

REGISTERED COMPANY NUMBER: SC199867 (Scotland)
REGISTERED CHARITY NUMBER: SC029386

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2021
for
Befrienders Highland Limited
(a company limited by guarantee)

Befrienders Highland Limited

Contents of the Financial Statements
for the Year Ended 31 March 2021

	Page
Convenor's Annual Report	1 to 3
Report of the Trustees	4 to 5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 to 14
Detailed Statement of Financial Activities	15

Introduction

It is a pleasure to report another successful year for BHL, even if it has been a strange one because of the impact of the Coronavirus pandemic. This has enforced home-working on our staff and imposed serious constraints on our patterns of befriending. As has been the norm for several years now, funding has been a challenge. At the start of the year our known income fell considerably short of planned expenditure. However, great efforts in fundraising managed to cover this deficit and we managed to end the year with a small surplus and to maintain adequate reserves.

This report will focus on six main areas:- the impact of Coronavirus, service development, management structures, the Board, finances and progress against BHL's Annual Plan.

Impact of Coronavirus

BHL's normal working practices have had to be altered dramatically to conform with the restrictions imposed by the Scottish Government to restrict the spread of illness. Staff who would normally be based in our Inverness office have had to work from their homes for the entire year. BHL has had to make some investment in communication equipment to make this work better, for example providing each staff member with their own work mobile phone. Six laptop computers were also replaced by newer versions. The Manager has worked tirelessly to support staff in this unusual working environment, holding team meetings and supervising staff through Zoom calls.

The Covid-related restrictions made it impossible for the usual face/face meetings between volunteers and their friends to take place as normal and these were generally replaced by telephone contact. During the slight easing of restrictions in the late summer and autumn some face/face meetings could take place outdoors and we took advantage of this. Some walking groups were established and these have proved very successful. Distance befriending in the mental health service continued largely as normal, although many friends had understandably-raised levels of anxiety and welcomed extra contact. As for people generally, the Covid restrictions greatly reduced the opportunities for social interactions and an already-isolated group had this isolation increased. Volunteers' contacts became even more needed.

Within the Memory Loss and Carers part of the service, friends and carers were severely affected by the loss of many home and day care services normally provided by NHS Highland and a number of bereavements took place. This placed great emotional demands on our staff and our volunteers and I would like to record my appreciation of all that they did in very difficult circumstances.

BHL took the decision, partly due to the impact of the pandemic, to close its part-time office in Nairn. We would have been unable to use it for most of this year and the cost of its rental was, in any case, about to rise sharply - which raised serious questions about its cost-effectiveness

Service Development

Face/face befriending continued in all its existing areas and, during the year, was extended to include the Dingwall area. The service extended to Easter Ross in 2019/20 reached its first anniversary and achieved all its targets. There is clearly strong demand for BHL's services in this area.

An additional part-time Volunteer Co-ordinator was recruited and was in post from September 2020 to meet the demands of the expansion in our services financed by the Community Fund.

The Board was very conscious of the demands being imposed by the necessary fundraising activities on the time and energy of BHL's staff. This was particularly the case for our Manager but had a great impact on Volunteer Co-ordinators too. We decided therefore, first to recruit a consultant on a temporary contract to review our fundraising strategy and, later as a result, to employ a part-time fundraiser for an initial 6 months from January 2021.

Feedback about the quality and the impact of BHL's befriending services continues to be extremely positive and it is a great pleasure to be associated with all it is doing. At our AGM we made 15 awards for long service to some very special volunteers and these included one for 20 years of befriending and another, a first, for 25 years of service. The debt our services owe to volunteers like these is huge.

Management Structures

As BHL's services and staffing have increased in size, staffing and complexity it became clear that the existing, very flat management structure was under pressure. The Board was also conscious that it offered little scope for progression or career development and was very dependent on a single, part-time Manager. We decided therefore to create two new Senior Co-ordinator positions, to share management and supervisory roles for our services as a whole, whilst the staff appointed would continue to manage a reduced number of volunteers and friendships. These posts were advertised and, subsequently, appointments were made to them in March 2021. I look forward to the extra strength these will give to BHL's management arrangements in the new financial year.

For linked reasons, we have created an additional part-time administrative post and an extra part-time Co-ordinator post in the Memory Loss and Carers service.

BHL's Board

BHL's Board has continued unchanged, with seven members throughout the year. Board meetings would normally take place in BHL's Inverness office but this has been impossible this year because of the restrictions on the number of people from different households who may meet together indoors. The meetings have therefore taken place remotely through Zoom calls, with some decisions being made between meetings by e-mail correspondence. The AGM also took place by Zoom call and, although this reduced some of the opportunities for chat and socialising around the meeting, it also allowed some people who live far from Inverness to participate for the first time.

I think we have a strong Board with a wide range of skills and perspectives and I am very grateful to all my fellow Board members for the time they have given and the contributions they have made, enabling BHL to provide such excellent services.

Finances

BHL began the year with reserves of £114,156 fractionally below the amount needed to provide a reserve of 6 to 9 months operating costs which it is our policy to maintain. Our planned expenditure exceeded our known, predicted income by £78,250. So, clearly, there was going to have to be energetic fundraising. About half of the deficit related to the Memory Loss and Carers service due to the withdrawal of the NHS Highland funding during 2019/20. So there were reasons to be anxious about BHL's finances, even if reserves would enable services to be maintained for the current year at a cost of reducing reserves to a dangerously low level which would not be sustainable.

Negotiations were continuing with NHS Highland about the Memory Loss and Carers funding and this was subsequently restored. However, it seems that this funding is going to have to be bid for in each successive year, almost certainly with no allowance for inflation, and this does cause anxiety. We do not underestimate the financial pressures on NHS Highland and are very grateful for the crucial support they have given to BHL throughout its life. However, like much of the Third Sector in Highland, we are going to have to live with uncertainty about public sector funding for some years to come.

On a positive note, the Scottish Government made various funds available to the Third Sector in a bid to compensate for the extra costs imposed by adapting to the pandemic and the reduced fund-raising opportunities that would be available. BHL bid successfully for a share of these funds.

In addition, requests for financial support were made to a wide range of charitable trusts and local companies - with considerable success. BHL's projected deficit was covered, as a result and it ended the year with reserves of just over 9 months operating costs. This is reassuring.

BHL's budget for the coming year (2021/22) projects a deficit of £52k in income against planned expenditure. This continues to cause the Board some anxiety, particularly given the known pressures on public sector funding, and is going to require much time and effort to be given to fundraising from alternative sources.

The Board is very conscious that the current 5-year award from the National Lottery Community Fund ends halfway through the coming year. This presently provides over half of our Mental Health service's funding. It is not unlikely that BHL will be able to secure a further award but there will almost certainly be a gap before this could happen and this will probably be for a smaller amount and for a shorter period than the present one.

Progress measured against the Objectives in BHL's Annual Plan

Generally, BHL achieved or exceeded the targets set for 2020/21; for example, in the numbers of friendships maintained in both the Mental Health and Memory Loss and Carers services, in the number of volunteers recruited and in the planned geographical extensions of face/face befriending.

However, one significant shortfall must be recorded. One target in the plan for this year was to reduce the number of people on the waiting list for friendships to below 20. This was not achieved and there were 38 friends awaiting a match in March 2021. An increase in referrals during the year contributed to this. So also did the problems in arranging training for new volunteers and in making matches due to the Covid restrictions. This is clearly a cause for concern and may require new initiatives in the coming year.

Conclusion

There is a growing demand for the services which BHL offers and there is consistently good feedback about the impact and the quality of its services. In both the Mental Health and Memory Loss and Carers services, there is continuing development and expansion. The adoption of the Recovery model has produced more measurable outcomes and targeting of purposes in BHL's befriending.

Befrienders Highland Limited

Report of the Trustees
for the Year Ended 31 March 2021

Conclusion (continued)

The funding environment continues to be very challenging but steps have been taken to address this challenge. These will, however, have to be carefully monitored. The pandemic continues to affect how the service can work and this seems likely to be true for most, possibly all, of 2021/22.

But the organisation is in good heart, providing excellent services and has excellent staff, volunteers and members and I am confident this will continue. I would like to thank our funders for their generosity which makes all this possible. I give special thanks to the individual donors and fundraisers who have helped so much. As always, it is a pleasure to be part of such a fine service.



David Stallard, Convenor, Befrienders Highland Limited
6 July 2021

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal object of the company is: -

"to reduce loneliness and isolation experienced by people who have a mental health problem by arranging and supporting one-to-one relationships between them and suitable volunteers, to provide a vital link between them and the community and to promote their self-confidence and feelings of self-worth"

This object defines the main activity of BHL which is to recruit, train and support volunteers to engage in befriending relationships and to support these relationships, as required, once established. The company's main and longest-standing service offers face-to-face befriending services in Inverness and Nairn; and a distance service, where the means of contact is letter, phone or e-mail, throughout the Highland area. The company also offers a befriending service within the Highland area for people with memory loss and a befriending and information service to carers.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Details of the charity's achievements and performance can be found in the convenors report.

FINANCIAL REVIEW

Financial position

During the year the charity made a surplus of £102,121 which was partially due to receiving 2019/20 funding from NHS which we had previously not accounted for on the basis we were unsure if the money would be received and partially due to a number of grants we were able to secure to assist with covid-19. As a result the charity had closing reserves of £216,277 at the year end which represented approximately 12 months expenditure based on 2020/21 budgets. Due to the success of this year, we are projecting a deficit for 2021/22 to bring our reserves down in line with our policy.

Going concern

The financial statements have been prepared on a going concern basis. The validity of the going concern basis depends on the ability of the company to operate within available funding.

The company relies substantially upon funding by public grants and donations from other sources for its current and future commitments. The trustees are satisfied that the company can meet its liabilities as they fall due for the foreseeable future, and on this basis consider it appropriate to prepare the financial statements on a going concern basis.

Reserves policy

The charity is to maintain a reserve of at least the cost of 6 months operations and no more than 9 months. Any reserve held in excess of 9 months should be invested in developing our services. At the year end the charity held approximately 7.0 months reserves.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Trustees' appointment

Trustees are appointed by the Board of Trustees either to fill a vacancy or by way of addition to the Board. The trustees are volunteers and are recruited by nomination at the AGM. Between AGM's trustees can be nominated but require ratification at the AGM. The company's articles require that one third of the Trustees stand down at each AGM and that replacement(s) be elected at that meeting. Trustees standing down may be re-elected.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
SC199867 (Scotland)

Registered Charity number
SC029386

Registered office & Principal address

1st Floor Academy House
42 Academy Street
Inverness
IV1 1JT

Trustees

D J Stallard
N J Curley
Mrs J Macdonald
S Spence
S Adie
H Macleod
J Page (appointed 5 June 2020)

Independent examiner

Marina Grant CA
ICAS

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Befrienders Highland Limited for the purposes of company law) are responsible for preparing the report of trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and 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 business.

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005, Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. 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.

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

Approved by order of the board of trustees on 2 September 21 and signed on its behalf by:



.....
D J Stallard - Trustee

Independent Examiner's Report to the Trustees of
Befrienders Highland Limited

I report on the accounts for the year ended 31 March 2021 set out on pages seven to fourteen.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations (as amended) does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the 2005 Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

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

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations (as amended), and;
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations (as amended).

have not been met; or

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

Marina Grant CA
29 Braeside Park
Balloch
Inverness
IV2 7HL

M. Grant

Date: 9 September 21

Befrienders Highland Limited

Statement of Financial Activities (Incorporating Income and Expenditure Account)
for the Year Ended 31 March 2021

		Unrestricted fund	Restricted funds	31.3.21 Total funds	31.3.20 Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies					
Donations		9,646	30	9,676	21,701
Charitable activities					
Befriending activities	3	126,169	191,030	317,199	192,230
Investment income	4	<u>493</u>	<u>-</u>	<u>493</u>	<u>1,725</u>
Total		136,308	191,060	327,368	215,656
EXPENDITURE ON					
Charitable activities					
Befriending activities		<u>90,856</u>	<u>134,391</u>	<u>225,247</u>	<u>194,622</u>
NET INCOME		45,452	56,669	102,121	21,034
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>50,721</u>	<u>63,435</u>	<u>114,156</u>	<u>93,122</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>96,173</u></u>	<u><u>120,104</u></u>	<u><u>216,277</u></u>	<u><u>114,156</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The Statement of Financial Activities includes all gains and losses in the year.

The notes form part of these financial statements

Befrienders Highland Limited

Balance Sheet
At 31 March 2021

		Unrestricted fund	Restricted funds	31.3.21 Total funds	31.3.20 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	10	6,438	1,913	8,351	5,960
CURRENT ASSETS					
Debtors	11	1,323	1,828	3,151	4,144
Cash at bank		93,515	169,990	263,505	160,429
CREDITORS					
Amounts falling due within one year	12	(5,103)	(53,627)	(58,730)	(56,377)
NET CURRENT ASSETS		<u>89,735</u>	<u>118,191</u>	<u>207,926</u>	<u>108,196</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>96,173</u>	<u>120,104</u>	<u>216,277</u>	<u>114,156</u>
NET ASSETS		<u>96,173</u>	<u>120,104</u>	<u>216,277</u>	<u>114,156</u>
FUNDS	13				
Unrestricted funds				96,173	50,721
Restricted funds				<u>120,104</u>	<u>63,435</u>
TOTAL FUNDS				<u>216,277</u>	<u>114,156</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies for the year ended 31 March 2021.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 2 September 21 and were signed on its behalf by:



.....
D J Stallard -Trustee

The notes form part of these financial statements

1. GENERAL INFORMATION

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charitable company's transactions are denominated. They comprise the financial statements of the charitable company.

The principal activity of Befrienders Highland Limited can be found in the Report of the Trustees.

Befrienders Highland Limited is a company limited by guarantee incorporated in the United Kingdom and registered in Scotland, under company number SC199867. It is recognised as a charitable company for tax purposes by HMRC and is registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC029386. In the event of the winding up of the charitable company a member is liable to contribute a sum not exceeding £1. Details of the registered office can be found in the Report of the Trustees.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The financial statements have been prepared on a going concern basis. The validity of the going concern basis depends on the ability of the company to operate within available funding.

The company relies substantially upon funding by public grants and donations from other sources for its current and future commitments. The trustees are satisfied that the company can meet its liabilities as they fall due for the foreseeable future, and on this basis consider it appropriate to prepare the financial statements on a going concern basis.

Income from donations and legacies

Donations and gifts received are included in full in the Statement of Financial Activities when receivable. Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Income from charitable activities

Income from charitable activities relates to grants received which fund the provision of particular services provided by the charity. Grants related to the provision of a service are deferred and released to the Statement of Financial Activities over the term of the grant.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

Charitable expenditure comprises costs incurred by the charity in the delivery of its activities and services to beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Taxation

The charity is exempt from corporation tax on its charitable activities. The charity is not VAT registered and accordingly expenditure is stated gross of VAT.

Reserves

The charity is to maintain a reserve of at least the cost of 6 months operations and no more than 9 months. Any reserve held in excess of 9 months should be invested in developing our services.

2. ACCOUNTING POLICIES – continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The memory loss and carers fund represents the funding received to provide befriending services to people with memory loss, those at risk of memory loss and carers.

The National Lottery Community Fund – Refocus Project represents the funding received to introduce and implement the refocus project.

Eon Camster Community fund represents funding received to train and support volunteers to befriend people with mental health issues in the specific areas of Caithness covered by the fund.

Health and Social Care Alliance represents funding received to adopt the Carer's Outcome Star evaluation tool and process, establish a carer steering group and establish a carer peer support group to encourage carer self care.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Debtors

Short term debtors are measured at transaction price, less any impairment.

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

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provision are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

Hire purchase and leasing commitments

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

Pensions

The charity contributes to a group personal pension scheme open to all qualifying employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the Statement of Financial Activities.

Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

The trustees are satisfied that accounting policies are appropriate and applied consistently. Key sources of accounting estimation have been applied to the depreciation rates which are deemed to be appropriate for the class of asset.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

3. CHARITABLE ACTIVITIES INCOME

	Unrestricted fund	Restricted funds	31.3.21 Total funds
	£	£	£
Grants received	<u>126,169</u>	<u>191,030</u>	<u>317,199</u>

	Unrestricted fund	Restricted funds	31.3.20 Total funds
	£	£	£
Grants received	<u>62,481</u>	<u>129,749</u>	<u>192,230</u>

During the year, the charity recognised grants in the Statement of Financial Activities of £104,042 (2020 - £52,981) from the NHS and £103,682 (2020 - £89,175) from the National Lottery Community Fund. The charity also received the following grants over £5,000 in the year:

- Scottish Council for Voluntary Organisations £25,000
- Highlands & Islands Enterprise £21,622
- The Robertson Trust £15,000
- Highland Council £10,000
- The Hunter Foundation £9,100
- The Health and Social Care Alliance £7,787
- Life Changes Trust £7,500

4. INVESTMENT INCOME

	31.3.21	31.3.20
	£	£
Rent received	-	1,440
Deposit account interest	<u>493</u>	<u>285</u>
	<u>493</u>	<u>1,725</u>

5. NET INCOME

Net income is stated after charging:

	31.3.21	31.3.20
	£	£
Depreciation	3,856	2,419
Other operating leases	<u>15,850</u>	<u>15,850</u>

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.3.21	31.3.20
Administration and co-ordinators	<u>8</u>	<u>7</u>

The charity relies on unpaid volunteers to build friendships with the people who the charity supports. During the year the average number of unpaid volunteers used by the charity was 161 (2020 - 123). No employees received emoluments in excess of £60,000 in the current or prior year.

7. TRUSTEES' REMUNERATION, BENEFITS AND EXPENSES

There were no trustees' remuneration, benefits or expenses for the year ended 31 March 2021 nor for the year ended 31 March 2020.

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	21,237	464	21,701
Charitable activities			
Befriending activities	62,481	129,749	192,230
Investment income	<u>1,725</u>	<u>-</u>	<u>1,725</u>
Total	85,443	130,213	215,656
EXPENDITURE ON			
Charitable activities			
Befriending activities	<u>84,821</u>	<u>109,801</u>	<u>194,622</u>
Total	84,821	109,801	194,622
NET INCOME	622	20,412	21,034
RECONCILIATION OF FUNDS			
Total funds brought forward	50,099	43,023	93,122
TOTAL FUNDS CARRIED FORWARD	<u>50,721</u>	<u>63,435</u>	<u>114,156</u>

9. CORE AND ADMINISTRATIVE COSTS

Core and administrative costs which cannot be attributed to a specific fund or activity are split between the general mental health fund, the memory loss and carers fund and the National Lottery Community Fund on a ratio equivalent to staff time.

10. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2020	6,850	5,399	12,249
Additions	1,845	4,402	6,247
Disposals	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2021	8,695	9,801	18,496
DEPRECIATION			
At 1 April 2020	3,854	2,435	6,289
Charge for year	1,353	2,503	3,856
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2021	<u>5,207</u>	<u>4,938</u>	<u>10,145</u>
NET BOOK VALUE			
At 31 March 2021	<u>3,488</u>	<u>4,863</u>	<u>8,351</u>
At 31 March 2020	<u>2,996</u>	<u>2,964</u>	<u>5,960</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

11. DEBTORS

	31.3.21	31.3.20
	£	£
Prepayments	<u>3,151</u>	<u>4,144</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Social security and other taxes	4,069	2,675
Other creditors	1,034	-
Accruals	-	1,225
Deferred income	<u>53,627</u>	<u>52,477</u>
	<u>58,730</u>	<u>56,377</u>

The charity defers grant income and recognises it equally over the term of the grant. At the year-end total deferred grants were £53,627 (2020 - £52,477).

13. MOVEMENT IN FUNDS

	At 1.4.20	Net movement in funds	At 31.3.21
	£	£	£
Unrestricted funds			
General fund - Mental Health	50,721	45,451	96,172
Restricted funds			
Memory Loss and Carers Fund	34,588	46,065	80,653
National Lottery Community Fund – Refocus Project	22,307	11,508	33,815
Eon Camster Community Fund	5,860	(5,860)	-
Health and Social Care Alliance	680	4,956	5,636
	<u>63,435</u>	<u>56,669</u>	<u>120,104</u>
TOTAL FUNDS	<u>114,156</u>	<u>102,120</u>	<u>216,276</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund - Mental Health	136,308	(90,856)	45,452
Restricted funds			
Memory Loss and Carers Fund	79,591	(33,526)	46,065
National Lottery Community Fund – Refocus Project	103,682	(92,174)	11,508
Eon Camster Community Fund	-	(5,860)	(5,860)
Health and Social Care Alliance	<u>7,787</u>	<u>(2,831)</u>	<u>4,956</u>
	<u>191,060</u>	<u>(134,391)</u>	<u>56,669</u>
TOTAL FUNDS	<u>327,368</u>	<u>(225,247)</u>	<u>102,121</u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

At 31.03.21	Fixed Assets £	Net Current Assets £	Total £
Unrestricted funds	6,438	89,735	96,173
Restrictive funds	<u>1,913</u>	<u>118,191</u>	<u>120,104</u>
	<u>8,351</u>	<u>207,926</u>	<u>216,277</u>

At 31.03.20	Fixed Assets £	Net Current Assets £	Total £
Unrestricted funds	5,495	45,226	50,721
Restrictive funds	<u>465</u>	<u>62,970</u>	<u>63,435</u>
	<u>5,960</u>	<u>108,196</u>	<u>114,156</u>

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021 or 31 March 2020.

Befrienders Highland Limited

Detailed Statement of Financial Activities
for the Year Ended 31 March 2021

	31.3.21	31.3.20
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	9,676	21,701
Investment income		
Deposit account interest	493	285
Rent received	-	1,440
Charitable activities		
Grants	<u>317,199</u>	<u>192,230</u>
Total incoming resources	327,368	215,656
EXPENDITURE		
Charitable activities		
Wages	181,515	149,470
Rent	16,877	19,340
Services charges and utilities	-	50
Computer expenses	3,869	1,787
Insurance	1,180	870
Telephone and internet	3,708	3,066
Postage and stationery	7,724	5,658
Volunteer expenses	958	2,161
Staff training	1,050	1,429
Staff general expenses	152	2,099
Maintenance	20	700
Other company costs	3,599	4,520
Bank charges	110	100
Legal expenses	629	953
Depreciation	<u>3,856</u>	<u>2,419</u>
Total resources expended	225,247	194,622
	_____	_____
Net income	<u>102,121</u>	<u>21,034</u>