

**HOME-START ABERDEEN**  
**A company limited by guarantee No SC280851**

**TRUSTEES' ANNUAL REPORT**  
**and**  
**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

**HOME-START ABERDEEN  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**HOME-START ABERDEEN  
TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2022.

**Reference and administrative information**

Charity name:	Home-Start Aberdeen
Charity registration number:	SC012942
Company registration number:	SC280851
Registered office /operational address	Langstane House, 6 Dee Street, Aberdeen AB11 6DR
Website	<a href="http://www.homestartaberdeen.org.uk">www.homestartaberdeen.org.uk</a>

**Trustees (from 1 April 2021)**

<b>Chair</b>	Anne MacDonald
<b>Vice Chair</b>	Yvonne Wright
<b>Other trustees</b>	Mike Brown Rob Burnett Ally Cartwright - resigned (17 May 2022) Anne Donaldson – appointed (23 November 2021)

**Management team**

Eleanor McEwan	General Manager
Nicki Small	Administrator
Nicola Murphy	Finance Assistant
Catherine Beattie	Team Leader
Fiona Cameron	Co-ordinator – left January 2022
Amanda Carey	Co-ordinator – started May 2022
Vicky Carter	Co-ordinator
Lyn Elrick	Co-ordinator
Lesley Lewis	Co-ordinator
Megan Mackie	Co-ordinator – started June 2022
Jacquelyn Morrice	Co-ordinator -started October 2021
Debra Rae	Co-ordinator – started May 2021
Angela Davidson	Play Leader
Karen Milne	Shop Manager
Brenda Fraser	Shop Assistant

**Accountants and Independent Examiners**

Hall Morrice, Chartered Accountants, 7 Queens Terrace, Aberdeen AB10 1XL

**Bankers**

Virgin Money (formerly Clydesdale Bank plc), Queens Cross, Aberdeen AB16 5JR

**HOME-START ABERDEEN  
TRUSTEES' ANNUAL REPORT (CONTINUED)**

**Objectives and activities**

Home-Start Aberdeen is a voluntary organisation in which volunteers visit young families under stress to provide emotional and practical support and friendship, helping them to create a secure and loving home environment where their children can grow up happy, healthy and confident, and able to achieve their full potential. Home-Start provides a breathing space for parents, helps to prevent family crisis and breakdown and also supports many professional workers who refer many families in need to the scheme.

As well as its main objective of home visiting, the charity also runs several specialist projects including:

- Rising Stars - a family support group for parents and children who are at particular risk of isolation.
- 'Recipe for Life' - provides support for families, teaching practical cooking skills, budgeting and shopping advice, weaning and maintaining child healthy weights. During the pandemic restrictions, this project was paused but families continued to be supported to cook through our virtual 'cook and connect' project.

**Achievements and performance**

The core service is provided by volunteers who receive training, support and supervision. During the year our volunteers supported 202 (2021: 189) families in which there were 305 children (2021: 372). There is continuing demand for our services and increasing pressure on our waiting list particularly in the final quarter of the financial year after the winter holiday period. The main source of our referrals continues to be from health professionals 75% (2021: 91%) although there are also self-referrals and referrals from community groups which made up 15% and 10% of the 2021/22 total respectively.

We are involved in several projects with partners including:

- RAFT (Reaching Aberdeen Families Together) is a consortium of local charities led by Barnardo's who formed a partnership which successfully won a contract with Aberdeen City Council to provide children's services. Commencing in September 2017, the contract was due to run for up to five years but has recently been extended until March 2024.
- Robert Gordon University - we provide a rich placement experience for a number of social work students who in turn strengthen our team and provide extra capacity.

Financial year 2021/22 has been a particularly exciting year. Having secured National Lottery funding covering two years to March 2023, we were able to fill two co-ordinator posts. We also moved into a new streamlined, more functional office space and while staff can continue to work flexibly, most returned to regular office working after the Covid-19 restrictions were removed. In addition, towards the end of the financial year, we launched our own online lottery: Home-Start Aberdeen's Make a Difference Weekly Lottery. Although still in its infancy, we hope our lottery will grow as it becomes more established and make an important contribution to our funding strategy.

**Financial review**

The Board of Trustees (board) recognises that the funding landscape in the aftermath of the Covid-19 pandemic remains uncertain and challenging. It is also acknowledged that there may be a continuing need to draw on reserves in the short term to achieve financial balance.

The overall position for the year was a surplus of £28,734 (2021: surplus of £18,461) and is made up of a deficit on unrestricted funds of £19,224 and a surplus on restricted funds of £47,958. The deficit on unrestricted funds is largely due to one-off costs associated with relocating our office base. The majority of the restricted funding surplus related to funding received in advance where the associated project expenditure will be incurred in subsequent financial years.

At 31 March 2022, the charity's funds totalled £215,343 (2021: £186,609) and these are split between unrestricted funds available for use at the discretion of the trustees (£165,041) and restricted funds for specified purposes (£50,302). In accordance with FRS102, pension accounting was implemented in 2016/17. Due to changes in the financial markets, the net liability position has reduced by £17,000 at

**HOME-START ABERDEEN  
TRUSTEES' ANNUAL REPORT (CONTINUED)**

31 March 2022. More information on our pension accounting including the actuary's assumptions is set out at Note 16.

*Principal funding sources*

The principal funding sources are as follows:

- Grants from the National Lottery Community Fund, Cattanach Trust and Fairer Aberdeen Fund (managed by Aberdeen City Council) to meet the direct costs of certain family support services, credited to separate restricted funds.
- Contract income received from Barnardo's in respect of services provided with partners through RAFT, credited to a separate restricted fund.
- Grant funding from the Robertson Trust provided as a contribution to core costs, credited as income within unrestricted reserves.

*Policy on reserves*

The policy established by the trustees has as its objective the holding of a reserve fund of at least £150,000 in addition to maintaining small working balances on each of our funds. The rationale is that, given the uncertainties about future funding, the reserve fund should be sufficient to finance about 6 months of our ongoing expenditure (the total expenditure in 2021/22 was approximately £400,000).

The reserves policy was last formally reviewed in February 2021. At 31 March 2022, a reserve fund of £100,000 is held. The board is committed to making additional contributions to the reserve fund but this is not anticipated in the next year or so.

**Plans for future periods**

In November 2019, the board approved a four year strategic plan which set out the following priorities:

- to give every child we support the best possible start at home by increasing the number of families we support
- to improve families' health and wellbeing through the extension of our 'Recipe for Life' project and developing our pre-birth and perinatal mental health work
- to support families in strengthening their communities by increasing our partnership working, and embedding mechanisms for evaluating our impact and reporting the difference we make
- to manage and fund a growing organisation to achieve excellent outcomes by seeking opportunities to increase revenue generating activities, having an effective Public Relations strategy and making the best use of available technology.

Normally, the board meets on a six monthly basis to review and monitor strategic objectives. Separate strategy meetings were suspended in 2020/21 due to the Covid-19 pandemic and are scheduled to recommence early in 2023. In the interim, work continued on each of the agreed priorities.

Looking ahead to 2022/23, a number of vital projects will be progressing:

- Our 'Recipe for Life' Project and Rising Stars group were refreshed following the recruitment of new co-ordinators in summer 2022 to lead these projects.
- A recruitment campaign is in progress to expand the skills and capacity of the board of trustees.
- A review of staff salaries was completed in summer 2022 and the consequent pay award was implemented in September 2022.
- Our charity shop has been successfully trading for ten years and will host a number of events to celebrate its anniversary.

**HOME-START ABERDEEN  
TRUSTEES' ANNUAL REPORT (CONTINUED)**

**Structure, governance and management**

*Governing document*

Home-Start Aberdeen is a company limited by guarantee, governed by its memorandum and articles of association. The Inland Revenue has granted charitable status to the company under section 505 of the Income and Corporation Taxes Act 1988.

*Organisational structure*

The board is responsible for the direction and performance of the charity. It normally meets on a quarterly basis for routine business and six monthly for strategic planning purposes. The board is supported by a finance committee and there is a lead trustee or advisor in the following areas: child protection, health and safety and human resources.

The board met virtually for the majority of the year in line with its usual timetable. Although committee meetings and strategy sessions were paused, relevant business was undertaken at board meetings. Virtual meetings provided greater flexibility and this enabled the board to meet separately for ad hoc items of critical business.

The General Manager leads the staff team, has operational responsibility for the scheme and is directly accountable to the board. She is supported by a team leader in managing and supervising staff and volunteers. At 31 March 2022, the total number of permanent team members including shop activities was 12 (2021: 11).

During 2021/22, we set up a staff led Development and Improvement Group which will have a particular focus on evaluation and improvement. Being able to 'tell our story', report on outcomes and demonstrate the impact and value of the services we deliver is a critical element of our engagement with existing and prospective funders, the communities we work with and the wider public.

*Recruitment and appointment of trustees*

The directors of the company are trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees or the board. Under the company's Articles, trustees are elected to serve for a period of three years with one third of the trustees retiring at each annual general meeting.

New trustees have historically been recommended through local community professional networks and contacts. They are chosen for their experience and skills relevant to Home-Start Aberdeen. We also have a rich team of advisors who provide invaluable support to the board.

*Trustee induction and training*

All trustees receive an induction pack and are offered support from a staff member or other trustee to take them through the various guidelines. Home-Start UK offer induction training and provide other training events from time to time. Board members received refresher training in November 2019 covering child protection legislation, policies and guidelines. More regular training in this area will commence in January 2023.

*Risk management and information governance*

The board regularly reviews the organisation's key priorities, aims and aspirations. The charity publishes an annual public performance report which sets out progress against strategic goals and a summary service analysis.

In March 2020, as the Covid-19 situation escalated, our business continuity plan was activated and our risk matrix was reviewed. These matters have been retained as standing items on board agendas ever since.

**HOME-START ABERDEEN  
TRUSTEES' ANNUAL REPORT (CONTINUED)**

Data storage and back up arrangements were transferred to the Cloud in 2018/19. Systems and processes can be safely accessed by staff working remotely, robust back up procedures are in place and we have renewed our cyber security accreditation. Regular reviews are also undertaken of our arrangements to meet data protection requirements.

Regular training and procedures are in place to ensure that Home-Start staff and volunteers involved in home visiting work safely and in line with the guidelines issued by the Suzy Lamplugh Trust.

Home-Start UK has an established quality assurance process. Internally, we have a rolling programme to ensure that standards are reviewed on a cyclical basis over a 3 year period. Our most recent assessment by Home-Start UK against national quality standards was undertaken in April 2019 when we achieved a high score.

*Related parties*

The main related party relevant to the aims of the charity is Home-Start UK, which provides various support and advisory services in return for payment of an affiliation fee.

**Going concern**

In the aftermath of Covid-19, the funding landscape continues to be uncertain and challenging. This has been exacerbated by the current energy prices crisis. Some multi-year funding secured in 2020/21 provides a cushion into 2022/23 and 2023/24. While this reduces the pressure, the continuous search to secure funding is a demanding and relentless role. The board regularly reviews its financial position and has approved the further use of reserves (if required) to ensure a balanced financial position is achieved for 2022/23.

Beyond March 2022, in common with other years, there is a funding shortfall. In line with our financial strategy, the board has a planned programme of bids which will be submitted over the next 12 months and is regularly reviewing its financial position. Overall, the board has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. It is therefore satisfied that the going concern basis of accounting can continue to be adopted for the preparation of the annual accounts.

**Statement of trustees' responsibilities**

The trustees, who are also directors of Home-Start Aberdeen for the purposes of company law, are responsible for preparing the Trustees' Annual 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 trustees to prepare the 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 these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015;
- make judgments 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 operation.

The trustees are responsible for keeping adequate accounting records that 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 (as amended). 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.

**HOME-START ABERDEEN  
TRUSTEES' ANNUAL REPORT (CONTINUED)**

**Basis of Preparation**

This report has been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard and the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board of Trustees on 15 December 2022 and signed on their behalf:

A handwritten signature in black ink, appearing to read 'Yvonne Wright', is written over a light blue horizontal line.

**Yvonne Wright  
Vice Chair**



**HOME-START ABERDEEN  
REPORTING ACCOUNTANTS REPORT  
TO THE MEMBERS OF HOME-START ABERDEEN**

I report on the accounts of the charity for the year ended 31 March 2021 which are set out on pages 9 to 22.

**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 trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

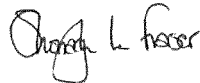
**Basis of Independent Examiner's Statement**

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

**Independent Examiner's Statement**

In the course of my examination, no matter has come to my attention:

- 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; and
  - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations.
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



**Shonagh L Fraser**  
On behalf of Hall Morrice LLP  
Chartered Accountants  
Aberdeen  
15 December 2022

**HOME-START ABERDEEN  
STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	TOTAL 2022 £	TOTAL 2021 £
<b>Income</b>					
Donations	3	13,739	-	13,739	28,147
<i>Income from Charitable activities</i>					
Grant income	4	77,000	230,567	307,567	267,490
Fundraising		12,745		12,745	9,358
Trading activities	9	73,908	-	73,908	12,220
Investment income (interest from deposits)		500	-	500	606
Other		29,257	-	29,257	30,052
<b>Total Income</b>		<b>207,149</b>	<b>230,567</b>	<b>437,716</b>	<b>347,873</b>
<b>Expenditure</b>					
Costs of raising funds	5	102,763	-	102,763	94,412
Charitable activities	6	126,866	188,353	315,219	293,000
Interest cost in relation to pension liability		1,000	-	1,000	3,000
<b>Total Expenditure</b>		<b>230,629</b>	<b>188,353</b>	<b>418,982</b>	<b>390,412</b>
<b>Net income/(expenditure)</b>		<b>(23,480)</b>	<b>42,214</b>	<b>18,734</b>	<b>(42,539)</b>
Actuarial gain/(loss) on defined benefit scheme		10,000	-	10,000	61,000
<b>Net movement in funds after actuarial gain/(loss) on pension scheme</b>		<b>(13,480)</b>	<b>42,214</b>	<b>28,734</b>	<b>18,461</b>
<b>Transfers between funds</b>		<b>(5,744)</b>	<b>5,744</b>	<b>-</b>	<b>-</b>
<b>Net Movement</b>		<b>(19,224)</b>	<b>47,958</b>	<b>28,734</b>	<b>18,461</b>
<b>Reconciliation of funds</b>					
Total funds brought forward	17	184,265	2,344	186,609	168,148
<b>Total funds carried forward</b>	<b>17</b>	<b>165,041</b>	<b>50,302</b>	<b>215,343</b>	<b>186,609</b>

**HOME-START ABERDEEN  
BALANCE SHEET**

AT 31 MARCH 2022

		2022 £	2021 £
<b>Fixed Assets</b>			
Tangible Assets	12	14,309	7,144
		<u>14,309</u>	<u>7,144</u>
<b>Current assets</b>			
Debtors	13	26,316	54,943
Investments		64,905	64,405
Cash at bank		233,103	167,082
		<u>324,324</u>	<u>286,430</u>
<b>Liabilities:</b>			
Creditors: amounts due within one year	14	(37,486)	(18,736)
<b>Net current assets</b>		<u>286,838</u>	<u>267,694</u>
<b>Total Assets less current liabilities</b>		<u>301,147</u>	<u>274,838</u>
Creditors: amounts due after more than one year	15	(14,575)	-
<b>Net Assets excluding pension liability</b>		<u>286,572</u>	<u>274,838</u>
Defined benefit pension scheme liability	16	(71,229)	(88,229)
<b>Total Net Assets</b>		<u>215,343</u>	<u>186,609</u>
<b>The funds of the charity:</b>			
Restricted income funds	17	50,302	2,344
Unrestricted funds		197,270	225,494
Pension Reserve		(32,229)	(41,229)
Total unrestricted reserves	17	<u>165,041</u>	<u>184,265</u>
<b>Total charity funds</b>		<u>215,343</u>	<u>186,609</u>

The directors confirm that the company was entitled to exemption from the requirement to have an audit under the provisions of section 477(1) of the Companies Act 2006 and that the members have not required the company to obtain an audit for the year in accordance with section 476(1) of that Act. The directors acknowledge their responsibility to ensure that the company keeps accounting records in accordance with section 386 and to prepare accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its deficit for that financial year in accordance with section 394 and which otherwise comply with the Companies Act 2006 as far as applicable to the company.

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

These financial statements have been prepared in accordance with Financial Reporting Standard 102 (effective January 2015).

The financial statements on pages 9 to 22 were approved by the Board of Trustees on 15 December 2022 and were signed on its behalf on that date by:



**Anne MacDonald**  
Treasurer

**HOME-START ABERDEEN  
NOTES ON FINANCIAL STATEMENTS  
31 MARCH 2022**

**1 Company status**

The company is a private company limited by guarantee and not having a share capital. The extent of the liability of the members of the company, in accordance with the memorandum of association, is limited to a maximum of one pound each; the number of members at 31 March 2022 was 7. The company is also a registered charity and accordingly no liability to corporation tax arises on its income.

**2 Accounting policies**

**(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by 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), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity constitutes a public benefit entity as defined by FRS 102.

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

As explained in the Trustees' Report, the accounts are prepared on the going concern basis which provides that the charity will continue in operational existence for the foreseeable future.

**(b) Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purpose of the charity. Designated funds are unrestricted funds earmarked by the trustees for particular purposes. Restricted funds are subjected to restrictions on their use where the provider of the funds has specified use for specific projects being undertaken by the charity.

**(c) Income**

Grants for restricted purposes are accounted for on an accruals basis and are held separately in restricted funds until expended. Where funding is received in advance it will be reflected as income when received and held separately to be used in line with agreed project plans.

All other income is accounted for when receivable.

**(d) Expenditure**

Expenditure is recognised on an accruals basis as liabilities are incurred. VAT on expenditure is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. Governance costs comprise those costs associated with meeting the constitutional and statutory requirements of the charity and include reporting accountants' fees and trustees' training and travelling expenses.

Costs relating to a particular activity are allocated to the fund that finances that activity. All other costs are allocated to the mainline fund.

**HOME-START ABERDEEN  
NOTES ON FINANCIAL STATEMENTS  
31 MARCH 2022**

**(e) Employment benefits**

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the charity. Any unused benefits are accrued and measured as the additional amount the charity expects to pay as a result of the unused entitlement.

Home-Start Aberdeen participates in the North East Scotland Pension Fund (NESPF) which is a part of the Local Government Pension Scheme (LGPS) and a multi-employer scheme. The LGPS is a defined benefits scheme. The scheme closed to new entrants with effect from April 2011. At that time, the board elected to provide alternative pension arrangements for new staff.

The National Employment Savings Trust (NEST), a defined contribution scheme, is the charity's main pension arrangement and the board agreed to make an employer contribution of 6%.

At 31 March 2022, one member of the team was a member of the LGPS and nine were contributing to NEST.

The liabilities of the fund attributable to Home-Start Aberdeen are included in the Balance Sheet on an actuarial basis using projected unit credit method i.e. an assessment of the future payments that will be made in relation to retirement benefits earned today by employees, based on assumptions about mortality rates, employee turnover rates and modelling of projected earnings for current employees.

Liabilities are discounted to their present value at current prices using a discount rate of 2.8% (2021 2.1%) based on a weighted average of 'spot yields' on AA related corporate bonds that are denominated in sterling and have terms approximating to the estimated period of the future payments (discount rate).

The assets of the fund attributable to Home-Start Aberdeen are included in the Balance Sheet at their fair value on the following bases:

Quoted securities	Current bid price
Unquoted securities	Professional estimate
Unlisted securities	Current bid price
Property	Market value

The change in the net pension liability is analysed into the following components:

**Service cost, comprising:**

- Current service cost: the increase in liabilities as a result of years of service earned this year – allocated to the funding streams in the Statement of Financial Activities which funded the relevant staff
- Past service costs: the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years – debited to the surplus/deficit in the Statement of Financial Activities
- Net interest on the net defined benefit liability: net interest expense – the change during the period in the net defined benefit liability that arises from the passage of time charged to the Statement of Financial Activities. This is calculated by applying the discount rate used to measure the defined obligation at the beginning of the year to the net defined benefit liability at the beginning of the year – taking into account any changes in the net defined benefit liability during the year as a result of contribution and benefit payments.

**Remeasurements, comprising:**

- The return on plan assets: excluding amounts included in net interest on the net defined benefit liability charged to the Statement of Financial Activities
- Actuarial gains and losses: changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated assumptions, debited or credited to the Statement of Financial Activities.

**HOME-START ABERDEEN  
NOTES ON FINANCIAL STATEMENTS  
31 MARCH 2022**

**(f) Events after the Balance Sheet date**

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the accounts are approved for issue. Two types of event can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period: the accounts are adjusted to reflect such events
- Those that are indicative of conditions that arose after the reporting date: the accounts are not adjusted to reflect such events, but where a category of event would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial impact.

**(g) Tangible fixed assets**

Fixtures and equipment costing less than £500 inclusive of VAT are taken to the statement of financial activities in the period of acquisition. All other fixtures and equipment are capitalised at cost and depreciated over the expected useful economic life, on a straight line basis. At present, the useful life is considered to be 5 years.

**(h) Debtors**

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

**(i) 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 are normally recognised at their settlement amount.

**(j) Provisions**

Provisions are made where an event has taken place that gives rise to a legal or constructive obligation where it is probable that settlement by a transfer of economic benefits or service potential will be required to settle the obligation, taking into account relevant risks and uncertainties.

**(k) Cash and cash equivalents**

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

**(l) Prior year adjustments**

Prior year adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes are made by adjusting the opening balances and comparative amounts for the prior period or periods.

**3 Donations**

Donations received amounted to £13,739 (2021: £28,147), all of which represented unrestricted funds. The majority of this amount related to one-off donations from our supporters.

**HOME-START ABERDEEN**  
**NOTES ON FINANCIAL STATEMENTS**  
**31 MARCH 2022**

**4 Income from charitable activities: grant income**

	Unrestricted	Restricted	Total 2022	Total 2021
	£	£	£	£
Aberdeen City Council – Fairer Scotland Fund	-	33,755	33,755	33,421
Aberdeen City Council – RAFT	-	27,942	27,942	27,942
Covid-19 Business Grant	13,000	-	13,000	25,000
STV Children's Winter Fund	-	14,000	14,000	11,768
National Lottery Community Fund	-	75,568	75,568	-
Cattanach Trust	-	25,124	25,124	-
Communities Mental Health and Wellbeing Fund	-	10,000	10,000	-
PHP Community Fund (administered by Foundation Scotland)	-	8,034	8,034	-
People's Postcode Lottery	-	11,806	11,806	-
Aberdeen Hardship Fund	-	8,449	8,449	-
Pears Foundation	-	2,384	2,384	-
Scottish Government - Perinatal Infant Mental Health	-	6,000	6,000	-
The Robertson Trust	35,000	-	35,000	-
John Lewis	20,000	-	20,000	-
Scottish Government - Loneliness Grant	9,000	-	9,000	8,500
NHS - Health Improvement Fund	-	7,505	7,505	-
Bank of Scotland Foundation	-	-	-	15,000
Scottish Government Resilience Funding	-	-	-	60,535
Hunter Foundation	-	-	-	19,139
Lotteries Communities Fund	-	-	-	25,000
R S Macdonald	-	-	-	20,000
McRobert Trust	-	-	-	10,000
Other	-	-	-	11,185
	<u>77,000</u>	<u>230,567</u>	<u>307,567</u>	<u>267,490</u>

In 2021, £192,339 was attributable to Unrestricted Funds and £75,151 to Restricted Funds.

	Unrestricted	Restricted	Total 2022	Total 2021
	£	£	£	£
<b>5 Cost of raising funds</b>				
Fundraising	43,829	-	43,829	43,483
Charity shop trading costs (note 9)	58,934	-	58,934	50,929
	<u>102,763</u>	<u>-</u>	<u>102,763</u>	<u>94,412</u>

In 2021, £94,412 was attributable to Unrestricted Funds.

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	Unrestricted	Restricted	Total 2022	Total 2021
	£	£	£	£
<b>6 Expenditure on charitable activities</b>				
Staff costs	52,062	160,312	212,374	206,897
Co-ordinators' training and expenses	384	3,549	3,933	4,234
Volunteers' training and expenses	-	437	437	358
Support for Families	4,260	400	4,660	13,420
Public Relations and Communication	10,829	3,134	13,963	13,915
Rent, Rates and Water Charges	19,955	6,187	26,142	32,028
Insurance	823	500	1,323	1,093
Other property expenses	21,864	-	21,864	570
IT maintenance	5,287	4,456	9,743	7,104
Telephone and Internet	801	3,234	4,035	2,584
Cleaner's wages	934	300	1,234	250
Postages	135	17	152	102
Other office expenses	-	2,073	2,073	1,796
Membership fees	432	-	432	538
Home-Start UK fee	1,906	3,754	5,660	3,431
Depreciation	3,850	-	3,850	2,009
Governance costs (Note 7)	2,789	-	2,789	1,933
Miscellaneous	555	-	555	738
	<u>126,866</u>	<u>188,353</u>	<u>315,219</u>	<u>293,000</u>

In 2021, £176,060 was attributable to Unrestricted Funds and £116,940 to Restricted Funds.

	Unrestricted	Restricted	Total 2022	Total 2021
	£	£	£	£
<b>7 Governance costs</b>				
Trustees' training and expenses	13	-	13	66
Independent Examiners' fee	2,090	-	2,090	1,442
Actuary's fee	686	-	686	425
	<u>2,789</u>	<u>-</u>	<u>2,789</u>	<u>1,933</u>

In 2021, £1,933 was attributable to Unrestricted Funds.

	Total 2022	Total 2021
	£	£
<b>8 Employee costs</b>		
The following employee costs (covered in Notes 5, 6 and 9) were incurred during the period:		
Wages and salaries	214,541	205,813
Social security costs	11,813	11,380
Pension contributions	30,202	20,187
	<u>256,556</u>	<u>237,380</u>

The average number of employees during the period, calculated on the basis of full time equivalents, was 9 (2021: 9). No employee was paid more than £60,000 per annum.



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**9 Charity Shop Trading Account**

	2022	2021
	£	£
<b>Income</b>		
Shop takings	73,908	12,220
Other income	<u>2,691</u>	<u>1,362</u>
<b>Total Income</b>	76,599	13,582
<b>Operating Costs</b>		
Salaries	34,850	32,146
Shop supplies and sundries	2,731	961
Volunteer expenses	978	217
Rent, rates and water charges	14,079	13,385
Insurance, heat and light	1,275	1,526
Other property costs	957	519
Telephone, IT and cyber security	1,508	1,106
Other office costs	<u>2,556</u>	<u>1,069</u>
	<u>(58,934)</u>	<u>(50,929)</u>
<b>Profit/(Loss) from trading activities</b>	<u>17,665</u>	<u>(37,347)</u>

**10 Trustee remuneration**

No trustee received remuneration during the period. One trustee was reimbursed for expenses of £13 which related to annual fees to Companies House. (2021: £66 was reimbursed to one trustee)

**11 Independent examiner's remuneration**

The independent examiner's remuneration constituted an independent exam fee of £1,850 (2021: £1,800).

**12 Tangible Fixed Assets**

	2022	2022	2021
	Fixtures	Equipment	Total
	£	£	£
<b>Cost</b>			
At 1 April 2021	3,470	15,043	18,513
Additions	<u>9,698</u>	<u>1,644</u>	<u>11,342</u>
<b>At 31 March 2022</b>	<u>13,168</u>	<u>16,687</u>	<u>29,855</u>
<b>Depreciation</b>			
At 1 April 2021	3,470	7,899	11,369
Charge for year	<u>1,940</u>	<u>2,239</u>	<u>4,179</u>
<b>At 31 March 2022</b>	<u>5,410</u>	<u>10,138</u>	<u>15,548</u>
<b>Net Book Value at 31 March 2022</b>	<u>7,758</u>	<u>6,549</u>	<u>14,307</u>
<b>Net Book Value at 31 March 2021</b>	<u>-</u>	<u>7,144</u>	<u>7,144</u>

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**13 Debtors**

	<b>Total 2022</b>	<b>Total 2021</b>
	£	£
Prepayments and accrued income	20,707	10,864
Other debtors	5,609	44,079
	<u>26,316</u>	<u>54,943</u>

In 2022, £21,816 (2021 £54,943) of Debtors related to Unrestricted Funds and £4,500 (2021 nil) related to Restricted Funds.

**14 Creditors: Amounts falling due within one year**

	<b>Total 2022</b>	<b>Total 2021</b>
	£	£
Trade creditors	5,498	3,008
Accruals and deferred income	26,563	15,728
Loan repayment within one year*	5,425	
	<u>37,486</u>	<u>18,736</u>

In 2022, £33,709 (2021 £16,433) of Creditors related to Unrestricted Funds and £3,777 (2021 £2,303) related to Restricted Funds

**15 Creditors: Amounts falling due after more than one year**

	<b>Total 2022</b>	<b>Total 2021</b>
	£	£
Loan repayment – repayable 2 – 5 years*	14,575	-

\*Repayable to Mental Health Aberdeen for financial assistance provided to support our share of the Langstane House office refurbishment .

In 2022, £14,575 (2021: nil) of Creditors: Amounts falling due after more than one year related to Unrestricted Funds

**16 Pension scheme**

Home-Start Aberdeen participates in the North East Scotland Pension Fund (NESPF) which is a part of the Local Government Pension Scheme (LGPS) and a multi-employer scheme. The LGPS is a defined benefits scheme.

In March 2021, the Fund's actuary concluded his triennial valuation of the Fund as at 31 March 2020. This showed that the overall funding position has decreased from 107% (2017 valuation) to 103%. The contributions payable by employers have been 19.3% of salary for several years. This rate has been held for the 3 year period commencing 1 April 2021.

The valuation reflects that Home-Start Aberdeen is closed to new entrants. In view of the fact that the scheme will have no new members, the employer's contribution rises to provide increased coverage of its share of the pension deficit. With effect from April 2021, Home-Start Aberdeen's employer's contribution increased from 33.8% to 65.8%.

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The fund is valued every 3 years by a professionally qualified independent actuary using the projected unit method. In the intervening years between valuations, the actuary reviews the progress of the scheme and prepares an interim valuation for the purposes of reporting under FRS 102, section 28: Employee benefits. The value of the fund at 31 March 2022 was as follows:

	2022	2021
	£	£
Present value of funded liabilities	643,000	636,000
Fair value of employer's assets	(579,000)	(555,000)
<b>Net liability/Pension deficit</b>	<b>64,000</b>	<b>81,000</b>

In addition, a provision of £7,229 continues to be included which represents an estimate of the additional pension liability likely to arise as a result of the McCloud judgement. The combined net pension liability in the Balance Sheet is therefore £71,229, being the net pension deficit of £64,000 and the provision of £7,229. (2020 £88,229)

In June 2019, the courts ruled in the McCloud judgement that the transitional protections provided as part of the 2015 public service pension scheme changes discriminate unlawfully on the grounds of age. An estimate was obtained from the Pension Fund's actuary of the costs likely to be involved in compensating affected members of HomeStart's pension scheme. The impact on the Balance Sheet was estimated to be an additional pension liability of £7,229. In summer 2020, the Scottish Public Pensions Agency consulted on proposals to address the discrimination identified by the McCloud judgement. The actuary confirmed that their initial estimates were in line with proposals set out in the consultation. The provision of £7,229 is considered to be a reasonable estimate and so it continues to be included in the accounts.

**Movement in present value of defined obligation**

	2022	2021
	£	£
At start of year	636,000	542,000
Current service cost	12,000	11,000
Interest cost	13,000	13,000
Contribution by members	2,000	2,000
Actuarial losses/(gains)	(13,000)	75,000
Benefits paid	(7,000)	(7,000)
<b>At 31 March 2022</b>	<b>643,000</b>	<b>636,000</b>

**Movement in fair value of employer's assets**

	2022	2021
	£	£
At start of year	555,000	404,000
Interest income on plan assets	12,000	10,000
Contribution by members	2,000	2,000
Contribution by employers	20,000	10,000
Remeasurements	(3,000)	136,000
Benefits paid	(7,000)	(7,000)
<b>At 31 March 2022</b>	<b>579,000</b>	<b>555,000</b>

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**(Income)/expense recognised in the statement of financial activities**

	<b>2022</b>	<b>2021</b>
	£	£
Current service cost	(8,000)	11,000
Interest cost	1,000	3,000
Actuarial loss/(gain) on NESPF	(10,000)	(61,000)
<b>At 31 March 2022</b>	<b>(17,000)</b>	<b>(47,000)</b>

	<b>2022</b>	<b>2021</b>
	£	£
Actuarial (gain)/loss on movement in present value of defined benefit obligation	7,000	75,000
Actuarial loss/(gain) on movement in fair value of employer assets	(24,000)	(136,000)
<b>Actuarial (gain)/loss during the year</b>	<b>(17,000)</b>	<b>(61,000)</b>

**Fair value of employer assets and return on those assets**

	<b>2022</b>	<b>2021</b>
	£	£
Equities	347,000	327,000
Bonds	47,000	33,000
Property	38,000	32,000
Cash	17,000	17,000
Other	130,000	146,000
<b>At 31 March 2022</b>	<b>579,000</b>	<b>555,000</b>

**Principal actuarial assumptions (expressed as weighted averages) were as follows:**

	<b>2022</b>	<b>2021</b>
	%	%
Inflation/pension increase rate	3.3	2.7
Salary increase rate	4.8	4.2
Discount rate	2.8	2.1

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard actuarial marketing tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 65 year old to live for a number of years as follows:

	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	Males	Females	Males	Females
	Years	Years	Years	Years
Current pensioners	21.5	24.2	21.5	24.2
Future pensioners	23.1	26.3	23.1	26.3

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In respect of our pension schemes, the following contributions were paid during the year:

	NEST 2022	NESPF 2022	Total 2022	NEST 2021	NESPF 2021	Total 2021
	£	£	£	£	£	£
Employee contributions	6,854	1,841	8,695	7,201	1,841	9,042
Employer contributions	10,343	19,859	30,202	9,986	10,201	20,187
	17,197	21,700	38,897	17,187	12,042	29,229

**17 The funds of the charity**

	At start of period £	Incoming resources £	Outgoing resources £	Transfers £	At end of period £
<b>Restricted funds</b>					
Fairer Scotland Fund	-	33,755	34,613	858	-
NHS Health Improvement Fund	-	7,505	-	-	7,505
Aberdeen City Council - RAFT	-	27,942	30,235	2,293	-
John Gordon Trust	441	-	441	-	-
STV Children's Winter Appeal	1,903	14,000	400	-	15,503
National Lottery Community Fund	-	75,568	77,376	1,808	-
Cattanach Trust	-	25,124	25,909	785	-
Communities and Mental Health Wellbeing Fund	-	10,000	1,667	-	8,333
PHP Community Fund (administered by Foundation Scotland)	-	8,034	3,145	-	4,889
People's Postcode Lottery	-	11,806	3,638	-	8,168
Aberdeen Hardship Fund	-	8,449	3,243	-	5,206
Pears Foundation	-	2,384	1,686	-	698
Scottish Government - Perinatal Infant Mental Health	-	6,000	6,000	-	-
	2,344	230,567	188,353	5,744	50,302
<b>Unrestricted funds</b>					
Reserve fund	100,000	-	-	-	100,000
Pension Reserve	(41,229)	-	(9,000)	-	(32,229)
Mainline	125,494	207,149	229,629	(5,744)	97,270
	184,265	207,149	220,629	(5,744)	165,041
<b>Total funds</b>	<b>186,609</b>	<b>437,716</b>	<b>408,982</b>	<b>-</b>	<b>215,343</b>

The closing balances on all funds are held as net current assets.

**Purposes of restricted funds**

*Fairer Scotland Fund:* Regeneration Grant provided by the Fairer Scotland Fund of Aberdeen City Council to meet the direct costs of extending our family support services to all designated regeneration areas within the city of Aberdeen.

*NHS Grampian Health Improvement Fund:* Funds provided to support hard to reach vulnerable families in their own homes aiming to target health priorities and reduce health inequalities.

*Aberdeen City Council - RAFT:* Funds provided to support families across Aberdeen as part of a wider contract with partners providing children's services across the city.

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*John Gordon Trust:* Funds provided to cover the running costs of our Rising Stars family support group.

*STV Children's Winter Appeal:* Funds provided for distribution to families in need.

*National Lottery Community Fund:* Funds provided to continue volunteer co-ordinator role and recruit a family support worker to continue and develop the support offered to families.

*Cattanach Trust:* Funds provided for one-to-one parent support to vulnerable parents who have a baby from new-born to one year.

*Communities and Mental Health Wellbeing Fund:* Funds provided to support vulnerable families with no recourse to public funds.

*PHP Community Fund (administered by Foundation Scotland):* Funds provided to support families in the Calsayseat and Cove areas of the city Aberdeen for twelve months from December 2021.

*People's Postcode Lottery:* Funds provided to meet twelve months' running costs of the Rising Stars group from September 2021.

*Hardship Fund:* Funds provided to support six months running costs of our 'cook and connect' project.

*Pears Foundation:* Funds provided to cover staff time involved in the initial setting up of Home-Start Aberdeen's online Make a Difference Weekly Lottery.

*Scottish Government - Perinatal Infant Mental Health:* Funds provided for the delivery of support for people affected or at risk of perinatal and infant mental health issues.

**Purposes of unrestricted funds**

*Reserve Fund:* A designated fund used to set aside surplus funds from other funds with a view to building this fund up to an appropriate level in accordance with the charity's policy of maintaining reserves (see the trustees' report).

*Pension Reserve:* Unrestricted funds of the charity which the trustees have set aside at their discretion for a specific purpose. In this case, the balance represents the shortfall in the pension benefits earned by past and present employees and the resources set aside to meet them.

*Mainline:* This general fund handles the incoming and outgoing resources in respect of the inaugural family support services provided in the city of Aberdeen. The trading results of the charity shop and all other income of the charity, other than income which is attributable to a specific fund, is allocated to this account.

**18 Operating lease commitments**

	<b>Land and buildings £</b>	<b>Equipment £</b>
At the year end, the charity had annual operating lease commitments as follows:		
A lease which expires in 2026 relating to office accommodation and car parking at Langstane House, Aberdeen	<u>17,500 pa</u>	
A temporary lease which continues to operate month to month until notice is served by either party	<u>12,000 pa</u>	
A lease which expires in 2024		<u>200 pa</u>

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**19 Control**

The charity is under the control of the trustees, as detailed on page 2.

**20 Related parties**

The charity is affiliated to Home-Start (UK), to whom an affiliation fee is paid in return for various support services. The fee paid in the year to 31 March 2022 amounted to £5,660 (2021: £3,431).