Charity Registration No. SC030307 (Scotland)

Company Registration No. SC280846 (Scotland)

HOME-START ORKNEY

ANNUAL REPORT AND UNAUDITED STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

HOME-START ORKNEY

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	M Graves S Atkinson L Penny
Secretary	E Copland
Charity Number	SC030307
Company Number	SC280846
Principal Address	7 Main Street Kirkwall Orkney KW15 1BU
Registered Office	7 Main Street Kirkwall Orkney KW15 1BU
Independent Examiner	Anne Stacey Voluntary Action Orkney 6 Bridge Street Kirkwall Orkney KW15 1HR

CONTENTS

The directors present their report and financial statements for the year ended 31 March 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with charity's memorandum and articles of association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a public Benefit Entity as defined by FRS 102.

This report is prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Objectives and activities

The object of the charity is to provide support and assistance for families via trained volunteers. Supported families must have at least one child aged under five years.

Achievements and performance

As with many other services and organisations, we continued to adhere to any Covid restrictions imposed whilst also continuing to support families through what continued to be challenging circumstances, exacerbated by the pandemic and its repercussions.

We had been successful in securing funding via Cattanach for one of our staff posts, which included establishing and providing our Breast Buddies service, which is complementary to NHS Orkney's Peer Breastfeeding Support. Together, this has seen the numbers of mums continuing to breastfeed beyond the first 6-8 weeks of their baby's life increase, and being able to reach and support families who would otherwise perhaps miss out on this extended beneficial period for their children is one of our service's key attributes: reaching those others may not be able to.

This year saw us exceeding our anticipated numbers of families being supported, as many continued to feel the effects not only of the pandemic but also factors prevalent prior to Covid, exacerbated by its consequences.

One of the biggest challenges we faced, as the new year dawned, was a number of Trustees resigning. This was due to a number of personal reasons, including Trustees moving outwith Orkney and also the longer term effects of Covid on some individuals. This left us with a small group, who remained committed to continued support of the staff team and overseeing changes brought about by a review of our services in early 2022. At the time of writing, we are delighted to have 3 new Trustees who have come forward, but as they joined following 31st March 2022, their names are not included in this report. However, their interest in our service is indicative of its longstanding contribution in our community.

The Review undertaken in early 2022, in collaboration with our parent body, Home-Start UK, has led to us redefining our referral criteria, ensuring that our service is focussed on preventative and early intervention. Referral partners have welcomed this, and referral numbers continue to be steady.

Financial Review

The charity had total incoming resources of £68,077 and total resources expended of £80,896 resulting in a deficit for the year of £12,819. Funds carried forward at the balance sheet date totalled £64,891 of which £6,587 are restricted.

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to three month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Structure, governance and management

The charity is a company limited by guarantee and having no share capital, and a recognised Scottish charity.

The directors who served during the year were:

M Graves
S Shearer Treasurer (resigned May 2021)
S Atkinson (Interim Chair as of Jan 2022)
S Martin (resigned Dec 2021)
L Penny Volunteer Representative
B Graham Chair (resigned Dec 2021)
S Coulter (Resigned Jan 2022)
M Edmond (Resigned Dec 2021)

None of the directors has any beneficial interest in the charity. All of the directors are members of the charity and guarantee to contribute £1 in the event of winding up.

All trustees are appointed or reappointed by the members at Annual General Meeting, held in June each year.

The trustees have assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees' report was approved by the Board of Directors.

MBrooks

… ……………………………………………………….

M Brooks
Director

Dated:……07/12/2022………………………………….

INDEPENDENT EXAMINER'S REPORT
TO THE DIRECTORS OF HOME-START ORKNEY

I report on the financial statements of the charity for the year ended 31 March 2022, which are set out on pages 4 to 13.

Respective responsibilities of directors and examiner

The charities directors, who also act as trustees for the charitable activities of Home-Start Orkney, are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The directors consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do no express an audit opinion on the view given by the accounts. I have carried out such investigations as were necessary to enable me to form an opinion as to whether proper accounting records adequate for the purposes of the charity have been kept and whether the accounts of the charity were in accordance with the accounting records.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(a) which gives me reasonable cause to believe that in any material respect the requirements:
   (i) to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
   (ii) to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Account Regulations have not been met, or

(b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

anne Stacey

Anne Stacey
Independent Examiner

6 Bridge Street
Kirkwall
Orkney
KW15 1 HR

Dated:……...12/12/22…………………

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income from:					
Donations and legacies	**3**	25,475	39,545	65,020	50,071
Activities for generating funds		3,055	-	3,055	1,158
Investment income		2	-	2	4
Total Income		28,532	39,545	68,077	51,233
Expenditure on:					
Charitable activities	**4**	46,234	34,662	80,896	84,912
Net (expenditure)/income for the year/Net movement in funds		(17,702)	4,883	(12,819)	(33,679)
Transfers between funds		-	-	-	-
Fund balances at 1 April 2021		76,006	1,704	77,710	111,389
Fund balances at 31 March 2022		**58,304**	**6,587**	**64,891**	77,710

The statement of financial activities includes all gains and losses recognised in the year.

All incoming and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT
PRIOR YEAR COMPARISON FIGURES

	Notes	**Unrestricted Funds £**	**Restricted Funds £**	**Total 2021 £**	Total 2020 £
Income from:					
Donations and legacies	**3**	46,117	3,954	50,071	91,997
Activities for generating funds		1,158	-	1,158	60
Investment income		4	-	4	10
Total Income		47,279	3,954	51,233	92,067
Expenditure on:					
Charitable activities	**4**	36,049	48,863	84,912	85,840
Net (expenditure)/income for the year/Net movement in funds		11,230	(44,909)	(33,679)	6,227
Transfers between funds		-	-	-	-
Fund balances at 1 April 2020		64,776	46,613	111,389	105,162
Fund balances at 31 March 2021		**76,006**	**1,704**	**77,710**	111,389

The statement of financial activities includes all gains and losses recognised in the year.

All incoming and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

BALANCE SHEET
AS AT 31 MARCH 2022

		2022		2021	
	Notes	**£**	**£**	£	£
Fixed Assets					
Tangible assets	**8**		664		1,083
Current Assets					
Cash at bank and in hand		68,527		100,942	
Creditors: amounts falling due within one year	**9**	(4,300)		(24,315)	
Net current assets			64,227		76,627
Total assets less current liabilities			64,891		77,710
Income funds					
Restricted funds	10		6,587		1,704
Unrestricted funds			58,304		76,006
			64,891		77,710

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006,for the year ended 31 March 2022. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The accounts were approved by the Directors on 7 December 2022.

MBrooks

M Brooks

Director

Company registration No. SC280846
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting Policies

Charity Information
Home-Start Orkney is a private company limited by guarantee incorporated in Scotland. The registered office is 7 Main Street, Kirkwall, Orkney, KW15 1BU.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's memorandum and articles of association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provision in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statement has been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measure reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the same time as the donation.

Donations, legacies and other forms of voluntary income are recognised as incoming resources in the Statement of Financial Activities (SOFA) when receivable, except insofar as they are incapable of financial measurement. The value of services provided by volunteers has not been included in these accounts.

Grants, including grants for the purchase of fixed assets, are recognised in full in the SOFA in the year in which they are receivable. Grants relating to future accounting periods are deferred.

Incoming resources from services are included when receivable.

Membership subscriptions are recognised in the period they are receivable.

1 **Accounting policies** **(Continued)**

1.5 Resources expended

Expenditure is included in resources expended on an accruals basis, inclusive of any VAT which cannot be recovered.

Charitable expenditure comprises those costs incurred in the delivery of the charity's activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities, those costs of an indirect nature necessary to support them, and governance costs which include those costs associated with meeting the constitutional and statutory requirements of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment 20% reducing balance basis
Computer Equipment 33% straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/ (expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impartment annually, and whenever there is an indication that the asset may be impaired

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdraft. Bank overdrafts are shown within borrowing in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1 Accounting policies (Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity’s contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Computer software

Computer software is valued at cost less accumulated amortisation. Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life of three years.

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and Legacies

	Unrestricted Funds 2022 £	**Restricted Fund 2022 £**	**Total 2022 £**	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £
Donations and gifts	**3,350**	**-**	**3,350**	4,717	-	4,717
Grants receivable	**22,125**	**39,545**	**61,670**	41,400	3,954	45,354
For the year ended 31 March	**25,475**	**39,545**	**65,020**	46,117	3,954	50,071

4 Charitable activities

	2022 £	**2021 £**
Staff costs	55,292	55,758
Depreciations and impairment	419	419
Other overhead	25,185	28,735
	80,896	84,912

Charitable expenditure includes £300 (2021:£300) charged by the independent examiner for accounts preparation and independent examinations services.

5 Directors

None of the directors (or any persons connected with them) received any remuneration during the year. No directors were reimbursed for personal travel and subsistence expenses incurred during the year.

6 Employees

Number of employees
The average monthly number of employees was:

	2022 Number	2021 Number
Number of employees		
Family Support	4	4

Employment Costs	2022 £	2021 £
Wages and salaries	55,292	55,758
	55,292	55,758

7 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

8 Tangible fixed assets

	Fixtures, Fittings & Equipment 2022 £
Cost	
At 1 April 2021	6,326
Additions	-
At 31 March 2022	6,326
Depreciation and impairment	
At 1 April 2021	5,243
Depreciation charged in the year	419
At 31 March 2022	5,662
Carrying amount	
At 31 March 2022	664
At 31 March 2021	1,083

	Fixtures, Fittings & Equipmen t 2021 £
Cost	
At 1 April 2020	5,442
Additions	884
At 31 March 2021	6,326
Depreciation and impairment	
At 1 April 2020	4,824
Depreciation charged in the year	419
At 31 March 2021	5,243
Carrying amount	
At 31 March 2021	1,083
At 31 March 2020	618

9 Creditors: amounts falling due within one year

	2022 £	2021 £
Sundry Creditors and Accruals	4,300	24,315

10 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds		
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Big Lottery	942	-	942	-
Orkney Charitable Trust	-	585	585	-
Supporting Communities	140	-	140	-
HSUK	562	-	562	-
HSUK/J Lewis		1,116	990	126
HS Outdoor	60	-	60	-
Bank of Scotland		21,596	15,405	6,191
Scottish Government		3,000	2,730	270
	1,704	26,297	21,414	6,587

Big Lottery funding - Received to cover core costs and to provide funding for an additional staff post which enabled Home-Start to support families on the unlinked isles. Repurposed for financial year due to underspend.

Orkney Charitable Trust: - Grant provided for dispersal to families struggling to cope in the initial stages of Lockdown, given to help towards a rise in household costs due to everyone being at home (increased food, fuel, etc).

Supporting Communities: - Grant distributed by VAO, received towards costs of supplying staff with laptops and equipment to enable remote working.

HSUK: - Funds received to provide support to those affected by loneliness and isolation.

HSUK Outdoors: - Grant received via HSUK, sourced from Scottish Government, towards purchasing outdoor clothing/equipment to enable children to enjoy the outdoors regardless of weather.

Bank of Scotland – Grant received towards salary costs of Family Support Co-Ordinator

Scottish Government – Loneliness & Isolation Grant for dispersal to families, particularly younger parents

Restricted funds – prior year comparison

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds		
	Balance at 1 April 2020 £	**Incoming resources £**	**Resources expended £**	**Balance at 31 March 2021 £**
Big Lottery	46,613	-	45,671	942
Orkney Charitable Trust	-	1,400	1.400	-
Supporting Communities	-	554	414	140
HSUK	-	1,500	938	562
HS Outdoor	-	500	440	60
	46,613	3,954	48,863	1,704

Big Lottery funding was received to cover core costs and to provide funding for an additional staff post which enabled Home-Start to support families on the unlinked isles. The expenditure contains a transfer between funds.

Robertson Trust funding was received to enable Home-Start to pay volunteer and staff expenses.

11 Analysis of net assets between funds

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	**Total 2022 £**	Unrestricted Funds 2021 £	Restricted Funds 2021 £	**Total 2021 £**
Tangible assets	664	-	**664**	1,083	-	**1,083**
Current assets/(liabilities)	57,940	10,587	**68,527**	77,642	23,300	**100,942**
Provisions and deferred income	(300)	(4,000)	**(4,300)**	(2,719)	(21,596)	**(24,315)**
	58,304	6,587	**64,891**	76,006	1,704	**77,710**