i>	(432,458)	(3,304)	(435,762)
Creditors: <i>due after more than one year</i>	(223,203)	-	(223,203)
Provisions for liabilities	-	-	-
	<u>296,104</u>	<u>114,280</u>	<u>410,384</u>

BLYTHSWOOD CARE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2020 (continued)****24. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2020 the group had future minimum lease payments under non-cancellable operating leases as follows:

Group	2020 £	2019 £
Not later than 1 year	72,474	79,974
Later than 1 year and not later than 5 years	-	123,578
	<u>72,474</u>	<u>203,552</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 £63,398 (2019 - £81,117). Contributions totalling £8,986 (2019 - £8,040) 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	132,975	-
The Macangus Charitable Trust (Of which D K Laing is a trustee) Receipt of grants by Blythswood Care from The Macangus Charitable Trust	114,900	-

BLYTHSWOOD CARE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2020 (continued)****27. ACQUISITION OF SUBSIDIARY**

On 1 January 2020 Blythswood Care acquired the assets and liabilities of Blythswood Ireland Limited for £nil consideration. At 1 January 2020 (the 'acquisition' date), the assets and liabilities of Blythswood Ireland Limited were consolidated at their fair values, as set out below. The excess of fair value of assets acquired over the value of the liabilities assumed of £624,493 has been recognised in the consolidated statement of financial activities.

	Fair value at acquisition date
Fixed assets	728,193
Stocks	300
Debtors	61,141
Cash	124,932
Total assets	914,566
Loans	67,776
Trade creditors	11,159
Tax and social security	4,756
Hire purchase and finance leases	7,375
Other creditors	2,757
Accruals and deferred income	14,598
Loan due over 1 year	181,652
Total liabilities	290,073
Net assets	<u>624,493</u>