



Smile Scotland SCIO

Scottish Charity No – SC044981

Annual Report and Financial Statements

For the year ended 31 March 2020

**Trustees' Annual Report
For the year ended 31 March 2020**

The trustees have pleasure in presenting their report together with the financial statements for the year ended 31 March 2020.

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
Fiona Willis	

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 October 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 371 adults within our charity.

Through the Mental Health practitioners at Cornhill hospital we have had 2 new referrals. 1 client has already increased from one 0.5 day to 4 full days per week, taking part in all shop and auction house activities. The other new client started on a 0.5 day per week and is gradually building up to 0.75 or 1 full day per week depending on his needs. He currently enjoys working on his own, so we are building team work with him. 1 client has continued, having a more stable year, he has been able to sustain his 4-day per week placement. 1 client has continued to sustain 3.5 days per week, and is continuing to develop his confidence with speaking with others (clients, volunteers and trustees), and he is still on the waiting list to move into his own accommodation and remains in his current supported accommodation.

We have 2 self-referred clients. 1 client with severe mental health issues who is now confident to arrive and walk through the shop at the start of her day has increased to 2 0.5 days per week, she is continuing to grow in confidence and broadening the activities that she takes part in. 1 client attended on a regular and ad-hoc basis at the auction house, taking part in most activities and developing team work and customer care skills.

31 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. 15 were drug or alcohol related and required additional support during their placement.

We have supported 225 adults from the Aberdeen City Council Unpaid work team, providing them with an opportunity to complete Community Payback Orders, and an

additional 109 who were able to support us with half or full day placements to fulfil some of the hours in their Orders. 19 were drug and alcohol related and required additional support during their placement.

The COVID-19 lockdown hit us in the last two weeks of this reporting period. We made the decision to stop all Unpaid Work Team placements to focus on our clients with mental health issues. We continued with socially distanced, limited activities for 3 of our clients. 1 other client very quickly moved away to stay with family during the lockdown. 2 other clients were supported to shield by the Mental Health team. We called or made socially distanced visits to keep contact and ensure their wellbeing.

New Volunteers

We have successfully recruited 3 new volunteers for the Auction House. 1 volunteer has increased to a 3 day per week paid post with us and continues as a volunteer in the shop, and one volunteer works 1 day per week and continues as a volunteer in the shop. One of our Duke of Edinburgh Award young people has continued with us since completing her award and is now a volunteer in the shop. This year we have supported 2 young people with volunteer placements to support them to complete their Bronze Duke of Edinburgh Awards.

Premises

We had an unexpected and exciting opportunity in May 2019 when a large, modern premises became available in Oyne, Aberdeenshire. Based on the success of our specialist motor memorabilia auction in the Broomhill shop, we have developed an Auction House to meet our needs, and the needs of a wide community, that we were already aware of. To ensure this is sustainable and achievable we are holding one general auction sale per month. We have also held one specialist comic auction in an evening to support a young man who was moving into supported accommodation due to his mental health needs. In the last two weeks we have closed this down. We have negotiated a reduced rent with the landlord and will look at how we are able to generate an income to cover this.

At the end of August '19 we celebrated our third year of the shop being open in Broomhill Road. This has continued as a busy venue, with the increased footfall that we had planned for, although the pre-loved furniture market is changing. The small off-shore container, and the garage have remained as invaluable assets for additional storage, and the Rag Bag container for recycling clothes, shoes and bags continues to be well used.

Within the shop, our plans to expand to have a coffee shop have come to an end. Having completed the refurbishment of the area, we actively sought an appropriate partnership to run the coffee shop which would include our clients. We interviewed 8 prospective partners, none of whom decided to go ahead, or we felt were suitable. For a couple of prospective partners, this was due to us coming close to the final year of our lease, prior to the 5-year break / review clause of our 10-year lease.

The office space upstairs has been put to good use, along with quiet room and a store room. In the last two weeks we have closed the shop to the public, but have continued to use this as a base for a small number of clients. Our staff have been furloughed. We are continuing to ensure our window displays are appealing, and using Facebook to promote a small number of sales, offering safe (COVID-19 compliant) delivery. We are in negotiations with our landlords about a reduced rent. We have continued to hold our small sales area in Abernyte, the Scottish Antiques Centre, providing us with publicity further south and additional income. We made the

decision to give up the cabinet as it was not profitable and did not enhance the advertising or work experience for our clients. In the last two weeks this has been closed to the public and no on-line sales are taking place. Rent has been reduced but this will be an expenditure without income for us.

We continue to make use of Ebay for unusual items that have an international appeal and are turning to this and our Facebook for sales during the COVID-19 lockdown. We are continuing to offer a delivery services as one way to engage our clients in a practical activity and familiar routine.

Publicity

Facebook continues to be of great benefit to us with over 4,100 follower and likes, with Twitter and Instagram being peripheral to this bit slowly building. Our website has been of benefit to partner agencies to find out more about us before referring clients, and has now been updated. We have given talks to local interest groups and other charities to raise awareness of our work.

Financial review

Our main source of funding is now through shop and auction house sales, with a small amount being raised in donations.

One successful funding applications had been made, to redecorate the front of the shop.

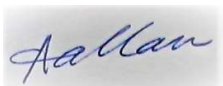
We have continued to lease a large van and are now leasing a crew cabin small van, and continue paying up the purchase of a second, smaller van.

Plans for future period

As we are into the fifth year of our lease agreement, we will be looking at the renegotiation of this for the next 5-year period. However, given that we are entering an uncharted period in history, alternatives are also being explored to offer new experiences for our clients and allowing us to remain as self-financing as possible. We will continue to review the requirement to employ additional members of staff, and continue to recruit volunteers and Trustees.

Acknowledgements

Sincere thanks to all of our volunteers, trustees and staff, for their continued hard work, effort and empathy as they work with the clients and each other in what we all call the Smile Family.



Angela Allan
Chair of the Board of Trustees

Statement of Receipts and Payments for the year ended 31 March 2020

	Year Ended 31/03/2020 (£)	Year ended 31/03/2019 (£)
Receipts		
Receipts from charitable Activities:		
- Shop sales (excl. Partner Income)	214968	245168
- Partner Rent Income	9710	7800
- Partner Commission Income	2613	2298
Auction Receipts*	37457	0
Donations	4399	4269
Gift Aid reclaimed from HMRC	9132	5921
Rag Bag	566	351
Vat reclaimed from HMRC	5630	3658
Services Provided	1205	940
Directors Loan	0	0
Total receipts	285680	270410
Payments		
Cost of charitable activities	299099	262490
Purchase of equipment	0	0
Total payments	299099	262490
Surplus/(Deficit) for the year	<u>13419</u>	<u>7919</u>

*Auction Receipts	
Total Auction Takings	72776
Less Paid to Sellers	<u>35319</u>
Action Receipts	<u>37457</u>

Statement of Balances - As at 31 March 2020

	Year Ended 31/03/2020 (£)	Year Ended 31/03/2019 (£)
Opening cash at bank and in hand	30255	17801
Adjustment for 19/20	75	349
Surplus/Deficit for the year	13419	7919
Closing cash at bank and in hand	<u>16911</u>	<u>25371</u>
Represented by:		
Bank statement at 31.03.20	14535	29545
March card sales to be credited	0	2039
2017/18 adjustments		<u>1466</u>
		30118
2018/19 Adjustments (*1)	3417	<u>5456</u>
2019/20 Adjustments (*2)	<u>1484</u>	
	16468	24662
Till float	360	200
Cash in hand	83	509
	<u>16911</u>	<u>25371</u>

Other assets

Shop stock	<u>19688</u>	<u>19861</u>
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Liabilities

Directors Loan	0	0
Partners Account	0	0
	<u>0</u>	<u>0</u>

NOTES

(*1) 2018/19 Adjustments for Mar 19 paid in Apr 19

Salary	494	
PAYE	59	
Consultant Fee	3000	
Partner commission	1854	
Other expenses	1265	6672
Less Gift Aid		<u>1216</u>

Total 2018/19 Adjustments

	<u>5456</u>	
Less card payments to be credited	<u>2039</u>	
	<u>3417</u>	

(*2) 2019/20 Adjustments for Mar 20 paid in Apr 20

Card Processing charges	172	
Credit Card Payments	643	
HMRC	75	
Cheques not presented	206	
Other expenses	388	

Total 2018/19 Adjustments

1484

Cost of Charitable Activities year ended 31 March 2020

	Total 2019/20 (£)	Total 2018/19 (£)
Staff Costs	10441	3770
Consultancy Fees	46000	38655
Rent, Electricity	33533	32938
Premises / Content Insurance	2333	1634
Telephone & Internet	1258	1311
Travel / Transport / Parking	101	142
Card Processing Charges	2582	1992
General shop stock	143279	141211
Advertising / Publicity	4727	1152
Subscriptions	0	0
Shop Costs	4318	3553
Office Equipment / Stationery / Postage	799	374
Accountancy Costs	0	196
Stock delivery / Collection Costs	374	580
Vehicle Costs	19145	12954
Donations	301	120
Meal on Duty for Trustees / Volunteers	924	798
Trustee Meeting Costs	0	30
Meals for Placements / Clients	0	15
Credit Card Charges	64	90
Other Miscellaneous Costs	531	1038
Partner Reimbursements	14356	10099
Abernyte Rental Costs	3953	4376
Contractor Services	1422	4283
Coffee Shop	14	1181
Oyne Rent	8646	-
	<u>299099</u>	<u>262490</u>
Excluded as netted off Auction takings Auction Seller payments	35319	
Expenditure Total	<u>334418</u>	