# Smile Scotland SCIO

## Scottish Charity No – SC044981

## Annual Report and Financial Statements

## For the year ended 31 March 2018

**Trustees' Annual Report**
**For the year ended 31 March 2018**
The trustees have pleasure in presenting their report together with the financial statements for the year ended 31 March 2018.

**Reference and Administrative Information**
**Charity name**
Smile Scotland (SCIO)

**Charity no**
SC044981

**Address**
122-124 Broomhill Road, Aberdeen. AB10 6XH

**Current Trustees**

| | |
|---|---|
| Angela Allan | Chair |
| Heather Smith | Secretary |
| Clive Hampshire | Treasurer |
| Billy Buchan | |
| Fiona Willis | appointed 30/12/2017 |

**Structure, Governance and Management**
**Constitution**
Smile Scotland began in earnest in July 2014 with OSCR granting us charitable status. The Charity is a Scottish Charitable Incorporated Organisation (a SCIO).
The charity has a single tier structure and as such the trustees are the members of the charity.
The board, which continues to meet as and when required, are the charity's trustees.
Trustees are elected at the annual general meeting which will be held in November this year.
There must be a minimum of three and a maximum of eight trustees.

**Objectives and Activities**
**Charitable purposes**
We will empower people in Scotland with the skills, knowledge, confidence and experience to overcome the barriers that they face when getting into, or sustaining employment. We are doing this in order that they can avoid living in poverty and can sustain positive mental and physical health and well-being. Through education and training, discriminating factors such as mental ill-health; physical ill-health and disability; additional learning and support needs; criminal backgrounds; and homelessness will be overcome.

**Activities**
Education
Understanding all aspects of the workplace, including Health & Safety.
Understanding the needs and expectations of employers, colleagues, customers and self.

Recognising barriers to employment and how to overcome them in order to sustain employment.
Making use of positive, solution-focussed approaches with short, medium and long term goal setting and achieving.
Writing CV's and application forms.
Preparing and practicing for interviews.

Training
Customer Services – appearance, manner and implementation of our values in all areas of work experience.
Building on-the-job knowledge, skills, experience and confidence in one or more areas of interest:
Procurement – Buying on-line, at auction, and face to face at various venues.
Deliveries – van driving, collection and delivery of goods, manual handling.
Furniture restoration – clean, restore and polish household goods, glassware, furniture and antiques.
Retail – pricing, merchandising, customer care and awareness, sales and end of day reconciliation, and delivery arrangement.

Support
Advice and guidance, and empathy from a member of staff at all times when in Education, Training and employment.
Follow up assistance once in employment to ensure sustainability, for as long as is required.

**Achievements and Performance**

Clients
Since our last report we have directly supported 173 adults within our charity.
Through Aberdeenshire Council Employability Team, we continue to support 1 client volunteer, he has been able to sustain a work placement with us for one day per week, and has a planned progression route at the end of the year. He continues to struggle to gain employment but is successfully taking part in an employment programme in addition to his placement here.
Through the Mental Health practitioners at Cornhill hospital we have had 6 new referrals. 1 client has continued, despite having a very difficult year, and increased their placement to 4 days. 1 client increased from 1 to 2 days, was support to carry out on-line training while on placement, applied successfully for part time work and a full-time university course and moved on at the start of term. 1 client has increased from a half day to 1.5 days, and is now confident enough to speak with others (clients, volunteers and trustees), and has just moved on from being an inpatient to supported accommodation. 1 client has begun for a half day per week and is settling in, and 2 clients are in the process of beginning with us.
We have had 4 self or parent referred clients. 1 clients with severe mental health issues who is now confident to arrive and walk through the shop at the start of her day; 1 client who is beginning to learn and adapt to a working environment; 1 client who stayed for 3 months but was not yet ready for a work placement; and 1 client who is being supported to apply for work, learning about customer care and has increased to 2 days.

34 adults have come to us through Aberdeen City Council Unpaid Work Team, they have worked through Fiscal Work Orders which support diversion from prosecution and enable adults to sustain employment and further education by avoiding a criminal record.
We have supported 51 adults from the Aberdeen City Council Unpaid work team, providing them with an opportunity to complete Community Payback Orders, and an additional 77 who were able to support us with half or full day placements to fulfil some of the hours in their Orders.

New Volunteers
We have successfully recruited 4 new volunteers, all are now in place. 1 volunteer has taken on a role as a Trustee.
This year we have supported 3 young people with volunteer placements to support them to completed their Duke of Edinburgh Awards, 2 Bronze and 1 Silver Awards.

Premises
At the end of August '17 we celebrated one year in Broomhill Road. This has continued as a busy venue, with the increased footfall that we had planned for. The small off-shore container has remained as an invaluable asset for additional storage, and has been joined in the car park by a Rag Bag container for recycling clothes, shoes and bags. This enables another small income as well as supporting another charity. We have taken on additional garage storage for delivery items due to the change of space within the shop.
Within the shop, our plans to expand to have a coffee shop have taken much longer than anticipated, this has been due to time constraints, and waiting for the appropriate clients to support us to carry out the work. We were able to close the shop for a few days between Xmas and New Year to decorate the sitting area, which has now been fitted out, and have fitted out the kitchen area with sinks and cupboards. We are considering an appropriate partnership to run the coffee shop which includes our clients.
The office space upstairs has been put to good use, while the other two rooms are still in the development process. A study / quiet room and a staff kitchenette are being worked on, and are currently being used for storage.
We have continued to hold our cabinet and small sales area in Abernyte, the Scottish Antiques Centre, providing us with publicity further south and additional income.
We have also made increasing use of Ebay, for unusual items that have an international appeal.

Publicity
The development of an on-line presence, through a website, Facebook, Twitter and Instagram, has been of benefit to partner agencies to find out more about us before referring clients, and for self-referrals and customers. Facebook has grown to having over 2500 likes, and Twitter and Instagram have been slowly working away with about 80 followers.
We have given talks about our work to local schools as part of the Youth Philanthropy Initiative and Business Studies; to local interest groups and other charities to raise awareness of our work; and to inmates of HMP&YOI Grampian to make them aware of placement opportunities.

**Financial review**
Our main source of funding is through shop sales, with a small amount being raised in donations.
One successful funding application has been made, and a motor memorabilia auction, with a number of very small donations in funding made by charities, groups and individuals. The main aim to secure funds was to complete the coffee shop. We also used our funds to replace all of the lighting and install a woodburning stove in order to help heat the building and reduce our monthly costs which was successfully completed and has already been of huge benefit to us all.
We have continued to lease a large van and continue paying up the purchase of a second, smaller van.

**Plans for future period**
We will be opening the coffee shop to the public in order to expand the range of experiences we can offer to our clients, and to complete the two rooms upstairs which will allow us to have a kitchenette, study area and a quiet meeting space, which will be particularly important for our clients with mental health issues. We will continue to review the requirement to employ a member of staff, and continue to recruit volunteers and Trustees.

**Acknowledgements**
To Clive for his continued hard work, effort and adjustments as he works with new clients. Thanks to Fiona, our new Trustee, who has worked hard to develop the charity. Finally, our thanks to everyone else: Trustees, volunteers and customers, who provided donations, support and advice throughout the year.

Angela Allan
Chair of the Board of Trustees

**Statement of Receipts and Payments for the year ended 31 March 2018**

| | Year Ended 31/03/2018 (£) | Year ended 31/03/2017 (£) |
|---|---|---|
| **Receipts** | | |
| Receipts from charitable Activities: | | |
| - Sales (excl Partner Income) | 215546 | 110394 |
| - Partner Rent Income | 7350 | 6495 |
| - Partner Commission Income | 2441 | 823 |
| Donations | 29435 | 4731 |
| Gift Aid reclaimed from HMRC | 6142 | 6771 |
| Rag Bag | 402 | 0 |
| Vat reclaimed from HMRC | 6098 | 11978 |
| Directors Loan | 0 | 3000 |
| Total receipts | **267414** | **144192** |
| **Payments** | | |
| Cost of charitable activities | 251737 | 138940 |
| Purchase of equipment | 0 | 209 |
| Total payments | **251737** | **139149** |
| Surplus/(Deficit) for the year | **15677** | **5043** |

## Statement of Balances - As at 31 March 2018

| | | Year Ended 31/03/2018 (£) | Year Ended 31/03/2017 (£) |
|---|---|---|---|
| Opening cash at bank and in hand | | 7390 | 2347 |
| Adjustment for 16/17 | | - 362 | |
| Surplus/(Deficit) for the year | | 15677 | 5043 |
| Closing cash at bank and in hand | | **22705** | **7390** |
| **Represented by:** | | | |
| Bank statement at 31.03.18 | | 17079 | 7287 |
| Plus Mar 18 card sales to be credited | 2463 | | |
| Plus 2016/17 adjustments (*1) | 3907 | 6370 | |
| | | 23449 | |
| Less 2017/18 Adjustments (*2) | | 1446 | |
| | | 21983 | |
| Till float | | 200 | 200 |
| Cash in hand | | 522 | |
| Partners Account Balance | | 0 | - 97 |
| | | **22705** | **7390** |
| **Other assets** | | | |
| Shop stock | | **18112** | **13801** |
| **Liabilities** | | | |
| Directors Loan | | 0 | 3000 |
| Partners Account | | 0 | 97 |
| | | **0** | **3097** |

**NOTES**

**(*1) 2016/17 Adjustments for Mar 17 paid / credited in Apr 17**

| | | |
|---|---|---|
| Credit card expenditure | 1375 | |
| Trustee Payment | | 2500 |
| Partner commission | | 1535 |
| | | **5410** |
| Less: | | |
| Card sales | 1132 | |
| Cash sales | 371 | 1503 |
| **Total 2016/17 Adjustments** | | **3907** |

**(*2) 2017/18 Adjustments for Mar 18 paid in Apr 18**

| | |
|---|---|
| Salary | 468 |
| HMRC | 117 |
| Partner commission | 495 |
| Credit card expenditure | 386 |
| **Total 2017/18 Adjustments** | **1466** |

**Cost of Charitable Activities year ended 31 March 2018**

| | Total 2017/18 (£) | Total 2016/17 (£) |
|---|---|---|
| Staff Costs | 585 | 4886 |
| Consultancy Fees | 43108 | 20500 |
| Rent, Electricity | 34477 | 27479 |
| Premises / Content Insurance | 2961 | 1528 |
| Telephone & Internet | 943 | 1000 |
| Travel / Transport / Parking | 101 | 2530 |
| Card Processing Charges | 1875 | 1090 |
| General shop stock | 123302 | 58813 |
| Advertising / Publicity | 1514 | 1210 |
| Subscriptions | 0 | 0 |
| Shop Costs | 5784 | 4686 |
| Office Equipment / Stationery / Postage | 1260 | 0 |
| Accountancy Costs | 234 | 318 |
| Stock delivery / Collection Costs | 1697 | 525 |
| Vehicle Costs | 16405 | 12158 |
| Donations | 0 | 1380 |
| Meal on Duty for Trustees / Volunteers | 766 | 325 |
| Trustee Meeting Costs | 39 | 96 |
| Meals for Placements / Clients | 56 | 54 |
| Credit Card Charges | 80 | 362 |
| Other Miscellaneous Costs | 1929 | |
| Partner Reimbursements | 8052 | |
| Abernyte Rental Costs | 3505 | |
| Contractor Services | 3062 | |
| | **251735** | **138940** |

**APPENDIX 3**

# OSCR

Office of the Scottish **Charity Regulator**

## Independent examiner's report on the accounts V2

| | |
|---|---|
| **Report to the trustees/members of** | Smile Scotland SCIO |
| **Registered charity number** | SCO44981 |

**On the accounts of the charity for the period**

| Period start date | | | | Period end date | | |
|---|---|---|---|---|---|---|
| Day | Month | Year | | Day | Month | Year |
| 1 | 04 | 2017 | To | 31 | 03 | 2018 |

| | |
|---|---|
| **Set out on pages** | 1 to 5 (remember to include the page numbers of additional sheets) |

**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) 2005 Act and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (d) 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 Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the accounts.

**Independent examiner's statement**

In the course of my examination, no matter has come to my attention [other than that disclosed on the attached page*]

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, and
   - to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulations

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.

| | | | |
|---|---|---|---|
| **Signed:** | T H Morrow | **Date:** | 8th October 2018 |
| **Name:** | Thomas H Morrow | | |
| **Relevant professional qualification(s) or body (if any):** | Chartered Institute of Public Finance and Accountancy | | |
| **Address:** | 2 The Meadows<br>Checkbar<br>Nigg<br>Aberdeen , AB12 4LP | | |

*Please delete the words in the brackets if they do not apply. If the words do apply, set out those matters which have come to your attention on the following page.

APPENDIX 3

## Disclosure section

Only complete if the examiner needs to highlight material problems.

**Give here brief details of any items that the examiner wishes to disclose**