
INCLUDEM

(A company limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2020**

Directors	Iain Forbes, Chair (Appointed 27 April 2020) John Fanning, Vice Chair J Bruce Marks, Treasurer Abigail Kinsella Sally Kuenssberg Morag Gunion Stephen McNeil Stuart Kennedy David Brown (Appointed 16 September 2019) Kevin O'Hare (Appointed 16 September 2019) David Wallace (Resigned 7 December 2020) Caroline Innes (Resigned 29 June 2020) Joseph Hughes (Appointed 10 October 2019, Resigned 12 December 2019) Jim Gibson (Resigned 10 October 2019)
Company registered number	SC207985
Charity registered number	SC030233
Registered office	Unit 6000 Academy Business Park Gower Street Glasgow G51 1PR
Company secretary	J Bruce Marks
Chief executive officer	Martin Dorchester
Independent auditor	French Duncan LLP Statutory Auditors & Chartered Accountants 133 Finnieston Street Glasgow G3 8HB
Bankers	The Royal Bank of Scotland 10 Gordon Street Glasgow G1 3PL
Solicitors	Burness Paull 120 Bothwell Street Glasgow G2 7JL

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**CHAIR & CHIEF EXECUTIVE'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020**

Chair's Introduction

The period since our last Annual report has been one of significant change for Includem at several levels.

Jim Gibson stood down as Chair in the summer of 2019 after a decade of dedicated service and support. Following a stringent search process, the Board was delighted when Iain Forbes agreed to become our Chair in the spring of 2020. I welcome Iain and wish him well for his term of service.

During 2019/20 we undertook a detailed review of our five-year strategy, with the Board formally approving a substantially revised approach in March 2020. Our core focus of meeting the needs of children and young people across Scotland remains unchanged. However, the new strategy looks at some of the other circumstances, such as family poverty or digital exclusion, that impact negatively on a child or young person. The new strategy broadens our service offering to include these and other matters because we believe this will substantially enhance the effectiveness of our core work and, more importantly, better reflects the voices of young people and families.

The new strategy addresses several other objectives. The engagement, skills base and commitment of our workforce are integral to delivering our success, and the strategy stresses these. It also seeks to address the pay and reward issues that impact on organisations in the care sector.

The revised strategy restates our commitment to 'digital' and using appropriate technologies to both improve our own operations and to interact online with children and young people in new, innovative and safe ways.

Finally, the strategy emphasises the importance of our relationships with local authorities, funders and other institutions. We want to make it as easy as possible for these groups to work with us, because we believe our service is uniquely effective and offers considerable social value. We also recognise that how local authorities and funders engage with organisations like Includem is changing, so our customer engagement strategy is changing to reflect this.

Whilst this report covers the year to 31st March 2020, I do need to consider two other issues in this report.

The first is the Independent Care Review and the Scottish Government's reaction to it. The Care Review was an impressive piece of work that set out the complexities of the sector and the associated challenges of this vitally important work. It also set out in stark terms the individual and societal impact of sub-optimal interventions. Includem supports the findings of the Care Review and the obvious commitment of the Scottish Government to implement the Review's recommendations as set out in its response, The Promise. The second is the impact of the Covid-19 crisis. First and foremost, I want to commend our leadership team, our key customers and, most particularly, our staff for their response to the crisis. Within days of the nationwide lockdown in March 2020, our staff had found ways to support children, young people and their families remotely and we continued to flex our approach as circumstances changed during the summer. I write these words in mid-September as measures are put in place to cope with the 'second wave' and I am confident our response will be equally swift and professional.

The Covid-19 pandemic has revealed new challenges. We issued a report in the summer about the very limited access many of our children and young people have to the digital world. This crisis has reminded us that the most disadvantaged in our society are almost always in so-called 'hard to reach' groups.

On the other hand, Covid-19 has caused society as a whole to ask questions about its fundamental priorities. The pandemic has highlighted the valuable work being done in the health and caring professions and it is to be hoped that one outcome of the Covid-19 experience is a much greater awareness of the commitment of the care sector and a reassessment of how staff in the sector are viewed and rewarded.

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CHAIR & CHIEF EXECUTIVE'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020


Despite the challenges of Covid-19 and other changes in our operating environment, we face the future with confidence and with a reinforced belief in the important role that charities like Includem (and indeed others operating in the sector) play in the delivery of specialist care services.

I would like to end by repeating my thanks to Jim Gibson for his period of service as Chair of the Board. I would also like to welcome new Board members Iain Forbes, David Brown and Kevin O'Hare and to thank everyone who served on the Board in 2019/20.

Finally, my thanks go to our Chief Executive, Martin Dorchester, his leadership team and all our staff and to our partners, funders and supporters for the valued input they have made during 2019/20.

John Fanning

Interim Chair 2019/2020



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Joining Includem in April 2020 at the outset of a global pandemic has been a challenging and learning experience. Plans to be introduced to the organisation at our much-anticipated 20th birthday celebration were instead replaced with an all-staff Zoom meeting. My interviews with the organisation were conducted virtually as have our subsequent Board meetings. However, even in a virtual world I have seen an organisation that listens and acts on the voices of the children, young people and families it works with. I have seen an organisation responding to the wants and needs of communities worst hit by this pandemic and who continue to be the worst hit. I have seen an organisation passionately committed to supporting each other in the most trying of circumstances. Each time an obstacle has been thrust in the way, a solution has been found and as such I am proud to be chairing the organisation through the most challenging of periods in history.

I thank John Fanning for his report and excellent stewardship of the Board over the past 12 months. Looking forward to the next 12 months, Includem has a strong strategic platform to deliver holistic family support to children, young people, families and communities as well as our intensive support service. We will continue to articulate the voices of young people and their needs; we will work closely with partners across the sector to develop long lasting change and 'keep the Promise'.

As Includem moves into its 21st year, I look forward to working with the Board and team at Includem to deliver positive outcomes for children, young people and their families. The year ahead will bring many challenges and we will need to be flexible and agile to support everyone through this, but I am confident in the team and even more confident in the amazing young people and families we work with.

Iain Forbes

Chair



Date: 14 December 2020

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CHAIR & CHIEF EXECUTIVE'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Chief Executive Annual Report 2019-20

This year was one of review and renewal for Includem. As we matured into our 20th year, we also entered the final year of our previous five-year strategy. Considering the current situation, it has been challenging to reflect on our performance apart from through the lens of the impact of Covid-19 on our people, services, young people and families. Yet, as I reflect on the year our Annual report covers, I realise what an exceptional year we have had. From our excellent Care Inspectorate report in April 2019, where one young person was quoted as saying, "If Includem wasn't in my life, my life would be two times worse. I have people I can trust. I can talk to them", to the shock that our organisation and society suffered in the first quarter of 2020 as Covid-19 started to take hold, and how we faced the challenges of lockdown and restrictions and the subsequent impact on children, young people and families. In this report, I will reflect that this has become increasingly worse and I will look forward, but first I would like to cover the year we had and touch on some of the fantastic achievements we have delivered as an organisation, and continue to do so.

During the year, Includem was appointed to the Children in Scotland Strategic Forum. This forum speaks directly to Government and at a pan-Scotland strategic level. The forum's intent maps against Includem's core values and supports our belief that everything we do at Includem is about making sure we do what's right for the children, young people and families we work with.

A good example of this was our work with Rachel:

"When anxiety issues were proving a real barrier to 16-year old Rachel achieving her life goals, Includem was asked to step in and help. Now, thanks to a programme of intensive support, the Lanarkshire teenager is now about to start a college course in her newfound passion, photography. The photography project Includem ran in partnership with local photographer Carlo Paloni, was just one of the ways Includem helped Rachel build her self-confidence."

Includem achieved many things during the year, I have selected a few:

- The Love Inc Project: A partnership project with Aberlour, the Care Inspectorate and CELCIS, looking at love in the care system.
- Parent Groups: We piloted several parent groups to deliver holistic family support and build community resilience.
- River City Tour studio tour: We took a group of young people to see what happens on a tv set and how a major soap show is created.
- We spoke to young people and families, producing reports on digital exclusion and the impact of Covid-19 on poverty. One of our Project Workers co-authored a research piece with CYCJ on Substance Misuse.
- We took part in "Off-road course kick starts" new opportunities for young people in Fife. To further enhance this the group provided a motorcycle exhibition to the Children in Scotland Conference held at Murrayfield Stadium.
- Multiple projects in the arts, especially music and photography, including a partnership project with Musicplus+.
- A visit from the First Minister where she heard "I Do Not Speak", a poem by Wiktorja, one of many talented young people we work with. The First Minister spent the morning talking with a group of young people we work with as part of the 1,000 Voices campaign.
- Independent Care Review: Includem heavily supported the work of the Care Review, taking part in meetings, providing input and attending events. I also had the honour of assisting as a Co-Chair of the Journey Group.

There were many other projects that I could have referenced but I think that these examples show the range of delivered services from Includem and the variety of the work we do, providing intensive support to children and young people, delivering holistic family support to families and, at the same time, supporting Scotland to hear and listen to the voices of children and young people.

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CHAIR & CHIEF EXECUTIVE'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

On an organisational level, I am proud to announce that in 2019 we became an accredited Living Wage employer and signed up to the Scottish Business Pledge. We introduced a new employee survey this year to better understand the needs of colleagues across our organisation and this has been embedded into our future wellbeing strategy. A group of Includer colleagues took part in the Great Scottish Run this year to raise money for our Young Person's Fund. A real highlight this year was our annual Includer Fun Day in Stirling which was our busiest and best yet! The pictures and the feedback from this annual Fun Day for young people and families confirm it is always a fantastic event, and this year was no exception, with guests from Police Scotland and local authorities - and of course I got soaked by our young people who seem to never miss when I am the target!

As I said at the start, during 2019 we revisited our five-year strategy. As we turned 20 years of age, it became apparent we needed to review and reset our strategy. This process kicked off in 2019 when we celebrated our most valuable resource at the Includer Staff Conference. The entire Board attended this year's conference and we broke out into workshops to challenge ourselves as to who we are, what we do and what should be the direction of travel for the organisation. We received fantastic feedback from our colleagues, some of it difficult to hear, but we are an honest and truthful organisation and we speak from the heart. From this conference we created the basis for our 2020-2025 strategy which we took to the Board for agreement in March 2020. The conference was an amazing experience and lays strong foundations for the next five years, not just for our strategy but for how we work and plan as an organisation. Additionally, we developed a strong platform to enhance the Includer brand which we aim to roll out over the next 12 months alongside our strategy.

I would like to reflect on the research and participation work we have been doing to support our practice going forward. We have been developing a base to improve our learning and practice. We have taken time to reflect on the voices of young people, our practice and the environment we operate in. Going forward, we will develop our toolkit, A Better Life, with the most modern and up-to-date practices. We will continue to commission research into what young people and families most need and want, and then embed this into our service delivery. The coming year will be a time when our voice and the voice of children, young people and families becomes louder and more potent.

We delivered a solid financial performance, better than expected with a delivered deficit of £176,000 versus an expected deficit of £259,000, the majority of this being driven by the year end dip in the market as Covid-19 hit. Our overall performance came in at £83,000 better than budgeted. During a year of investment and renewal for the future, this is a solid performance and leaves us well placed to deliver on our strategic objectives. We are an agile organisation, well placed and well-funded to meet the future, whatever that may look like. At the end of the financial year we were informed that we had been successful in our bid to the Scottish Government CashBack for Communities fund. Our ADAPT for CashBack project starting March 2020, is yet another example of our agile approach to contracts and funding. This is a three-year fund that will enable us to develop complementary and supplementary practices. Firm foundations and a new strategy provide us a robust platform to face the future. It will be challenging in terms of funding and contracts but in both regards we are now in an excellent position with a good track record, real focus on outcomes and the ability in the most difficult of circumstances to deliver strong, early, effective intervention and support to children, young people and families.

It would be remiss of me to not comment on the uncertain future that the Covid-19 pandemic creates. We are seeing issues arise that we were not expecting, and the future for many organisations looks extremely challenging. We have managed both our organisation and our services pragmatically through this, and we have not drifted from our strategic plan. If anything, I would suggest our skills, expertise and heart are more necessary now than ever, not just as a service provider to children and young people, but also as a provider of holistic family support in local communities. We are a frontline service and continue to deliver face-to-face, as well as blended online services, in communities to families and young people. The next period will perhaps be the most difficult we have ever faced, but it will be even more difficult for children, young people and families we support. Many of the people we work with were struggling before this pandemic and are now in an even worse situation. I believe, sadly, that we are now more needed than ever, but I remain confident that we are in a strong position to play a major part in the societal renewal that needs to follow.

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CHAIR & CHIEF EXECUTIVE'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

We will walk our talk, support young people and families, build community and deliver the 'Promise'.

In conclusion, I would like to take this opportunity to say a huge thank you to all the Includem team for their ongoing work. We operate in challenging and nuanced times where our skills and commitment have never been more needed, not just for those we support, but for each other. On a personal note, I would like to thank the Board for their ongoing challenge and support. I especially want to express my gratitude to John Fanning who stepped up as Interim Chair through a difficult time; his counsel and support have been welcome and important for me as we have navigated difficult waters. I would like to take this opportunity to welcome our new Chair, Iain Forbes and new Trustees Kevin O'Hare and David Brown, who join us in the strangest of times. I welcome them to our fantastic organisation as we look forward to delivering the next five years of our strategy.

We turn 21 next year and we will have a party to end all parties for young people, families, supporters and colleagues. I look forward to seeing you all there.

Martin Dorchester

Chief Executive



Date: 14 December 2020

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2020

The Directors present their Annual report together with the audited financial statements of the Charity for the year 1 April 2019 to 31 March 2020. The Annual report serves the purposes of both a Trustees' report and a Directors' report under company law. The Directors confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and Aims

The principal objectives of the Charity in the year under review were: -

- Raising attainment among children and young people
- Providing intensive one to one support to Scotland's most vulnerable young people
- Providing support to young people within the justice environment
- Providing 24/7 support through provision of our responsive helpline
- Influencing and shaping government policy to meet the needs of young people

Significant activities

The Charity's main activity is supporting vulnerable, distressed and challenging children and young people through intensive, integrated, one to one support. We primarily work with young people aged between 5 and 25 who are subject to formal measures of care and who are also looked after at home. We also work with younger children in schools raising attainment and within the justice environment. We have an established infrastructure in Glasgow, Fife, Stirling, Dundee and Aberdeen and a delivery footprint covering the East & West of Scotland, primarily working in areas of multiple deprivation, providing support 24/7, through the Includem helpline.

Our work challenges young people to achieve positive sustained change in their behaviour and relationships so they can move towards leading fulfilling lives.

We believe young people are never beyond reach and that they require the support of a responsible service at their time of most need. By achieving better outcomes for young people, we improve family relationships, community safety, provide for better futures, reduce public spending and divert them from the justice system. As a result, we build strong community, and the whole of society benefits.

Achievements and Performance

Charitable activities

The Charity has been resolute in its commitment to engage, support and encourage the most vulnerable and disadvantaged children, young people and families within communities in Scotland. This clear and defined purpose aligned with the steadfast assistance received from Local Authorities, grant funders, partners and stakeholders has ensured that the impact of our operations have been both wide reaching and empowering to the people whom it has supported into meaningful and life changing circumstances.

Includem has been supporting young people and their families for 19 years and has helped over 600 young people this year. Though significant, this achievement represented only part of a wide range of services provided by the Charity with designated reserves supporting additional projects identified through need and gaps in service provision.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

The Board maintained the company's focus during 2019/20 on supporting individuals and key target groups with multiple challenges and continued providing services that support those needs. By focusing activity on key target groups, including those with multiple and complex needs, the company also continued to address its long-held commitment to support and engage with the most disadvantaged communities in Scotland by providing guidance, encouragement and a route to social inclusion. This, in a number of circumstances, is extremely challenging and is only possible due to the range of support measures coordinated by Includem and with the support of a network of partners.

Over the last 19 years Includem has supported Fair Work Practices, through measures such as the adoption and accreditation of the Living Wage, supporting the Scottish Business Pledge and the introduction of people friendly (flexible) working policies, are part of the company's culture.

Includem continue to support community events to raise awareness of services available to the community by:

- Engaging local schools to promote services and widen participation by providing accessible opportunities
- Hosting consultation events with local people to actively encourage co-production and help shape future service provision for the community.
- Promoting gender equality, the Living Wage and Fair Work Practices within the workplace

The Care Inspectorate

Includem has consistently been awarded the Care Inspectorate's top rating for its work. We were inspected in February 2019 by the Care Inspectorate and received sector leading grade 6 scores. During this inspection, we were assessed on the quality themes of Care and Support and Management and Leadership. Based upon a review of evidence, including speaking with young people, carers and social workers, services managers and members of the staff team, the Inspectorate concluded that the services were operating at an excellent standard across both themes.

The Inspectorate looked closely at the child protection systems implemented by the service and said they 'were thoroughly impressed by the procedures and practices in place.' The report stated 'We believe that Includem is managing high risk situations within the community and, where necessary, escalates issues of child protection to social work and the police. We found that Includem effectively resolved conflict within families and supported them to communicate with each other more effectively.'

The Inspectorate was particularly impressed by the impact of Includem's work with young people on the fringes of criminality. 'We heard about the huge impact Includem's joint work with Police Scotland had, when the police identified and referred young people to Includem within Glasgow, offending rates reduced by half'. 'We consistently heard from young people and their families that Includem had made a significant difference in their lives.'

The full report is available online.

Financial review

Going concern

After making appropriate enquiries, considering the anticipated impact of Covid-19 on the operations and financial resources of the Charity and preparing cash flow forecasts for a period of 15 months from the date of approval of the financial statements, the Board has a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Investment policy and performance

Under the memorandum and Articles of Association the company has the powers to invest funds not immediately required for the purposes of the company's activities in such investments and securities in any way the Directors deem fit. The investment policy of the Charity is to maximise the investment returns whilst managing risk.

The risk level adopted as part of the Investment Policy continues to be low/medium.

The Board has appointed Brewin Dolphin as Investment advisors to assist with the investment of Charity funds.

Risk Management

The Board has identified the major strategic risks that Includem is exposed to and have established controls and action to minimise potential adverse outcomes. Risk is a significant part of daily operations for Includem and is thus accorded considerable management time.

As far as possible, the Board has ensured that all operational risks to staff, assets and third parties have been examined and appropriate plans put in place to manage this risk.

The Board also actively reviews the major financial risks which Includem faces on a regular basis and believes that maintaining free reserves at the levels stated, combined with ongoing review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions.

The Board undertakes a review of the risk register at every quarterly Board Meeting, which prioritises the main risks facing Includem. It agrees actions to mitigate and manage these risks. The Chief Executive is accountable for implementing these actions.

The Board considers the following to be the main risks faced by the organisation:

- Loss or reductions in contract and funding levels, less flexibility in funding structures and short-term agreements
- Changing policy priorities at national and local government levels
- Failure in child protection practices could lead to child harm

This Annual Report was prepared at a time of unprecedented uncertainty due to the global Covid-19 pandemic. Whilst this did not have a significant affect on the financial performance for the year ended 31 March 2020, it is clearly important to explain to users of the Annual Report how we have responded as a business. The health and safety of our People and the young people and families that we work with are of paramount importance in everything that we do.

We have complied with government guidelines, ensuring that the wide variety of tasks that are undertaken on a daily basis have been modified as required to accord with the guidance. The business is providing support to all its employees to ensure that they can continue to work on site or remotely for those whose roles allow them to work from home.

We have also been working closely with those young people and families and our other stakeholders to ensure that where possible service levels and operational practices continue on a 'business as usual' basis when safe to do so.

These risks are mitigated by the Board, through the Chief Executive, appointing appropriate professionals to support the business across the full range of activities to ensure key decisions are supported by expert advice.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Reserves Policy

The Board approved the Reserves Policy at the Board Meeting in May 2019. The Board will review reserves levels annually to ensure they are appropriate to the Charity's needs, taking into account the risks and challenges facing the organisation. In December 2019 the Board considered the appropriate level of free reserves needed continued to be approximately £1m. It was agreed that a full policy review be carried out annually.

Any funds in excess of these reserves will be available for projects that support and further the organisation's purpose and strategy. Funds are transferred to a designated reserve, with oversight by the Finance Committee. To release funds requires a fully costed proposal, reviewed by the Finance Committee and approved by the Board. The Finance Committee monitor the expenditure to ensure objectives are met.

The balance of Restricted Funds held at 31 March 2020 amounted to £24,903 (2019 - £23,006).

The unrestricted reserves of the charitable company at 31 March 2020 are £1,962,699 (2019 - £2,140,881). After adjusting for tangible fixed assets, investments and designated reserves agreed by the Board of £568,068 (2019: £568,068), the 'free reserves' of the charitable company are £287,082 (2019 - £312,452).

Structure, governance and management

Constitution

The company is a registered charity (registered in Scotland - No. SC030233) incorporated under the Companies Act 2006 as a company limited by guarantee (No. SC207985).

The company was established under a memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £1. Revisions were made to the Memorandum and Articles of Association in December 2017 to bring them into line with the Companies Act 2005 and the Charities and Trustee Investment (Scotland) Act 2005 and were approved by OSCR.

Board of Trustees

Board members serve until the next Annual General Meeting, at which the Members of the company will decide on their reappointment. The retiring Board Members who are eligible for re-election at the December 2020 AGM are:

- J Bruce Marks
- Abigail Kinsella

Board members who served during the year 2019/20 were:

- Iain Forbes (Chair), served as Managing Director of The Herald and Evening Times before joining the third sector as CEO of the Scottish Mentoring Network. Iain previously chaired the Glasgow Education Business Partnership, Glasgow Childcare Partnership and Variety Scotland children's charity. In addition, he has been a director of the Association of Chief Officers of Scottish Voluntary Organisations and member of the Equalities Advisory Group for Scottish Enterprise.
- John Fanning (Vice Chair) is a Chartered Accountant with extensive finance leadership experience in the private, public and third sectors. His most recent roles have been interim finance director roles in the charity sector. Prior to that, he was the Director of Finance at Registers of Scotland (Scotland's land registration service) and Director of Corporate Services at the Scottish Police Services Authority.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

- Bruce Marks (Treasurer), Chartered Accountant and a Director at KPMG LLP. Bruce brings significant experience in Operational Financial Management and Corporate Governance and has provided accounting and financial advice to a range of charities over the course of the last 15 years.
- Abigail Kinsella is a careers guidance professional who has extensive experience working in local government, in higher education institutions and Skills Development Scotland at a national level, supporting the development of education, employment and skills policy, strategy and implementation. Abigail has a keen interest in helping young people and adults develop their employability skills and achieve their career ambitions.
- Sally Kuenssberg CBE, in a career relating to children and young people, Sally worked in the Scottish juvenile justice system for 20 years, training members of the Children's Panel then serving as first chair of the Scottish Children's Reporter Administration. She also chaired the Yorkhill NHS Trust and served on the Greater Glasgow and Clyde Health Board. Among many voluntary activities, she has been a Trustee of Save the Children and a governor of several schools.
- Morag Gunion originally qualified as a teacher and taught in various schools in Glasgow and the west of Scotland before moving into senior posts in education, first as an inspector in HMIE and then as a head of service in Glasgow City Council. Morag retired from full time work three years ago, but still works with education authorities on a consultancy basis.
- Stephen McNeill retired from Police Scotland in 2014 with the rank of Inspector having completed 30 years' service. He has a varied career history with postings to Divisional CID, Force Drug Squad, Scottish Crime and Drug Enforcement Agency (SCDEA) and Hostage and Crisis Negotiation Unit for Scotland (HCNUS).
- Stuart Kennedy is an IT professional with over 10 years' experience, currently specialising in Cloud Computing for all major ERP suites. His career experience combines both technical knowledge and service management, over a broad spectrum of customer industries including manufacturing, retail, financial services, healthcare and public sector.
- David Brown originally qualified as a chartered surveyor and brings wide experience of the commercial property sector over many years in senior roles with national firms. For the last 12 years, Dave has run his own business, specialising in providing consultancy support in the areas of community investment/social value and community consultation.
- Kevin O'Hare has held a series of senior strategic communications roles in the Police, Scottish Government and public sector. Previously, Kevin worked in Scottish newspapers and was Chief Sub-editor at The Herald in Glasgow. He has an MSc in Public Relations from Stirling University and is a member of the Chartered Institute of Public Relations.
- David Wallace has extensive experience in strategic and operational marketing across the private, public and third sectors, both in-house with Sony, Royal Bank of Scotland and Shepherd & Wedderburn and as a consultant. He has run his own marketing consultancy since 2006.
- Caroline Innes, Deputy Chief Executive for East Renfrewshire Council brings to the board an understanding of the issues and difficulties that face local authorities
- Jim Gibson (Chair) brings Directorial experience in the private and public sector including Rolls Royce, NHS, Sellafield and Scotrail. Expertise in Human Resources.

The Board members who retired during the year were, Jim Gibson, 10th October and Joseph Hughes, 12th December. We thank both on their professional service to the Charity and contribution to the Board.

David Brown and Kevin O'Hare were appointed to the board on 16th September 2019.

The Board provide their services on a voluntary basis and for this the company is indebted to them.

Method of appointment or election of Directors

The Board regularly reviews the skills currently represented by existing members and uses any identified gaps to frame the search for new members.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Policies adopted for the induction and training of Directors

New members of the Board receive information about the organisation and the role of Trustees from the Chair and Chief Executive prior to taking up position.

The Board meetings also allow the communication of changes in regulation and ensure that the Board members keep up-to-date. Board members review their performance and training needs as part of the annual strategy review.

Organisation structure and decision making

The Board has four committees which meet quarterly, Human Resources, Finance & IT (which incorporates audits and fundraising), Services Development and Marketing and Communications.

The Board meets quarterly during which time they receive information and reports from the four committees, the Chief Executive and senior management team.

Leadership

Key Management

The Board takes responsibility for the strategic governance of Includem and delegates implementation and operational management to the Chief Executive and a team of three senior executives.

Appointment of the Chief Executive and Senior Executives are approved by the Board with the Chair or appointed Trustees involved in the recruitment process. The Board sets the salaries of the senior executives and delegates responsibility to the Chief Executive and the senior management team to set all other salaries.

The performance of the Chief Executive in relation to the agreed strategic objectives is monitored by the Chair and regular appraisals are undertaken. The Chief Executive carries out regular appraisals with the Senior Executives. The senior management team cover all the areas necessary to run the Charity and are detailed below:

Martin Dorchester, Chief Executive - in a career spanning 30 years, Martin has operated nationally and internationally with organisations covering logistics, technology and finance. Martin was part of the team that brought the 5 radio authorities together to create Ofcom and worked with the London Borough of Hackney in developing its infrastructure for the 2012 Olympics. Martin is a Non-executive Director of CCPS and was Co-Chair of the Independent Care Review. He has held a number of non-executive roles including: Non-executive Director of Traveline Scotland, The Sailor's Orphan Society of Scotland and most recently Transport for Wales. He is a supporter of Social and Community Business and Chaired Firstport Ltd, a start-up funding organisation for social enterprises.

Lynsey Smith, Interim Service Delivery Director - has seen every aspect of how Includem works from its inception when she joined as a project worker and has grown with Includem to be responsible for all its service operations. Lynsey also contributes to public policy affecting young people in social care across Scotland.

Andrew Collier, Head of Strategic Development and Innovation - MBA from Strathclyde University, spent 15 years with Calmac, culminating in his role as Operations Director, leads on our strategy to grow services through increased income generation to support future development and sustainability in Includem.

Michael Brown, Head of Finance - is a chartered management accountant with over 29 years' experience, with specialist skills and expertise in strategic and business operational planning, financial and management reporting, budgeting and forecasting.

INCLUDEM
(A company limited by guarantee)

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Workforce

Includem's staff are an essential component of our work in improving the lives of young people and their families. Includem recognises that nurturing high performance through effective development of a diverse workforce is essential if we are to remain successful. To this end, Includem has adopted a set of Policies and Procedures which ensure all decisions about the employment and development of our employees, or potential employees, are free from discrimination of any kind. Includem is committed to fair work practices and is a Living Wage Accredited employer.

In order to promote and ensure effective engagement with staff, an Employee Forum has been established with elected representation from various parts of the organisation.

Plans for future periods

Internal and external factors

The main challenges facing the company are the ongoing impact of cuts in government funding, the continuing uncertainty surrounding its operating environment and the challenges facing all organisations and individuals with the Coronavirus pandemic. The current economic landscape is impacting the majority of commercial business, which both directly and indirectly places pressure on the charity sector and in particular Includem's operating partners. Over the period 2020/21 the Charity will continue to undertake a range of activities to develop and enhance the capacity and sustainability of the organisation and will advance its mission to be a leading provider of quality support in its sector.

Directors' responsibilities statement

The Directors (who are also Trustees of Includem for the purposes of charity law) are responsible for preparing the Director's 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

INCLUDEM
(A company limited by guarantee)

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

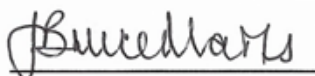
Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

This report was approved by the Board, on 14 December 2020 and signed on its behalf by:



.....
J Bruce Marks
Treasurer

INCLUDEM
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INCLUDEM

Opinion

We have audited the financial statements of IncludeM (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. 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 charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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.

Conclusions relating to going concern

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

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

INCLUDEM
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INCLUDEM (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, except to the extent otherwise explicitly stated in our report, 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

INCLUDEM
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INCLUDEM (CONTINUED)

Responsibilities of Trustees

As explained more fully in the Directors' responsibilities statement, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they 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 charitable company'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 charitable company 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 Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 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.

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 Auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Trustees, 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 charitable company's members and Directors those matters we are required to state to them in an Auditor's 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 charitable company, its members, as a body, and its Trustees, as a body for our audit work, for this report, or for the opinions we have formed.



Antony J Sinclair (Senior statutory auditor)

for and on behalf of

French Duncan LLP

Statutory Auditors & Chartered Accountants

133 Finnieston Street

Glasgow, G3 8HB

Date: 8 January 2021

French Duncan LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

INCLUDEM
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INCLUDEM (CONTINUED)

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	4	-	5,835	5,835	4,649
Charitable activities	5	3,889,190	624,943	4,514,133	4,637,522
Investments	6	38,721	-	38,721	35,839
Other income	7	560	-	560	-
Total income		3,928,471	630,778	4,559,249	4,678,010
Expenditure on:					
Raising funds	8	148,547	28,564	177,111	110,653
Charitable activities	9	3,560,841	886,634	4,447,475	4,837,843
Total expenditure		3,709,388	915,198	4,624,586	4,948,496
Net (losses)/gains on investments		(110,948)	-	(110,948)	34,995
Net income/(expenditure)		108,135	(284,420)	(176,285)	(235,491)
Transfers between funds	21	(286,317)	286,317	-	-
Net movement in funds		(178,182)	1,897	(176,285)	(235,491)
Reconciliation of funds:					
Total funds brought forward		2,140,881	23,006	2,163,887	2,399,378
Net movement in funds		(178,182)	1,897	(176,285)	(235,491)
Total funds carried forward		1,962,699	24,903	1,987,602	2,163,887

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

The notes on pages 22 to 46 form part of these financial statements.

INCLUDEM
(A company limited by guarantee)
REGISTERED NUMBER: SC207985

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	56,759	103,149
Investments	15	1,050,790	1,157,212
		<u>1,107,549</u>	<u>1,260,361</u>
Current assets			
Debtors	16	482,109	282,407
Cash at bank and in hand		751,770	1,025,544
		<u>1,233,879</u>	<u>1,307,951</u>
Creditors: amounts falling due within one year	17	(288,826)	(339,425)
Net current assets		<u>945,053</u>	<u>968,526</u>
Total assets less current liabilities		<u>2,052,602</u>	<u>2,228,887</u>
Provisions for liabilities	19	(65,000)	(65,000)
Total net assets		<u><u>1,987,602</u></u>	<u><u>2,163,887</u></u>
Charity funds			
Restricted funds	21	24,903	23,006
Unrestricted funds			
Designated funds	21	568,068	568,068
General funds	21	1,394,631	1,572,813
		<u>1,962,699</u>	<u>2,140,881</u>
Total funds		<u><u>1,987,602</u></u>	<u><u>2,163,887</u></u>

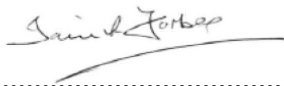
INCLUDEM
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REGISTERED NUMBER: SC207985

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2020

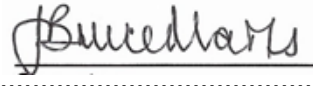
The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:



.....
Iain Forbes



.....
J Bruce Marks

Date: 14 December 2020

The notes on pages 22 to 46 form part of these financial statements.

INCLUDEM
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	24	(300,637)	94,583
Cash flows from investing activities			
Dividends, interests and rents from investments		38,721	35,839
Purchase of tangible fixed assets		(7,333)	(50,157)
Proceeds from sale of investments		415,006	411,966
Purchase of investments		(419,531)	(414,387)
Net cash provided by/(used in) investing activities		26,863	(16,739)
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		(273,774)	77,844
Cash and cash equivalents at the beginning of the year		1,025,544	947,700
Cash and cash equivalents at the end of the year	25	751,770	1,025,544

The notes on pages 22 to 46 form part of these financial statements

INCLUDEM
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. General information

The Charity is a company limited by guarantee, incorporated in the UK and registered in Scotland (Company number: SC207985). Its registered office is: Unit 6000, Academy Park, Gower Street, Glasgow, G51 1PR. The members of the company are the Directors named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Includem meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The Trustees have prepared cash flow forecasts for a period of 15 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides and the anticipated impact of COVID-19 on the operations and its financial resources, the Charity will have sufficient funds to meet its liabilities as they fall due for that period.

The Charity is dependent on income from contracts it has with Local Authorities and grant givers to ensure its objectives continue to be achieved for the longer term. The accounts have been prepared on the basis that the Charity has the continued support of its funders and sufficient funds in the current and future years. The Charity has no reason to believe that funding will not continue and that new opportunities will not continue to present themselves.

Consequently, the Trustees are confident that the Charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

INCLUDEM
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Service Development expenditure includes expenditure on service development supported by either grants or reserves.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

INCLUDEM
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.4 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT. Irrecoverable VAT is charged as a cost against the activity for which the expenditure is incurred.

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Support costs have been analysed across the Charity's main activities. Governance costs have not been allocated to the cost of raising funds as this is neither significant nor practical to allocate appropriately. The allocation of support costs is analysed in note 10.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Short-term leasehold property	- Straight line over the period of the lease
Fixtures and fittings	- Straight line over 5 years
Computer equipment	- Straight line over 3 years

INCLUDEM
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the statement of financial activities.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their opening carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities.

2.9 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.

2.10 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 three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities

Liabilities and provisions 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.

2.12 Provisions

Provisions are recognised when the Charity has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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.

2.13 Financial instruments

The Charity 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.

INCLUDEM
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.14 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.15 Pensions

Employees of the Charity are entitled to join a defined contribution 'money purchase' scheme. The Charity contribution is restricted to the contributions disclosed in note 27. The management costs of the defined contribution scheme are included within support and governance costs and charged to the unrestricted funds of the Charity.

The money purchase plan, managed by Legal and General, invests the contributions made by the employee and employer in investment funds designated by the employee to build up over the term of the plan. The pension fund is converted into a pension upon the employee's normal retirement age, defined as when they are eligible for a state pension. The Charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

2.16 Fund accounting

General funds, created from services commissioned by Local Authorities for young people in their responsibility, or other services provided directly to or by third parties, are available for use at the discretion of the Board in developing the quality and scale of its services to young people, and not designated for other specific purposes. They provide the financial security, taking account of the risks and challenges facing the service and ensure continuous service development and efficiency.

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes, to further the charitable aims and to develop the services to support those charitable aims. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are grants, donations or legacies received from donors for work not provided under services commissioned by local authorities, unless contractually specified, and applied to meet the donor's objectives. These generally represent a timing difference between the receipt of funds and the provision of the actual service to young people, or staff development as appropriate.

Investment income, gains and losses are allocated to the appropriate fund.

INCLUDEM
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

3. Critical accounting estimates and areas of judgement

Estimates and judgements 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, by definition, seldom equal the related actual results. These are detailed below.

Provisions

Provisions are recognised where the company has an obligation, as a result of a past event, that can be measured reliably. The recording of provisions is an area which requires the exercise of management judgement relating to the nature, timing and probability of the liability.

INCLUDEM
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

4. Income from donations and legacies

	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Donations	5,835	5,835	4,649
<i>Total 2019</i>	<i>4,649</i>	<i>4,649</i>	

5. Income from charitable activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Intensive Support - Service Contracts	3,889,190	412,459	4,301,649	4,269,460
Intensive Support - Grant Funding	-	212,484	212,484	368,062
Total 2020	3,889,190	624,943	4,514,133	4,637,522
<i>Total 2019</i>	<i>3,821,579</i>	<i>815,943</i>	<i>4,637,522</i>	

Analysis of grants received

	2020 £	<i>2019 £</i>
Grants received		
Scottish Government	60,400	60,000
Big Lottery Fund	-	98,479
Scottish Local Authorities	412,459	420,678
Robertson Trust	58,750	176,250
Esmee Fairburn	43,334	33,333
Corra Foundation	50,000	-
	624,943	788,740

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(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Investments	35,091	35,091	31,756
Bank interest received	3,630	3,630	4,083
Total 2020	<u>38,721</u>	<u>38,721</u>	<u>35,839</u>
<i>Total 2019</i>	<u>35,839</u>	<u>35,839</u>	

7. Other income

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Student Assessments	560	560	-
<i>Total 2019</i>	<u>-</u>	<u>-</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Allocated management/staff costs	148,547	28,564	177,111	110,653
<i>Total 2019</i>	<u>92,643</u>	<u>18,010</u>	<u>110,653</u>	

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Intensive Support - Service Contracts	3,560,841	-	3,560,841	3,444,211
Intensive Support - Grant Funding	-	85,910	85,910	156,825
Intensive Support - Reserves Funding	-	796,787	796,787	1,234,018
Direct Support - Donations Funding	-	3,937	3,937	2,789
	<u>3,560,841</u>	<u>886,634</u>	<u>4,447,475</u>	<u>4,837,843</u>
<i>Total 2019</i>	<u>3,601,036</u>	<u>1,236,807</u>	<u>4,837,843</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

10. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Intensive Support - Service Contracts	2,654,617	906,224	3,560,841	3,444,211
Intensive Support - Grant Funding	-	85,910	85,910	156,825
Intensive Support - Reserves Funding	708,432	88,355	796,787	1,234,018
Direct Support - Donations Funding	3,937	-	3,937	2,789
	<u>3,366,986</u>	<u>1,080,489</u>	<u>4,447,475</u>	<u>4,837,843</u>
<i>Total 2019</i>	<u><u>4,165,568</u></u>	<u><u>672,275</u></u>	<u><u>4,837,843</u></u>	

Analysis of direct costs

	Intensive Support - Service Contracts 2020 £	Intensive Support - Grant Funding 2020 £	Intensive Support - Reserve Funding 2020 £	Direct Support - Donations Funding 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	2,034,686	-	575,387	-	2,610,073	3,306,724
Depreciation	45,022	-	8,700	-	53,722	62,720
Young person expenditure	250,592	-	63,612	3,937	318,141	436,676
Property & office costs	188,471	-	34,610	-	223,081	208,466
Communication & IT costs	132,572	-	25,493	-	158,065	146,606
Regulatory costs	3,274	-	630	-	3,904	4,376
	<u>2,654,617</u>	<u>-</u>	<u>708,432</u>	<u>3,937</u>	<u>3,366,986</u>	<u>4,165,568</u>
<i>Total 2019</i>	<u><u>3,034,826</u></u>	<u><u>-</u></u>	<u><u>1,127,953</u></u>	<u><u>2,789</u></u>	<u><u>4,165,568</u></u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Intensive Support - Service Contracts 2020 £	Intensive Support - Grant Funding 2020 £	Intensive Support - Reserves Funding 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	714,632	49,067	88,355	852,054	532,335
Service development	66,023	12,696	-	78,719	53,239
Governance costs	125,569	24,147	-	149,716	86,701
	<u>906,224</u>	<u>85,910</u>	<u>88,355</u>	<u>1,080,489</u>	<u>672,275</u>
<i>Total 2019</i>	<u><i>565,027</i></u>	<u><i>34,898</i></u>	<u><i>72,350</i></u>	<u><i>672,275</i></u>	

11. Auditor's remuneration

	2020 £	<i>2019 £</i>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>9,582</u>	<u><i>9,904</i></u>

12. Staff costs

	2020 £	<i>2019 £</i>
Wages and salaries	3,229,630	3,461,043
Social security costs	277,898	295,552
Contribution to defined contribution pension schemes	139,807	130,494
	<u>3,647,335</u>	<u><i>3,887,089</i></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

12. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

	2020	<i>2019</i>
	No.	<i>No.</i>
Permanent Staff	112	<i>125</i>
Sessional Staff	15	<i>19</i>
	<hr/> 127 <hr/>	<hr/> <i>144</i> <hr/>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020	<i>2019</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	1	<i>2</i>
In the band £90,001 - £100,000	1	<i>1</i>

The key management personnel of the Charity are the Board and the senior management team. The six key managers were paid aggregate remuneration totalling £449,892 (2019: £368,626, seven managers).

13. Directors' remuneration and expenses

During the year, no Directors received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 March 2020, no Director expenses have been incurred (2019 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

14. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2019	153,018	96,493	346,444	595,955
Additions	3,400	-	3,932	7,332
Disposals	-	-	(34,056)	(34,056)
At 31 March 2020	156,418	96,493	316,320	569,231
Depreciation				
At 1 April 2019	138,755	86,767	267,284	492,806
Charge for the year	7,709	3,624	42,389	53,722
On disposals	-	-	(34,056)	(34,056)
At 31 March 2020	146,464	90,391	275,617	512,472
Net book value				
At 31 March 2020	9,954	6,102	40,703	56,759
At 31 March 2019	14,263	9,726	79,160	103,149

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

15. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2019	1,157,212
Additions	419,531
Disposals	(397,274)
Revaluations	(128,679)
At 31 March 2020	1,050,790

Historical cost of listed investments

	2020 £	2019 £
Historical cost	1,165,454	1,147,688

16. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	409,421	222,141
Other debtors	5,964	7,040
Prepayments and accrued income	66,724	53,226
	482,109	282,407

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

17. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	56,924	47,330
Other taxation and social security	66,439	77,854
Other creditors	85,373	91,879
Accruals and deferred income	80,090	122,362
	288,826	339,425

18. Financial instruments

	2020	2019
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	1,050,790	1,157,212

Financial assets measured at fair value through income and expenditure comprise fixed asset investments.

19. Provisions

	Dilapidations Provision £
At 1 April 2019 & At 31 March 2020	65,000

The charitable company makes provision for dilapidations, being the cost of bringing properties back to the state they receive them.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

20. Accruals and deferred income

	2020 £	2019 £
Deferred income at 1 April 2019	75,417	-
Resources deferred during the year	34,934	75,417
Amounts released from previous periods	(75,417)	-
Deferred income at 31 March 2020	34,934	75,417

Deferred income relates to funding received during the year which relates to future periods.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

21. Statement of funds

Statement of funds - current year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Unrestricted funds						
Designated funds						
Fundraising capacity builder	63,068	-	-	(63,068)	-	-
School start-up costs	50,000	-	-	(50,000)	-	-
Digital strategy	150,000	-	-	280,068	-	430,068
Research & development	150,000	-	-	(150,000)	-	-
Voluntary services support	155,000	-	-	(17,000)	-	138,000
	<u>568,068</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>568,068</u>
General funds						
General Funds - all funds	<u>1,572,813</u>	<u>3,928,471</u>	<u>(3,709,388)</u>	<u>(286,317)</u>	<u>(110,948)</u>	<u>1,394,631</u>
Total Unrestricted funds	<u>2,140,881</u>	<u>3,928,471</u>	<u>(3,709,388)</u>	<u>(286,317)</u>	<u>(110,948)</u>	<u>1,962,699</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

21. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Restricted funds						
Voluntary services	-	93,334	(271,359)	178,025	-	-
Attainment	-	471,209	(579,501)	108,292	-	-
Service development	-	400	(400)	-	-	-
Young people support	23,006	5,835	(3,938)	-	-	24,903
Core service	-	60,000	(60,000)	-	-	-
	<u>23,006</u>	<u>630,778</u>	<u>(915,198)</u>	<u>286,317</u>	<u>-</u>	<u>24,903</u>
Total of funds	<u><u>2,163,887</u></u>	<u><u>4,559,249</u></u>	<u><u>(4,624,586)</u></u>	<u><u>-</u></u>	<u><u>(110,948)</u></u>	<u><u>1,987,602</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

21. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2019 £</i>
Unrestricted funds						
Designated funds						
Fundraising capacity builder	63,068	-	-	-	-	63,068
Evaluations	20,625	-	(20,625)	-	-	-
Lens project	14,266	-	-	(14,266)	-	-
School start-up costs	44,326	-	(44,326)	50,000	-	50,000
Digital strategy	400,000	-	-	(250,000)	-	150,000
Research & development	-	-	-	150,000	-	150,000
Voluntary services support	91,874	-	(91,874)	155,000	-	155,000
Investment workers	12,242	-	-	(12,242)	-	-
	<u>646,401</u>	<u>-</u>	<u>(156,825)</u>	<u>78,492</u>	<u>-</u>	<u>568,068</u>
General funds						
General Funds - all funds	<u>1,496,722</u>	<u>3,857,418</u>	<u>(3,536,854)</u>	<u>(279,468)</u>	<u>34,995</u>	<u>1,572,813</u>
Total Unrestricted funds	<u>2,143,123</u>	<u>3,857,418</u>	<u>(3,693,679)</u>	<u>(200,976)</u>	<u>34,995</u>	<u>2,140,881</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

21. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 April 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2019 £</i>
Restricted funds						
Voluntary services	114,842	131,812	(343,568)	96,914	-	-
Attainment	123,041	432,750	(648,552)	92,761	-	-
Service development	181	-	-	(181)	-	-
Young people support	21,146	4,649	(2,789)	-	-	23,006
Core service	(2,955)	191,381	(199,908)	11,482	-	-
Service development	-	60,000	(60,000)	-	-	-
	<u>256,255</u>	<u>820,592</u>	<u>(1,254,817)</u>	<u>200,976</u>	<u>-</u>	<u>23,006</u>
Total of funds	<u><u>2,399,378</u></u>	<u><u>4,678,010</u></u>	<u><u>(4,948,496)</u></u>	<u><u>-</u></u>	<u><u>34,995</u></u>	<u><u>2,163,887</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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The aim and use of the designated fund is broken down as follows:

Fundraising capacity builder - In November 15 the Trustees supported a growth strategy and set aside the designated reserve, however we have achieved a level of growth from new contracts from the core development team without accessing this fund and the balance was redesignated to the Digital Strategy Fund.

Evaluations - This comprises an evaluation of our Technology Systems, with a view to creating a digital strategy and an evaluation of our transitions service supported by the Big Lottery Fund and was fully expended in 2019.

Lens project - Lens project activity ended in 2018.

School start-up costs - Following the innovative work in Dundee developing the link between the school and a young persons home life, we have started two new schools contracts, these incurred initial development costs. The Trustees redesignated this during the year to the Digital Strategy Fund.

Digital strategy - In March 2020 following a review, the board approved a digital strategy and increased the designated reserve to £430,068 to meet the expected cost of delivering on the approved strategy.

Research & development - £150,000 was designated to Research in 2019, this fund targets new research in areas of service development to support the growth of the organisation by providing evidence to support funding and tender submissions. The Trustees redesignated this during the year to the Digital Strategy Fund.

Voluntary services support - The Trustees have agreed to support the ongoing Transitions and Impact services, these are largely supported by Charitable Institutions, but any shortfall is funded by Includem. A transfer is made from the designated support reserve to the restricted operational reserve. The full agreed designated level of support was not required in the year and the Trustees redesignated the balance to the Digital Strategy Fund.

Business Development - To create capacity and enable growth into new areas, the Trustees agreed to a reserve to enable us to recruit beyond committed capacity. This fund was fully expended in the prior year.

The aim and use for each restricted fund is as follows:

Voluntary services - The group provides services which are voluntary to young people supported by charitable institutions, these services are transitions, which enable young people who have been on the core program and who no longer meet Local Authority criteria but who Includem feel are at risk of relapse or need additional support to achieve stability. Impact works alongside Police Scotland to identify Young People who are on a path of increasing offending, and persuade the young person to accept the support to help them resolve their issues.

Attainment - The Trustees supported an initiative with the Robertson Trust and Dundee City Council to create a Dundee wide service which would support young people out of school identified by Headmasters of needing support the help achieve their attainment within the school. This service has since been taken up by other councils.

Service Development - Service Development aims to support the service development processes and improve Includem's quality procedures and evidencing of outcomes and maintaining the high standards of training.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

Young people support - The young person fund is a small non service fund, raised from donations, and used to enable young people to have experiences they would otherwise not get, which many of us take for granted.

Core service - The core service is our main service to young people, however one contract is structured in the format of a grant funding rather than service commissioning.

22. Summary of funds

Summary of funds - current year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Designated funds	568,068	-	-	-	-	568,068
General funds	1,572,813	3,928,471	(3,709,388)	(286,317)	(110,948)	1,394,631
Restricted funds	23,006	630,778	(915,198)	286,317	-	24,903
	<u>2,163,887</u>	<u>4,559,249</u>	<u>(4,624,586)</u>	<u>-</u>	<u>(110,948)</u>	<u>1,987,602</u>

Summary of funds - prior year

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2019 £
Designated funds	646,401	-	(156,825)	78,492	-	568,068
General funds	1,496,722	3,857,418	(3,536,854)	(279,468)	34,995	1,572,813
Restricted funds	256,255	820,592	(1,254,817)	200,976	-	23,006
	<u>2,399,378</u>	<u>4,678,010</u>	<u>(4,948,496)</u>	<u>-</u>	<u>34,995</u>	<u>2,163,887</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

23. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	56,759	-	56,759
Fixed asset investments	1,050,790	-	1,050,790
Current assets	1,208,976	24,903	1,233,879
Creditors due within one year	(288,826)	-	(288,826)
Provisions for liabilities and charges	(65,000)	-	(65,000)
Total	1,962,699	24,903	1,987,602

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	103,149	-	<i>103,149</i>
Fixed asset investments	1,157,212	-	<i>1,157,212</i>
Current assets	1,284,945	23,006	<i>1,307,951</i>
Creditors due within one year	(339,425)	-	<i>(339,425)</i>
Provisions for liabilities and charges	(65,000)	-	<i>(65,000)</i>
Total	2,140,881	23,006	2,163,887

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

24. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(176,285)	(235,491)
Adjustments for:		
Depreciation charges	53,722	62,720
Loss/(gain) on investments	110,948	(34,995)
Dividends, interests and rents from investments	(38,721)	(35,839)
(Increase)/decrease in debtors	(199,702)	261,200
(Decrease)/increase in creditors	(50,599)	76,988
Net cash (used in)/provided by operating activities	(300,637)	94,583

25. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	581,770	855,544
Notice deposits (less than 3 months)	170,000	170,000
Total cash and cash equivalents	751,770	1,025,544

26. Analysis of changes in net debt

	At 1 April 2019 £	Cash flows £	At 31 March 2020 £
Cash at bank and in hand	1,025,544	(273,774)	751,770
	1,025,544	(273,774)	751,770

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

27. Pension commitments

The Charity contributes to a defined contribution scheme operated by Legal & General.

The Charity makes contributions of 4.5% of gross salary to the scheme for those who have elected to join with Employees contributing a minimum of 3.5%.

The Charity contributed £139,807 in the year (2019: £130,904).

28. Operating lease commitments

At 31 March 2020 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	84,481	85,075
Later than 1 year and not later than 5 years	93,594	145,448
	<u>178,075</u>	<u>230,523</u>

29. Related party transactions

The Board members all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2019: None). No expenses were paid to the Board in the year (2019: None). Board members are entitled to expenses, however waive this right, and it is not practical to value this, but it is not significant.

During the year, no Board member had any personal interest in any contract or transaction entered into by the Charity (2019: None).