

**Scripture Union Scotland
(Limited by Guarantee)**

**Annual Report
Year Ended 31 March 2020**

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Charity Information

Scottish Charity Number	SC011222
Company Registration Number	SC054297
Country of registration	Scotland

Registered Office	70 Milton Street Cowcaddens GLASGOW G4 0HR
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Trustees	Stephen Bell Rosie Bowker Dr Audrey Chalmers Rev James Dewar Caroline Dodds Pamela Fulton Dr Heather Haywood Arthur Jones Lisbeth Macmillan Christine Murison Rev Kenny Stott Sally Sydserrff
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Chief Executive	Robin MacLellan
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Company Secretary	Robin MacLellan
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Auditors	Mazars LLP, Chartered Accountants
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Bankers	The Royal Bank of Scotland plc Bank of Scotland plc Virgin Money plc Santander plc
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Solicitors	Balfour + Manson LLP
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Website	www.suscotland.org.uk
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Report of the Trustees

The Trustees have pleasure in presenting their report together with the audited accounts for the year ended 31 March 2020.

Structure, governance and management

Status of charity and governing document

Scripture Union Scotland ("SU Scotland") is a Scottish charity (no. SC011222) constituted as a company limited by guarantee (no. SC054297) and governed by its Memorandum and Articles of Association. The company was incorporated on 22 October 1973. The Trustees of the charity are the directors of the company for the purposes of company law.

Governance structure

Scripture Union is an international Christian movement which began in the UK in 1867 and which operates today in around 120 countries across the globe. In most of these countries Scripture Union operates as an autonomous, self-governing organisation, linked with other SU organisations through Scripture Union International. SU Scotland is one of four independent national Scripture Union organisations operating within Britain and Ireland.

The Board of Trustees of SU Scotland is responsible for the governance and oversight of the organisation's activities. Trustees are appointed to oversee the affairs of SU Scotland and to ensure that funds are used in accordance with the charity's objects as defined in its Memorandum & Articles of Association, and in line with the international Scripture Union '*Statement of Aims, Belief and Working Principles*'. As these principles reflect a Christian, Bible-based movement, Trustees have a responsibility to work together to discern God's will for the direction and development of the organisation.

The Board meets five times a year and is supported by four sub-committees covering National Ministries, Residentials, Finance and Development and Growth. A Board Nominations Committee makes recommendations to the Board for membership of the Board and its constituent committees. Each of these committees comprises both Board and non-Board members and operates under specific terms of reference. Each has its decisions ratified by the full Board.

The Senior Leadership Team (who are considered to be the key management personnel) comprises four executive officers - the CEO and three departmental directors - who are responsible together for both the operational management of the organisation and the achievement of strategic targets set by the Board. None of this team is a member of the Board.

In addition, members of the Board and Senior Leadership Team gain valuable consultation input from an informal Student Executive group made up of young people between the ages of 15 and 21 which meets 3 times per year, members of which have first-hand experience of SU Scotland's activities.

The Board set the level of pay and remuneration for the key management personnel by reference to benchmark salary data for comparable roles in other Christian charitable organisations operating in Scotland.

Related parties

SU Scotland works in partnership with Christian churches and other Christian agencies in Scotland in the pursuit of its objects. There were financial transactions with one related party in the year; Christian Values in Education (CVE).

There is a member of the key management personnel on the Board of CVE and of Ferrywell Youth Project as these are organisations whose objects are closely aligned with SU Scotland.

Full details of the related party transactions are shown in note 12 of the financial statements.

Report of the Trustees

Appointment of Trustees

The responsibility for considering suitable candidates for the role of Trustee rests with the Nominations Committee. These Trustee positions are unpaid, and the period of service is initially for five years. This may be extended for a further three years, after which the Trustee must stand down. Re-appointment is possible after the lapse of at least one year.

The Chair, Vice Chair and Honorary Treasurer are elected annually at the first meeting of the Board following the AGM and may serve for a period of five years after which they must stand down. Re-appointment is possible after a lapse of at least one year. Appointment to any of these positions will be additional to any term already undertaken as a Trustee.

There are comprehensive procedures in place for the induction of new Trustees. New appointees are provided with a detailed file of information covering topics such as the responsibilities of Trustees and the history, activities and operations of SU Scotland. They are also invited to observe first-hand some of the work of the organisation. Trustees are offered regular refresher courses in the principles of effective governance.

Risk management

Using a formal risk management process, the Trustees continue to assess and identify major risks, both external and internal, and have established systems and procedures to mitigate these risks.

Objectives and activities

Charitable objectives

The charity's Memorandum and Articles of Association contain the following objects:

- To aid the Christian Church in its ministries by specialised services whereby the Word of God is presented, especially to children and young people, so that those to whom it is presented may:
 - be led to personal faith in the Lord Jesus Christ;
 - be encouraged and instructed in the development of Christian character and witness and in a sense of vocation; and
 - take their place as members and workers in the life of their churches and of society.
- To promote thoughtful Bible Reading amongst people of all ages with a view to furthering personal discipleship, Christian community and social concern.

These objects are currently expressed in the following statements of vision and values:

Our vision is to see the children and young people of Scotland exploring the Bible and responding to the significance of Jesus.

Our values are dependence on God and deepening relationships.

SU Scotland's ministry focuses on contact with school-age children and young people. During term-time this takes place in and around the school environment and through curriculum-based residential activities. During holidays and weekends, it is conducted through residential activities and through working with churches in community-based mission events. Accordingly, in pursuit of its charitable objectives, SU Scotland is engaged throughout the year in the organisation of Christian holidays, weekends, missions and school groups for young people, together with training of Christian leaders and encouragement of Bible reading amongst young people. The organisation continues to pursue these objectives in partnership with Christian churches and other Christian agencies in Scotland.

Report of the Trustees

Principal activities

The charity's principal areas of activity are:

- National ministries with schools and churches
- Residential holiday events
- Activity centres
- Prayer ministries
- Equipping and leadership development

Impact of COVID-19 on activities

The lockdown precipitated by the COVID-19 pandemic in mid-March 2020 had an immediate and significant impact on the charity's direct work with young people. All residential events and centres bookings had to be cancelled from late March and most schools work with young people has been suspended. Almost 80% of the staff team were furloughed in April due to the restrictions on their activities. There will be a significant reduction in income from charitable activities during the next financial year (which has been notified to OSCR) although this will partly be compensated by grant income from the government's Coronavirus Job Retention Scheme. Donation income has held up so far and the Trustees acknowledge this evidence of God's faithful provision through the amazing sacrificial giving of supporters.

Despite the challenges, the charity has been able to continue to engage volunteers and adapt and develop some of its activities with children and young people all across Scotland. Ministry continues, though on a smaller scale for now. Digital and online solutions have already replaced some of the normal face to face events and activities, with exciting new initiatives being launched such as SUTV (during the Easter 2020 camp season), regular online youth events, development of new resources for SU groups to use at home, production of video and digital materials for schools to use with P7 children transitioning to Secondary School, online Connect discipleship groups, plans for digital holiday clubs in the summer as well as online training events for senior pupils. These initiatives are developing further as the restrictions persist so that the ministry can continue in a different format.

National ministries with schools and churches

SU Scotland aims to undertake schools ministry through a large number of volunteers being supported and coordinated by a smaller number of Regional Workers. Work is organised over sixteen different regions across Scotland. Additional staff have a wider remit covering Independent Schools, and Missions.

SU Scotland seeks to assist schools to fulfil their obligations under Religious Observance legislation and to do this within the context of 'Curriculum for Excellence'. Direct schools work is linked closely to extra-curricular activities, wider regional events, residentials and ongoing support of similar activities with churches.

SU Scotland runs an Associate Worker Scheme. Under this scheme, groups of churches form local charitable trusts to appoint Christian workers to work in the local schools and with children and young people in the churches. SU Scotland provides support in the form of line management and training for workers as well as child protection and payroll services.

During school holidays, many SU missions take place in partnership with local churches. The strategic aim is to develop new mission partnerships whilst simultaneously handing over SU Scotland-led events to local leadership. Also during the summer, there are beach missions at Elie, Whiting Bay and Islay focusing on sharing the good news of Jesus with holidaying children and families as well as local children and young people.

Report of the Trustees

Residential holidays and weekends

SU Scotland provides holidays and weekend breaks in a Christian environment at various locations around the country for over 3,000 children and young people every year. These events typically incorporate a broad range of activities ranging from gorge walking and skiing to the creative arts.

Events are staffed to ensure appropriate care and attention for the number of young people attending. Most Team Leaders - and all but a few group leaders and catering staff - are volunteers.

Activity centres

SU Scotland runs three residential activity and conference centres - Lendrick Muir, near Kinross, Alltnacriche, near Aviemore, and Gowanbank in Ayrshire. In addition, there are two seasonal campsites operated - Kingscross on the Isle of Arran and Scoughall, near North Berwick. During school holiday periods these centres and campsites host SU Holidays and cater for the bulk of all the holiday places provided by SU Scotland each year.

Around 35 weekend breaks are organised by SU Scotland's Regional Workers each year and the majority of these are held at Alltnacriche, Lendrick Muir and Gowanbank. The activity centres are utilised at other times by a wide range of different groups, mostly church youth groups and organisers of national training events or discipleship conferences.

In addition, during term-time, the facilities at the activity centres make them ideal venues for residential events for school groups of various sizes. Under the banner of *Classroom Outdoors*, the centres host school residential experiences and non-residential workshops geared to fulfilling the aims of the Scottish Government's Curriculum for Excellence.

Prayer ministries

At the heart of all that SU Scotland is about is a commitment to seeing more young people praying and being prayed for. Prayer gatherings are organised for those of secondary school age.

Equipping and leadership development

SU Scotland provides a variety of training events for senior pupils. The Go Conference encourages young people to live out their Christian faith at school, in their community and in their family. A programme of leadership training is offered to trainee leaders aged 16+ where young people are encouraged to attend a training event, serve as part of a team working with young people and then gather together to evaluate and reflect on their experience.

A gap year programme encourages young adults (post school) to take part in a year of mentoring, training and opportunities for service in various locations around Scotland: working with a member of staff in a region, at one of our Outdoor Centres or with a church with whom we form a partnership. All gap year participants take part in a study programme, an International mission trip to Ukraine and are involved in a variety of initiatives working with children and young people.

Strategic Report

Achievements and outcomes

SU Scotland had a strategic plan covering 2016-2019, which was extended in to 2020. The strategy is based around a focus on "Growing the Team" and incorporates aims for key beneficiaries and stake holders as follows.

- **Young people:** investing in young people to be confident and committed followers of Jesus and helping them develop as leaders.
- **Volunteers:** envisioning, recruiting and equipping 300 new volunteers so that increasing numbers of children and young people will be exploring the Bible and responding to the significance of Jesus, especially in Scottish schools.
- **Staff:** developing leadership and a culture of learning in our staff team so that volunteers and young people are better trained and supported, and ministry is multiplied.

Report of the Trustees

- **Supporters:** inspiring and recruiting hundreds more supporters who will pray and give, partnering with us to provide the resources needed to help fulfil our vision.

Work has continued through the year on developing initiatives to take this strategy forward.

Some of the highlights from 2019/2020 include:-

- ✓ SU Holidays, missions and other events continue to impact children and young people and make a difference to their lives. Encouraging feedback from 2019 events include:
 - *This amazing camp with amazing leadership has taught me so much about myself and about God. I have gained so much social confidence and God has brought me closer to him and taught me about his calling for me into leadership. It has been a hugely important part of my life and has given me five of the best weeks and hundreds of the most treasured memories of my life!*
 - *A mission team had a girl with autism who they were struggling to support. Through good conversation with her mum and a carer, prayer, and designating a team member to the girl, she enjoyed the week and was able to engage fully with the programme.*
 - *We have had a fantastic week at our first-ever holiday club. One of the kids coming everyday very clearly stated on Day 1 that ‘I don’t believe in Jesus.’ Then couldn’t hide her amazement that Jesus wants to be her friend and will forgive her for all the wrong things she does. At the end of the club she was bursting to tell her mum everything she had learnt that day.*
- ✓ Hosting the final Soul Survivor Scotland and launching a new festival for young people in Scotland entitled *Magnitude*
- ✓ Residential Weekends are an integral part of the School Group ministry, providing great opportunities for more in-depth ministry with children and young people. Staff members have been able to recruit, train and involve new volunteers in their weekend teams.
- ✓ New SU Groups starting in schools across the country, with further growth in the North East;
- ✓ The contribution made by over 2,500 volunteers who served with SU Scotland during the year, equating to over 260,000 hours’ worth of service at events and leading groups;
- ✓ Partnering with Circle Scotland and Prison Fellowship Scotland to host at an *SU Holiday* children of families affected by imprisonment;

An emphasis across our whole organisation is to prioritise disadvantaged children so that they can engage with and enjoy all our activities. As well as continuing mission events started in recent years with this focus (Ferguslie Park, Kilwinning and Kirkcaldy), new ministry was developed in the disadvantaged communities in Moredun and Gilmerton in Edinburgh.

National Ministries

- **Schools ministry** – Approximately 6,000 children and young people are impacted by the SU Group in their schools. There are nearly 450 SU Groups in Scotland at the start of the 2019/20 academic year; we have been working towards increasing that number through the effective recruitment and training of volunteers and senior pupils. Over 30 Secondary School SU Groups were involved in the SHINE in Schools initiative, run in partnership with SU England & Wales and SU Northern Ireland, an opportunity for equipping in evangelism and outreach to their school community.
- **Staff team** – We have been able to expand the field staff team this year, with appointments being made in Lanarkshire, the Scottish Borders, Glasgow and Independent Schools (West). The only vacant role at the end of March 2020 was in East & Midlothian. Our Associate Worker Scheme remains steady with 16 partner Trusts.

Report of the Trustees

- **Missions** - Over 1,000 children and young people were impacted by missions and holiday clubs last year in 28 events across the country. We continue to grow the pool of Mission Leaders through an internal leadership training course. Five volunteer leaders completed the programme in 2019.

Residential Ministries

- **SU Holidays** - the total number of young people attending SU Holidays during the year was 1,894, a decrease of 4% compared to the previous year.
Feedback from those attending SU Holidays continues to be extremely positive, with 96% of campers rating holidays either “fantastic” or ‘very good’. This continues to reflect the high calibre of leaders, the majority of whom are volunteers.
- **Weekends** - we welcomed 1,388 young people to weekend events. This is down 11% on the previous year, 9% of this decrease was caused by Covid-19 cancellations at the end of March.

Activity Centres –In last year’s report we noted a new staff structure was put into place in early 2019 as we sought to develop the group of three centres. Staff team development has been a key area of growth over the past 12 months, and as we looked into 2020, we were looking forward to reaping the benefits of that investment as we probably had the most stable and well-equipped staff team in recent years for what was going to be an exceptionally busy year. An increase in the links with across ministry areas with colleagues in National Ministries is also worth noting. The COVID-19 lockdown in March has decimated our booking calendar, and at the time of writing we are reviewing how our centres can be best utilised during this season.

At **Alltnacriche**, led by Dave Moss, we welcomed SU Holidays for 10 weeks over the year, supported 6 SU Weekends and were on track for over 950 pupils from 38 schools before the COVID-19 lockdown. This would have been a slight increase on last year. Our final numbers were just below 900 pupils and 36 school groups. We were grateful for a full team from summer onwards, which was receiving consistently excellent feedback from our visitors. A full refurbishment of the inside of the main building took place, with a high level of volunteer involvement over the winter. There was a considerable amount of effort into developing self-led activities, and changing what we offered to weekend groups, which was starting to increase weekend utilisation.

At **Gowanbank**, led by Colin and Sylvia Campbell, we welcomed 9 SU Holidays and Weekends, hosted many internal training events, and an SU International event in March as the COVID-19 lockdown kicked in. The first school groups have been welcomed, and weekend bookings have been strong. Work continued improving the facilities, with all our windows being replaced with double glazing and new activities being developed on site with the establishment of a development group. We are very grateful for the high level of volunteer input in this phase of the centre’s development.

At **Lendrick Muir** led by Marek Homoncik, we welcomed 8 weeks of SU Holidays, supported 26 SU weekends, numerous training events and were on track for over 2,400 pupils from 62 schools before the COVID-19 lockdown. This would have been marginally lower than last year. Our final numbers were 2,200 pupils from 57 school groups. Weekend group bookings remained strong through the year. In the final year of the Soul Survivor Scotland partnership we had over 1,200 people on site. A new 1.2km water main, enhancements to guest facilities and a rework of one of the kitchen areas have been well received. Future plans include applications to fund a climbing wall. Again, we note the huge contribution made by volunteers in enabling this ministry.

Last year we were pleased to launch Residential Bursary Fund, which will support young people with financial disadvantage to attend our school residentials. This has been well received by schools, and we will be looking at how this can be extended for use in our response to COVID-19.

Report of the Trustees

Prayer Ministries

- In January 2020 we held an **SU Day of Prayer** which encouraged staff and supporters to gather for prayer in groups around Scotland and encouraged prayer for various aspects of SU Scotland ministry and our International partners.
- **Pray for Schools Scotland** - the network showed a slight increase, with 63% of Scottish schools registered as being prayed for.
- **Back to School with God** – working with colleagues in Northern Ireland we were once again able to provide high quality resources for churches in Scotland and Northern Ireland to hold a special commissioning service for children, teachers and others involved in local schools at the start of the academic year. Increasingly, these resources are also used in the rest of the UK and elsewhere around the world, with very positive feedback received from those using them.
- **Encounter** – two national youth prayer events in Aberdeen and Grangemouth were run in partnership with others and continue to be significant in encouraging ongoing prayer in the lives of those who attend. These events are largely planned by young people who also play a significant leadership role during the encounter event, with a small group of S5 and S6 pupils coming together the evening before the event for training and preparation. The main speaker at these events was a 19 year old emerging leader.
- **Ambassadors** – 210 churches have an SU Ambassador who seeks to encourage prayer for young people as well as cascading information about SU Scotland events. There has been a steady increase in the number of Ambassadors appointed throughout this year.

Equipping and Leadership development

- **Training and Discipleship** – There were 135 attendees at the Go Conference and Christmas Houseparty events encouraging discipleship and leadership development, slightly higher than last year. There was also an increase in the number of individuals attending both events. There were 50 young leaders trained on the COMMISSION programme. Once again, a high proportion attended the post-summer review weekend for young leaders. Trainees continued to make a valuable contribution at the events where they served. A key aim of the programme is to challenge the upcoming generation of Christians in Scotland with the urgent need for mission among Scotland's children and young people.
- **Connect Groups** – involving senior pupils in Bible Study were launched in early Autumn 2019 and 8 groups are meeting in different localities across Scotland.

International partnerships

- We continue to support and learn from exchange visits with international partners in other Scripture Union movements around the world, particularly Ukraine, Belarus and Rwanda. We welcomed a young leader from Belarus for the first time to participate in the LeadUP training event and an SU Holiday. Two young leaders from Open Bible in Ukraine joined us for the Big Celebration in August, with one attending and contributing to the New Staff Retreat and the other gaining experience at the Allnacriche Centre. They made a return visit in February 2020 to plan for a forthcoming International Camp.

People Contributions - Volunteers and Staff

- **Volunteers** – An enormous thank you goes to our team of volunteers without whom so much of what we provide to Scotland's children and young people would not be possible. SU Scotland employs only a relatively small number of staff in key roles and the time and talent provided by the many hundreds of volunteers who work with us is crucial.

Over the past year our residential and other event programmes saw just over 2,000 unique volunteers working with us; this equated to just over 3,200 volunteer placements given many devoted themselves to more than one event or school group.

Report of the Trustees

Throughout 2019 we have continued to develop our volunteer online application process and more than 96% of volunteers are now using this. We are hugely appreciative of the support shown by our volunteers as we implemented this significant change.

Lastly, we can't forget those volunteers who commit their time and experience to helping in our various offices and centres throughout Scotland performing a wide range of practical and administrative tasks; the work they do is invaluable and all part of the wider commitment to the work of SU Scotland.

The Trustees wish to pay tribute to all our volunteers who gave of their time during the year in order that the work of SU Scotland might be able to take place.

- **Staff** – staff numbers increased to an average of 114 staff in post during the year, compared with an average of 107 during 2019/20. This increase included recruitment to fill vacant National Ministries posts as well as a new Festival Co-ordinator post.

SU Scotland staff worked diligently and to consistently high standards throughout the year. The Trustees acknowledge with sincere thanks their enormous contribution. The results of a staff survey in February 2020 showed increasingly healthy engagement levels.

Appointment of a new Chief Executive Officer

A major piece of work for the Trustees during 2019-20 was the recruiting and appointing of a new CEO. The Trustees want to put on record their thanks to Andy Bathgate for 19 years' dedicated service to SU Scotland as CEO; his retirement was marked, not in the way we had hoped, but in an online event because of Covid-19, just three weeks after he was awarded the Inspiring Leader award by Youthlink Scotland.

In August 2019, the Trustees began the process of recruiting a new CEO. The post was advertised in October and interviews held in January 2020, resulting in the appointment of Robin MacLellan as the new CEO. He took up the job just after Covid-19 had struck and the organisation was having to respond to lockdown conditions. The Trustees want to record their thanks to Robin for the way he has conducted himself and led the organisation during this extremely difficult time.

Fundraising activities

Fundraising activities follow the guidelines issued by the Institute of Fundraising, which include standards to protect vulnerable people during fundraising activities. SU Scotland applies principles so that appeals to supporters, applications to trusts and related fundraising activities are legal, open, honest, respectful and accountable. No complaints were received during the year and SU Scotland did not appoint any professional or commercial fundraisers. Guidelines are issued to individual volunteer fundraisers to ensure their activities (for example sponsored events or bake sales) are carried out safely and appropriately.

Plans for future periods

In the short-term, the COVID-19 crisis is hampering our ability to deliver many activities. Regardless, there are plans in place to resume our ministry activities as soon as possible, in line with physical distancing requirements. We will also be developing a new strategy for launch in early 2021. Consultation and planning will take place during July to December 2020. As mentioned in the earlier section covering our response to the COVID-19 crisis, we are taking as many of our ministry activities as possible online, via our website, YouTube, Zoom and other digital channels in a bid to continue to fulfil our objectives in a different way. We will continue to develop new approaches based on this experience. In addition, we are looking forward to progressing the following ministry projects:

- Launch of the new Magnitude festival organised by SU Scotland in partnership with other Christian youth organisations in Summer 2021.

Report of the Trustees

- Continuation of a focus on growing the number of SU Groups in schools, with a target of exceeding 500 groups.
- Growing the number of missions and holiday clubs across Scotland.
- Further development of Connect groups across Scotland, small groups of secondary aged pupils meeting regularly for mutual encouragement in following Jesus Christ.

Financial review

Principal funding sources

SU Scotland's work is heavily dependent on donations from individual supporters, churches and grant-making bodies. The Trustees are thankful to God for continual evidence of his faithful provision and express their deep gratitude to all supporters who gave sacrificially during the year and to the wide range of trusts and other funding bodies whose contributions helped make a substantial difference.

Results for the year

As shown in the Statement of Financial Activities on page 16, there was net income for the year of £16,480 (2019: £627,716). Last year's surplus was mainly attributable to one-off exceptional income including substantial legacy income, a huge response to the Gowanbank appeal and a large gift from a trust.

Total income for the year was down 10% on 2019 at £3,998,409 (2019: £4,452,671).

- Income from donations and legacies fell by £536,676 or 18% to £2,439,722 (2019: £2,976,398). Donation income decreased very slightly from £1,664,112 to £1,661,515. Legacy income is unpredictable in nature, and we were blessed to once again receive substantial income from legacies totalling £358,933; though not as high as last year's exceptional receipts of £570,011. Appeal income fell by 26% to £305,004 from last year's high of £412,923. Last year's appeal income was boosted by a fantastic supporter response to the Gowanbank Appeal in May 2018. Trust income was lower this year at £93,443 (2019: £305,498). Last year included £55,000 of trust income relating to the Gowanbank developments as well as an exceptional £150,000 gift from a Trust which was designated to be released to general funds over a 10-year period.
- Income from charitable activities increased by 5% to £1,548,490 (2019: £1,468,274). The increase was a result of further growth at the centres (increase at Gowanbank of £35,000 and at Lendrick Muir of £18,000) as well as a rise in income from Holidays and Weekend residentials of £29,000, largely due to higher contributions from Holiday team members.

Total expenditure for the year increased by 4% to £3,981,929 (2019: £3,824,955). Salary costs accounted for most of this increase (up 11% from £2,080,072 to £2,302,206). This is due to posts that were vacant last year now being filled, particularly in National Ministries, as well as some new posts being developed this year, including Festival Co-ordinator and increased Communications provision. For a more detailed analysis of costs, see notes 5 to 8.

Fixed assets

The changes in tangible fixed assets are shown in note 15 to the accounts. Total additions were much lower than last year at £93,689 (2019: £404,224). The largest addition to fixed assets in the year was the replacement of printers at £30,557. Other asset additions included £14,416 on the development of the Activity Store and Drying room at Lendrick Muir and other smaller purchases at the centres. Last year's additions included the development of Gowanbank House (at £296,067).

Borrowing

There were no borrowings at the year end.

Report of the Trustees

Reserves

At the year-end, the General Fund stood at £561,039 (2019: £384,242) an increase of £176,797. This increase was supported by the partial release of prior year legacy income from designated funds.

It is the charity's aim to ensure that a balance is maintained of general unrestricted reserves held in cash which equates to between 3 and 6 months' worth of operating costs. At the year end, the combined balances of the relevant funds – i.e. the General Fund, the Special Projects Fund, the 10 Year Trust Fund and the Legacy Equalisation Reserve – represented 5.1 months' worth of normal operating costs (2019 – 5.2 months' worth).

Having reserves at this higher end of the target range has greatly assisted in assessing the organisation's ability to weather the immediate challenges now being faced due to COVID-19, which will severely impact on income generating operations and ministry over the coming months. The restrictions of lockdown and social distancing have led to all Easter and Summer events and school residentials being cancelled until September 2020, and there is currently much uncertainty around how long this impact will continue. The Trustees and Leadership Team are working hard to ensure that the ministry can continue while the use of reserves is being very closely monitored to safeguard the durability of the organisation beyond the current crisis. The government's Coronavirus Job Retention Scheme (the furlough scheme) from April 2020 onwards is providing a very welcome support while the impact on the charity's future operations are being worked through.

Funds in deficit

There were no funds in deficit at the year end.

Principal risks and uncertainties

Management continually monitor the key risks facing the organisation together with assessing the controls used for managing these risks. The Trustees formally review and document the principal risks facing the organisation at least annually.

The principal risks and uncertainties facing the charity are as follows:

- Impact of the Coronavirus pandemic on ministry, operations and cash flow – trading income has been affected in particular and costs are being reviewed in the light of that;
- Risk of injury to a child or young person in the charity's care – this is managed by a range of safety measures and policies designed to minimise both the likelihood and impact of injury;
- Risk of lost opportunity as a result of damage to the organisation's good reputation, whether caused by negligence or severe malpractice on the part of an employee or volunteer, including historic cases – this risk is managed through regular training, input from external expert advisers and monitoring to ensure all necessary policies are in place and being adhered to;
- Risk of spiritual ineffectiveness, leading to failure to fully deliver the charity's desired strategic outcomes – this risk is managed by encouraging regular Bible reading and prayer, both corporate and personal; and
- Uncertainty of income - the nature of the charity's reliance on voluntary donations means that income can be susceptible to significant fluctuations. This uncertainty is managed through continually encouraging regular giving as part of the donor base and nurturing a diverse range of income streams.

Report of the Trustees

Trustees and officers

The Trustees who served from 1 April 2019 to the date of this report were as follows:

Stephen Bell	Arthur Jones
Rosie Bowker	Gordon McKinlay (retired 5 March 2020)
Dr Audrey Chalmers	Lisbeth Macmillan (appointed 28 May 2020)
Rev James Dewar (<i>Chair</i>)	Christine Murison (appointed 16 November 2019)
Caroline Dodds (appointed 25 April 2019)	Clive Parnell (appointed 13 June 2019, resigned 17 October 2019)
Pamela Fulton (appointed 24 August 2019)	Andrew Simpson (resigned 24 August 2019)
Lorimer Gray (retired 24 August 2019)	Rev Kenny Stott
Dr Heather Haywood (appointed 30 April 2020)	Sally Sydserff (<i>Honorary Treasurer</i>)

Executive officers are as follows:

Andrew Bathgate, *Chief Executive* (retired 31 March 2020);
Robin MacLellan, *Director of Residential & Resources* (until 31 March 2020 – appointed Chief Executive from 1 April 2020); Jackie Ringan, *Director of Development*; Dave Rickards, *Director of National Ministries*.

None of the executive officers are members of the SU Scotland Board.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Report of the Trustees, the Strategic Report and the financial statements in accordance with applicable laws and regulations.

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 company and of the income or expenditure of the company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and Charities and Trustee Investment (Scotland) Act 2005. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

The Trustees have taken all the necessary steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. As far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware.

Auditors

A resolution to reappoint Mazars LLP as auditors will be proposed at the forthcoming annual general meeting.

By order of the Board



Robin MacLellan
Secretary, 25 June 2020

Independent Auditors' Report to the Trustees and Members of Scripture Union Scotland

Opinion

We have audited the financial statements of Scripture Union Scotland ('the company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Going concern and the impact of the COVID-19 outbreak on the financial statements

In forming our opinion on the company's financial statements, which is not modified, we draw your attention to the Trustees' view on the impact of the COVID-19 as disclosed on page 4 and 9 to 11, and the consideration in the going concern basis of preparation on page 19.

During the latter part of the financial year, there has been a global pandemic from the outbreak of COVID-19. The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the UK.

The impact of COVID-19 is still evolving and, based on the information available at this point in time, the Trustees have assessed the impact of COVID-19 on the business and reflected the Trustees' conclusion that adopting the going concern basis for preparation of the financial statements is appropriate.

Independent Auditors' Report to the Trustees and Members of Scripture Union Scotland

Conclusions relating to going concern

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

Independent Auditors' Report to the Trustees and Members of Scripture Union Scotland

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 12, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the company's Trustees and Members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's Trustees and Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:



Craig Maxwell (Senior Statutory Auditor)

for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
100 Queen Street
Glasgow G1 3DN

Date:

Statement of Financial Activities (including Income & Expenditure account)

for the year ended 31 March 2020

						2020	2019
	Notes	General	Designated	Total	Restricted	Total funds	Total funds
		£	£	unrestricted	£	£	£
				£			(see note 26)
Income from:							
Donations and legacies	2	847,837	18,402	866,239	1,573,483	2,439,722	2,976,398
Charitable activities	3	1,352,290	51,034	1,403,324	145,166	1,548,490	1,468,274
Other	4	10,197	-	10,197	-	10,197	7,999
Total income		2,210,324	69,436	2,279,760	1,718,649	3,998,409	4,452,671
Expenditure on:							
Raising funds	5	118,300	6,345	124,645	16,297	140,942	133,214
Charitable activities	6						
Residential and Activity Centres		1,816,915	281,438	2,098,353	269,154	2,367,507	2,336,518
National Ministries		256,779	16,687	273,466	992,565	1,266,031	1,168,708
Equipping and Leadership Development		11,971	683	12,654	74,737	87,391	89,652
International Support	8	73,499	-	73,499	46,559	120,058	96,863
Total Charitable activities expenditure		2,159,164	298,808	2,457,972	1,383,015	3,840,987	3,691,741
Total expenditure		2,277,464	305,153	2,582,617	1,399,312	3,981,929	3,824,955
Net (expenditure) / income		(67,140)	(235,717)	(302,857)	319,337	16,480	627,716
Transfers between funds	14	243,937	(62,167)	181,770	(181,770)	-	-
Net movement in funds		176,797	(297,884)	(121,087)	137,567	16,480	627,716
Reconciliation of funds:							
Total funds brought forward		384,242	5,684,589	6,068,831	632,711	6,701,542	6,073,826
Total funds carried forward		561,039	5,386,705	5,947,744	770,278	6,718,022	6,701,542

All amounts above relate to continuing activities.

There are no recognised gains or losses other than those included above.

The accompanying accounting policies and notes form an integral part of these financial statements.

Balance Sheet

at 31 March 2020

	Notes	2020 £	2019 £
Fixed Assets			
Tangible fixed assets	15	<u>4,568,426</u>	<u>4,716,589</u>
		<u>4,568,426</u>	<u>4,716,589</u>
Current assets			
Stocks	16	10,188	7,674
Debtors	17	150,568	253,540
Cash at bank and in hand	18	2,394,833	2,166,488
		<u>2,555,589</u>	<u>2,427,702</u>
Total current assets		<u>2,555,589</u>	<u>2,427,702</u>
Creditors: amounts falling due within one year	19	(405,993)	(442,749)
		<u>2,149,596</u>	<u>1,984,953</u>
Net current assets		<u>2,149,596</u>	<u>1,984,953</u>
Total assets less current liabilities		<u>6,718,022</u>	<u>6,701,542</u>
Total net assets		<u>6,718,022</u>	<u>6,701,542</u>
The funds of the charity:			
General Fund		561,039	384,242
Designated Funds:			
Capital Reserve		4,568,426	4,716,589
Special Projects Fund		263,813	262,479
Legacy Equalisation Reserve		390,885	533,075
10 Year Trust Fund		120,000	135,000
Other		43,581	37,446
Total Designated Funds		<u>5,386,705</u>	<u>5,684,589</u>
Total Unrestricted Funds	21	<u>5,947,744</u>	<u>6,068,831</u>
Restricted Funds	22	770,278	632,711
Total Charity Funds		<u>6,718,022</u>	<u>6,701,542</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

Approved by the Board on 25 June 2020 and signed on its behalf by:


Rev James Dewar
Chair


Sally Sydserrff
Honorary Treasurer

Statement of Cash Flows

for the year ended 31 March 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Cash flows from operating activities:					
Net movement in funds		16,480		627,716	
Adjustments for:					
Depreciation	15	241,852		255,935	
Interest income		(10,197)		(7,999)	
Loan interest paid		24		9,283	
Movement in stocks		(2,514)		(1,779)	
Movement in debtors		102,972		67,634	
Movement in creditors (excluding loan funding asset purchase)		(36,756)		(8,321)	
Net cash flows generated from operating activities			311,861		942,469
Cash flows from investing activities:					
Purchase of property, plant and equipment	15	(93,689)		(404,224)	
Interest income received		10,197		7,999	
Net cash flows used in investing activities			(83,492)		(396,225)
Cash flows from financing activities:					
Loan repayments		-		(165,829)	
Loan interest paid		(24)		(9,283)	
Net cash flows used in financing activities			(24)		(175,112)
Net increase in cash during the reporting period			228,345		371,132
Cash at bank and in hand at 1 April			2,166,488		1,795,356
Net cash flow per above			228,345		371,132
Cash at bank and in hand at 31 March	18		2,394,833		2,166,488

Notes to the financial statements

for the year ended 31 March 2020

1 Principal accounting policies

The financial statements have been prepared in accordance with 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 (FRS102) (effective 1 January 2015) - ("Charities SORP (FRS 102)") and the Companies Act 2006.

Scripture Union Scotland meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going Concern: The financial statements have been prepared on a going concern basis. The Trustees and management have considered this treatment to be appropriate despite the impact that the Coronavirus pandemic is having on the charity's operations. Although there will be a material loss of trading income during the next 12 months, the organisation's ability to continue and adjust its operations is being managed by a) support from the government's Coronavirus Job Retention Scheme (with over 70% of staff on furlough), b) careful monitoring, forecasting and utilisation of cash reserves, c) ongoing review and minimisation of all costs, d) adjustments to moving ministry operations online, e) a continued level of donations from faithful financial supporters.

The principal accounting policies are set out below:

1.1 Income

Donations are credited to income on a receivable basis. Where donations are received to support the work of an individual staff member or activity, they are recognised as restricted income and allocated to Team Support. The value of donated services provided by volunteers is not included in the accounts. The value of donated assets is credited to income on a receivable basis. These assets are also shown as purchases within Fixed Assets.

Grant income is recognised as soon as unconditional entitlement arises. Grants received to fund specified capital expenditure are included as restricted income.

Legacies are included as income when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified. In order to smooth the impact on the General Fund of fluctuations in legacy amounts received from year to year, all unrestricted income received through legacies is allocated to the General Fund over three financial years. In the year of receipt one quarter of the value of a legacy is transferred to the Special Projects Fund and three quarters to the Legacy Equalisation Reserve. The balance held in the Legacy Equalisation Reserve is drawn down to zero over the course of the next two years, the income being released to the General Fund in two equal annual amounts.

Residentials income includes income from holiday and weekend fees and contributions. This income is included in the accounts in the period when the holiday or weekend event takes place. Any income received in advance of the event is shown in creditors as deferred income.

Centres income includes fee income from schools residentials and church groups staying at Lendrick Muir, Gowanbank and Allnacriche Activity Centres. This income is included in the accounts in the period when the event takes place. Any income received in advance of the event is shown in creditors as deferred income. Centres income does not include the value of internal usage for Scripture Union Scotland activities such as SU holidays and weekends.

Interest income is accounted for on a receivable basis.

1.2 Expenditure

All expenditure is included in the financial statements on an accruals basis.

The allocation of expenditure between activities and support costs is made utilising our departmental reporting system on a basis that is designed to reflect the use of the resources.

Expenditure in raising funds includes all costs incurred in support development activities including attracting voluntary income as well as an appropriate proportion of support costs.

Expenditure on charitable activities includes all costs incurred in the delivery of our charitable objectives as well as an appropriate proportion of support costs.

Support costs comprise costs which enable fundraising and charitable activities to be undertaken. These costs include central management costs such as finance, human resources and administration and have been allocated between cost of raising funds and expenditure on charitable activities in proportion to those activities' direct costs. The allocation of support costs is detailed in note 7.

1.3 Tangible Fixed Assets

Tangible fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Asset category	Annual rate
Buildings	2%
Furniture and fittings	20%
Motor vehicles	20%
IT equipment	33%
Other equipment	20%
Plant and machinery	10%
Plant and machinery (Biomass boiler)	5%

No depreciation is provided in respect of the value attributable to land.

Notes to the financial statements

for the year ended 31 March 2020

1 Principal accounting policies (continued)**1.4 Operating leases**

Rentals payable under operating leases relate to the hire of laundry equipment at Lendrick Muir. Rental payments are charged on a straight line basis over the term of the lease.

1.5 Pension costs

Pension costs relate to contributions paid into the group personal pension plan for employees.

1.6 Stock

Stock is included at the lower of cost and net realisable value.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Creditors

Creditors and provisions 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 provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.10 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work.

Where unsolicited donations are received on behalf of international SU and other bodies, these are identified separately and excluded from the Income & Expenditure account as SU Scotland derives no benefit from these funds whatsoever. Details of the movements in these funds is shown in note 23.

Further explanation of the purpose of each fund is included in the notes below.

1.11 Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered to be relevant. For the carrying value of properties, these factors include a regular maintenance schedule, insurance inspections and reviews, and consideration of property developments in the local areas. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There were no judgements and key sources of estimation uncertainty in the preparation of the financial statements.

2 Income from donations and legacies

					2020	2019
	General	Designated	Total unrestricted	Restricted	Total funds	Total funds
	£	£	£	£	£	£
Donations	540,810	4,402	545,212	1,116,303	1,661,515	1,664,112
Legacies	236,200	-	236,200	122,733	358,933	570,011
Appeals	-	14,000	14,000	291,004	305,004	412,923
Fundraising Dinner	20,827	-	20,827	-	20,827	23,854
Grants and Trust income	50,000	-	50,000	43,443	93,443	305,498
	<u>847,837</u>	<u>18,402</u>	<u>866,239</u>	<u>1,573,483</u>	<u>2,439,722</u>	<u>2,976,398</u>

Prior year comparative of donations and legacies split by fund

					2019
	General	Designated	Total unrestricted	Restricted	Total funds
	£	£	£	£	£
Donations	568,042	12,065	580,107	1,084,005	1,664,112
Legacies	570,011	-	570,011	-	570,011
Appeals	-	-	-	412,923	412,923
Fundraising Dinner	23,854	-	23,854	-	23,854
Grants and Trust income	50,000	150,000	200,000	105,498	305,498
	<u>1,211,907</u>	<u>162,065</u>	<u>1,373,972</u>	<u>1,602,426</u>	<u>2,976,398</u>

Notes to the financial statements

for the year ended 31 March 2020

3 Income from charitable activities

					2020	2019
	General £	Designated £	Total unrestricted £	Restricted £	Total funds £	Total funds £
Residentials	464,158	51,034	515,192	122,311	637,503	609,227
Centres (excl SU holidays and Weekends)	888,132	-	888,132	-	888,132	834,951
National Ministries	-	-	-	5,248	5,248	6,507
Equipping and Leadership Development	-	-	-	17,607	17,607	17,589
	<u>1,352,290</u>	<u>51,034</u>	<u>1,403,324</u>	<u>145,166</u>	<u>1,548,490</u>	<u>1,468,274</u>

Prior year comparative of income from charitable activities split by fund

					2019
	General £	Designated £	Total unrestricted £	Restricted £	Total funds £
Residentials	430,584	53,702	484,286	124,941	609,227
Centres (excl SU holidays and Weekends)	834,951	-	834,951	-	834,951
National Ministries	-	-	-	6,507	6,507
Equipping and Leadership Development	-	-	-	17,589	17,589
	<u>1,265,535</u>	<u>53,702</u>	<u>1,319,237</u>	<u>149,037</u>	<u>1,468,274</u>

4 Other income

					2020	2019
	General £	Designated £	Total unrestricted £	Restricted £	Total funds £	Total funds £
Bank interest	10,197	-	10,197	-	10,197	7,999
	<u>10,197</u>	<u>-</u>	<u>10,197</u>	<u>-</u>	<u>10,197</u>	<u>7,999</u>

Prior year comparative of other income split by fund

					2019
	General £	Designated £	Total unrestricted £	Restricted £	Total funds £
Bank interest	7,999	-	7,999	-	7,999
	<u>7,999</u>	<u>-</u>	<u>7,999</u>	<u>-</u>	<u>7,999</u>

5 Expenditure on raising funds

					2020	2019
	General £	Designated £	Total unrestricted £	Restricted £	Total funds £	Total funds £
Salaries & benefits	70,920	-	70,920	10,386	81,306	77,871
Travel & sundry expenses	3,121	-	3,121	-	3,121	2,939
Other staff costs	661	-	661	-	661	1,500
Printing & communication	16,118	3,883	20,001	3,734	23,735	27,162
IT, office & admin costs	7,317	-	7,317	-	7,317	2,128
Depreciation	-	1,360	1,360	-	1,360	1,819
Irrecoverable VAT	2,735	-	2,735	-	2,735	1,346
Allocation of support costs (see note 7)	17,428	1,102	18,530	2,177	20,707	18,449
	<u>118,300</u>	<u>6,345</u>	<u>124,645</u>	<u>16,297</u>	<u>140,942</u>	<u>133,214</u>

Prior year comparative of expenditure on raising funds split by fund

					2019
	General £	Designated £	Total unrestricted £	Restricted £	Total funds £
Salaries & benefits	68,811	-	68,811	9,060	77,871
Travel & sundry expenses	2,939	-	2,939	-	2,939
Other staff costs	1,500	-	1,500	-	1,500
Printing & communication	12,230	-	12,230	14,932	27,162
IT, office & admin costs	2,128	-	2,128	-	2,128
Depreciation	-	1,819	1,819	-	1,819
Irrecoverable VAT	1,346	-	1,346	-	1,346
Allocation of support costs (see note 7)	15,414	1,081	16,495	1,954	18,449
	<u>104,368</u>	<u>2,900</u>	<u>107,268</u>	<u>25,946</u>	<u>133,214</u>

Notes to the financial statements

for the year ended 31 March 2020

6 Expenditure on charitable activities

	Residential and Activity Centres	National Ministries	Equipping and Leadership Development	International Support	2020 Total	2019 Total
	£	£	£	£	£	£
Salaries & benefits	1,055,416	795,425	30,308	-	1,881,149	1,706,324
Travel & sundry expenses	18,706	51,393	2,206	2,373	74,678	83,143
Other staff costs	14,754	1,500	12,883	-	29,137	59,191
Holiday / programme related	253,824	145,331	26,976	56,229	482,360	463,538
International grants (see note 8)	-	-	-	60,223	60,223	61,132
Heat, light & power	91,161	4,759	-	-	95,920	74,632
Property & equipment	200,025	16,528	-	-	216,553	266,578
Vehicle costs	12,716	-	-	-	12,716	10,765
Printing & communication	39,968	14,280	416	-	54,664	53,799
IT, office & admin costs	81,720	35,403	1,003	1,109	119,235	110,843
Professional fees	3,715	-	-	-	3,715	16,802
Bank charges & loan interest	7,331	1,269	423	-	9,023	16,551
Depreciation	203,481	6,789	-	-	210,270	223,830
Irrecoverable VAT	40,112	7,349	337	124	47,922	49,594
Allocation of support costs (see note 7)	344,578	186,005	12,839	-	543,422	495,019
	<u>2,367,507</u>	<u>1,266,031</u>	<u>87,391</u>	<u>120,058</u>	<u>3,840,987</u>	<u>3,691,741</u>

Prior year comparative of expenditure on charitable activities split by activity

	Residential and Activity Centres	National Ministries	Equipping and Leadership Development	International Support	2019 Total
	£	£	£	£	£
Salaries & benefits	951,053	730,746	22,952	1,573	1,706,324
Travel & sundry expenses	24,817	52,057	4,164	2,105	83,143
Other staff costs	42,256	4,304	12,631	-	59,191
Holiday / programme related	261,988	134,575	35,281	31,694	463,538
International grants (see note 8)	-	-	-	61,132	61,132
Heat, light & power	70,640	3,992	-	-	74,632
Property & equipment	249,282	17,296	-	-	266,578
Vehicle costs	10,765	-	-	-	10,765
Printing & communication	36,593	16,575	631	-	53,799
IT, office & admin costs	78,087	31,535	873	348	110,843
Professional fees	16,802	-	-	-	16,802
Bank charges & loan interest	15,098	1,090	363	-	16,551
Depreciation	215,576	8,254	-	-	223,830
Irrecoverable VAT	42,816	6,426	341	11	49,594
Travel & sundry expenses	320,745	161,858	12,416	-	495,019
	<u>2,336,518</u>	<u>1,168,708</u>	<u>89,652</u>	<u>96,863</u>	<u>3,691,741</u>

Notes to the financial statements

for the year ended 31 March 2020

7 Allocation of support costs

	Charitable activities				2020 Total £	2019 Total £
	Residentials and Activity Centres	National Ministries	Equipping and Leadership Development	Raising funds		
	£	£	£	£		
Salaries & benefits	234,273	125,075	8,632	13,924	381,904	344,261
Travel & sundry expenses	3,910	2,088	144	232	6,374	10,086
Other staff costs	12,642	6,750	466	751	20,609	18,254
Heat, light & power	7,482	3,995	276	445	12,198	11,817
Property & equipment	14,591	7,790	538	867	23,786	15,462
Printing & communication	4,536	2,422	167	270	7,395	6,773
IT, office & admin costs	26,129	13,950	963	1,553	42,595	36,488
Professional fees	484	258	18	29	789	2,621
Bank charges & loan interest	7,317	3,907	270	435	11,929	11,801
Depreciation	18,539	9,898	683	1,102	30,222	30,286
Irrecoverable VAT	8,682	6,673	461	743	16,559	15,430
Governance costs	5,993	3,199	221	356	9,769	10,189
	<u>344,578</u>	<u>186,005</u>	<u>12,839</u>	<u>20,707</u>	<u>564,129</u>	<u>513,468</u>

Support costs are allocated to activities in the same proportion as total direct expenditure has been incurred in undertaking these activities. Governance costs represent audit fees and other compliance costs.

Prior year comparative of allocation of support costs

	Charitable activities				2019 Total £
	Residentials and Activity Centres	National Ministries	Equipping and Leadership Development	Raising funds	
	£	£	£	£	
Salaries & benefits	215,875	107,827	8,270	12,289	344,261
Travel & sundry expenses	6,325	3,159	242	360	10,086
Other staff costs	11,446	5,717	439	652	18,254
Heat, light & power	7,410	3,701	284	422	11,817
Property & equipment	9,696	4,843	371	552	15,462
Printing & communication	4,247	2,121	163	242	6,773
IT, office & admin costs	22,880	11,428	877	1,303	36,488
Professional fees	1,643	821	63	94	2,621
Bank charges & loan interest	7,400	3,696	284	421	11,801
Depreciation	18,991	9,486	728	1,081	30,286
Irrecoverable VAT	8,443	5,868	450	669	15,430
Governance costs	6,389	3,191	245	364	10,189
	<u>320,745</u>	<u>161,858</u>	<u>12,416</u>	<u>18,449</u>	<u>513,468</u>

8 International support

	2020 £	2019 £
Grants paid to SU movements:		
Contribution to SU Ukraine, Belarus & Torez from unrestricted funds	42,245	44,560
Contribution to SU Ukraine, Belarus & Torez from restricted funds	17,978	18,081
	<u>60,223</u>	<u>62,641</u>
Other costs:		
Contribution to SU International Councils from unrestricted funds	28,136	28,936
Costs related to Rwanda19 mission trip from restricted funds	19,509	
Contributions to SU overseas projects from restricted funds	7,710	2,447
Contributions to SU overseas projects from unrestricted funds	1,746	2,418
Travel costs related to overseas trips and visitors paid from unrestricted funds	2,734	421
	<u>120,058</u>	<u>96,863</u>

Notes to the financial statements

for the year ended 31 March 2020

9 Net (expenditure) / income	2020	2019
	£	£
This is stated after charging:		
Depreciation	241,852	255,935
Auditors' remuneration	7,440	6,750
Operating lease rentals	2,351	2,294
	<u>241,852</u>	<u>255,935</u>

10 Staff costs	2020	2019
	£	£
Wages and salaries	1,930,831	1,764,935
Social security costs	138,054	112,216
Pension and other costs	233,321	202,921
	<u>2,302,206</u>	<u>2,080,072</u>

The average number of employees (full time and part time) was 114 (2019 - 107).

There were no employees who received remuneration over £60,000 in the period.

Key management personnel include the Chief Executive, Director of Residential and Resources, Director of National Ministries and Director of Development. The total employee benefits of the key management personnel of the charity were £214,154 (2019 - £204,339).

The company operates a group personal pension (i.e. defined contribution) scheme for employees. Contributions are charged to the income and expenditure account as they are paid and are made from general funds other than contributions for those staff members whose costs are paid from restricted team support funds. There was £34,058 (2019 - £23,813) of contributions outstanding as at the balance sheet date; this was paid over as normal at the beginning of the following month. The assets of the scheme are held separately from those of the company in an independently administered fund.

11 Trustees	2020	2019
	£	£
No Trustees received any remuneration in either year.		
Payments made to 3 trustees (2019 - 5 trustees) for re-imburement of expenses	425	988
Donations received from 10 trustees (2019 - 14 trustees) during the year of	<u>13,662</u>	<u>11,337</u>

12 Related parties
During the current or prior year, transactions were entered into with two related parties.

Christian Values in Education (CVE)

Andy Bathgate, one of the key management personnel, is also a trustee of CVE. The transactions related to the payment of some meeting expenses. CVE is aligned with SU Scotland's charitable objectives. The total value of the payments during the year was £35 (2019 - £112).

Ferrywell Youth Project

Jackie Ringan, one of the key management personnel, is also a trustee of Ferrywell Youth Project. The total value of the payments during the year was £nil (2019 - £nil).

There was no balance outstanding at the current or prior year end with any of the related parties.

13 Taxation

No provision for corporation tax is required as the company has been recognised as a charity by HM Revenue & Customs for the purposes of tax relief granted by Section 505 of the Income and Corporation Taxes Act 1988.

14 Transfers

	2020				
	General	Designated	Total unrestricted	Restricted	Total funds
	£	£	£	£	£
Holiday sponsorship funds applied	174,415	-	174,415	(174,415)	-
Purchase of fixed assets	(74,472)	93,689	19,217	(19,217)	-
Transfer legacy income received to designated funds	(236,200)	236,200	-	-	-
Release from Legacy Equalisation Reserve in year	319,340	(319,340)	-	-	-
Release from Special Projects Fund in year	40,216	(57,716)	(17,500)	17,500	-
Release from 10 Year Trust Fund in year	15,000	(15,000)	-	-	-
Other miscellaneous transfers	5,638	-	5,638	(5,638)	-
	<u>243,937</u>	<u>(62,167)</u>	<u>181,770</u>	<u>(181,770)</u>	<u>-</u>

Income restricted for the Holiday sponsorship fund is transferred to general funds to cover the cost of holidays being sponsored.

Notes to the financial statements

for the year ended 31 March 2020

15 Tangible fixed assets

	Land £	Buildings £	Furniture & fittings £	Plant & machinery £	Motor vehicles £	Equipment £	Total £
Cost							
At 31 March 2019	417,700	5,158,450	387,312	976,003	73,628	675,392	7,688,485
Additions	-	-	41,967	-	-	51,722	93,689
Disposals	-	-	(5,745)	-	-	(33,444)	(39,189)
At 31 March 2020	417,700	5,158,450	423,534	976,003	73,628	693,670	7,742,985
Depreciation							
At 31 March 2019	-	1,600,674	275,641	443,655	70,798	581,128	2,971,896
Charge for year	-	103,175	38,309	48,302	1,945	50,121	241,852
Disposals	-	-	(5,745)	-	-	(33,444)	(39,189)
At 31 March 2020	-	1,703,849	308,205	491,957	72,743	597,805	3,174,559
Net book value							
At 31 March 2020	417,700	3,454,601	115,329	484,046	885	95,865	4,568,426
At 31 March 2019	417,700	3,557,776	111,671	532,348	2,830	94,264	4,716,589

16 Stocks

	2020 £	2019 £
Goods for resale	10,188	7,674
	<u>10,188</u>	<u>7,674</u>

17 Debtors

	2020 £	2019 £
Tax recoverable (Gift Aid)	10,825	22,520
Holiday costs paid in advance relating to future season	11,896	48,246
Sundry prepayments	24,940	48,971
Legacy income receivable	40,000	61,000
Other debtors	62,907	72,803
	<u>150,568</u>	<u>253,540</u>

18 Cash at bank and in hand

	2020 £	2019 £
Holidays and booking fees paid in advance and held in separate client accounts	240,886	246,108
Cash held on behalf of international SU and other bodies (see Note 23)	6,873	10,212
Cash held for other restricted funds	770,278	632,711
Cash held for unrestricted funds	1,376,796	1,277,457
	<u>2,394,833</u>	<u>2,166,488</u>

Notes to the financial statements

for the year ended 31 March 2020

19 Creditors: amounts falling due within one year

	2020	2019
	£	£
Deferred income (* see below)	241,403	260,278
Trade creditors	44,289	67,141
Accrued charges and sundry creditors	20,061	24,407
VAT payable	8,259	8,986
Other taxes and social security costs	85,108	71,725
Funds for transfer to international SU and other bodies (see Note 23)	6,873	10,212
	<u>405,993</u>	<u>442,749</u>

*** Deferred income**

Deferred income comprises advance fees and deposits related to Easter and Summer 2020 holidays, residential weekends due to take place in April to June 2020 and Centre bookings for the next financial year. Sadly, the Easter, Summer and weekend events subsequently had to be cancelled due to Covid-19, resulting in the majority of this deferred income being refunded during April and May 2020. At the centres, some bookings have also been refunded and others have moved their booking to a later date.

Balance at 1 April	260,278	265,693
Amount released to income earned from charitable activities	(260,278)	(265,693)
Amount deferred in year	241,403	260,278
Balance at 31 March	<u>241,403</u>	<u>260,278</u>

20 Operating lease commitments

	2020	2019
	£	£
At 31 March 2020 the charity's total commitments under non-cancellable operating leases was as follows:		
Within one year	2,198	2,347
Between two and five years	-	2,151
	<u>2,198</u>	<u>4,498</u>

21 Unrestricted funds

	Balance at 1 April 2019	Income	Expenditure	Transfers	Balance at 31 March 2020
	£	£	£	£	£
General fund	384,242	2,210,324	(2,277,464)	243,937	561,039
Designated funds:					
Capital Reserve	4,716,589	-	(241,852)	93,689	4,568,426
Special Projects Fund	262,479	-	-	1,334	263,813
Legacy Equalisation Reserve	533,075	-	-	(142,190)	390,885
10 Yr Trust Fund	135,000	-	-	(15,000)	120,000
International Reserve	7,387	-	-	-	7,387
SU International Committee Fund	1,777	-	-	-	1,777
Other designated funds	28,282	69,436	(63,301)	-	34,417
Total designated funds	<u>5,684,589</u>	<u>69,436</u>	<u>(305,153)</u>	<u>(62,167)</u>	<u>5,386,705</u>
Total unrestricted funds	<u>6,068,831</u>	<u>2,279,760</u>	<u>(2,582,617)</u>	<u>181,770</u>	<u>5,947,744</u>

Description, nature and purpose of funds

The Capital Reserve represents the value of unrestricted funds tied up in fixed assets, which would not be readily convertible into cash. This equates to the net book value of fixed assets.

The Special Projects Fund represents a designation by the Board from surplus unrestricted funds and legacy income to be used to help maintain ministries that have proved difficult to fund from elsewhere and also to invest in new ministry initiatives or projects.

The Legacy Equalisation Reserve was created to recognise the impact of significant fluctuations in legacy income from year to year.

The 10 Year Trust Fund was designated from a £150,000 trust donation and will be released to general funds over 10 years.

The International Reserve was set up with part of the proceeds of the sale of 9 Canal Street, Glasgow. The fund is to support Scripture Union work overseas.

The SU International Committee Fund was established to enable the SU International Committee to respond financially to overseas needs at their discretion.

Other designated funds are the funds designated for the Scoughall and Kings Cross camp sites.

Notes to the financial statements

for the year ended 31 March 2020

22 Restricted funds

	Balance at 1 April 2019	Income	Expenditure	Transfers	Balance at 31 March 2020
	£	£	£	£	£
Team Support	440,413	1,317,789	(1,308,469)	13,943	463,676
Holiday Sponsorship	80,572	175,492	(3,734)	(170,858)	81,472
Ukraine Fund	-	17,637	(17,637)	-	-
Other International Funds	12,806	20,801	(28,922)	-	4,685
Lendrick Muir Development Fund	61,095	6,059	(5,907)	(14,393)	46,854
Campsites Development Fund	-	130,970	-	(4,824)	126,146
Alltnacriche Development Fund	24,803	13,475	(50)	-	38,228
Youthlink Funds	-	33,443	(33,443)	-	-
School Residentials Bursary Fund	9,890	2,983	-	(5,638)	7,235
Miscellaneous restricted funds	3,132	-	(1,150)	-	1,982
Total restricted funds	632,711	1,718,649	(1,399,312)	(181,770)	770,278

Description, nature and purpose of funds

The Team Support Fund represents income received from donors to fund the costs of specified national ministries work or particular employees' salaries and expenses.

The Holiday Sponsorship Fund is maintained to subsidise, where appropriate, the fees of children and leaders to enable them to attend Scripture Union Scotland's holidays programme. The balance at the year end includes £81,472 received from the February 2020 appeal. This will be used for any residential events taking place in 2020/21.

The Ukraine Fund represents income received from supporters to be used to support the work of Scripture Union in Ukraine.

The International Funds represent income generated and expenditure initiated for specific international SU projects by Scripture Union Scotland.

The Lendrick Muir Development Fund represents income and grants received with the related expenditure on a programme of developments at the centre.

The Campsites Development Fund represents appeal income received for development work at Kings Cross and Scoughall, along with the related expenditure which is planned to continue over the next 18 months.

The Alltnacriche Development Fund represents income received with the related expenditure on a programme of developments at the centre.

The Youthlink Funds represent grant income received to fund specific costs related to the training of young people & staff and the support of volunteers.

The School Residentials Bursary Fund was established to subsidise, where appropriate, the fees of children to allow them to attend a school residential at a Scripture Union Scotland centre.

23 SU international funds held

	Balance at 1 April 2019	Income received	Payments / Transfers	Balance at 31 March 2020
	£	£	£	£
Funds received on behalf of SU international organisations to which SU Scotland has no right or title	10,212	14,339	(17,678)	6,873

24 Analysis of net assets

					2020
	General	Designated	Total unrestricted	Restricted	Total funds
	£	£	£	£	£
Fixed assets	-	4,568,426	4,568,426	-	4,568,426
Current assets	960,159	818,279	1,778,438	777,151	2,555,589
Current liabilities	(399,120)	-	(399,120)	(6,873)	(405,993)
Long term liabilities	-	-	-	-	-
Total	561,039	5,386,705	5,947,744	770,278	6,718,022

25 Capital commitments

	2020	2019
	£	£
Capital expenditure contracted but not provided for in the financial statements	-	-
There are no capital commitments as at 31 March 2020.	-	-

Notes to the financial statements

for the year ended 31 March 2020

26 Comparative statement of financial activities

					2019
	General	Designated	Total unrestricted	Restricted	Total funds
	£	£	£	£	£
Income from:					
Donations and legacies	1,211,907	162,065	1,373,972	1,602,426	2,976,398
Charitable activities	1,265,535	53,702	1,319,237	149,037	1,468,274
Other	7,999	-	7,999	-	7,999
Total income	2,485,441	215,767	2,701,208	1,751,463	4,452,671
Expenditure on:					
Raising funds	104,368	2,900	107,268	25,946	133,214
Charitable activities					
Residential and Activity Centres	1,896,481	294,397	2,190,878	145,640	2,336,518
National Ministries	263,488	17,740	281,228	887,480	1,168,708
Equipping and Leadership Development	11,557	728	12,285	77,367	89,652
International Support	76,335	-	76,335	20,528	96,863
Total Charitable activities expenditure	2,247,861	312,865	2,560,726	1,131,015	3,691,741
Total expenditure	2,352,229	315,765	2,667,994	1,156,961	3,824,955
Net income / (expenditure)	133,212	(99,998)	33,214	594,502	627,716
Transfers between funds	(372,529)	856,721	484,192	(484,192)	-
Net movement in funds	(239,317)	756,723	517,406	110,310	627,716
Reconciliation of funds:					
Total funds brought forward	623,559	4,927,866	5,551,425	522,401	6,073,826
Total funds carried forward	384,242	5,684,589	6,068,831	632,711	6,701,542