

Company registration number: SC431246

Charity registration number: SC035939

# Escape Youth Services

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 October 2019

# Escape Youth Services

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## Escape Youth Services

### Reference and Administrative Details

<b>Trustees</b>	R J Jones T Gibson V Rae C Ramage
<b>Secretary</b>	S Snowdon
<b>Principal Office</b>	Hawick Youth Centre Havelock Street Hawick Scotland TD9 7BB  The charity is incorporated in Scotland.
<b>Company Registration Number</b>	SC431246
<b>Charity Registration Number</b>	SC035939
<b>Independent Examiner</b>	David Campbell <del>_____</del> <del>_____ Street</del> Hawick <del>_____</del>

# Escape Youth Services

## Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 October 2019.

### Objectives and activities

#### *Objects and aims*

The principal objects of the company are the advancement of education by developing and sustaining a supportive service for young people in Hawick and district, as defined by the TD9 postcode (area of benefit), where young people can succeed. And also the provision of recreational facilities, or the organisation of recreational activities with the object of improving the condition of life for young people and only in relation to recreational facilities or activities which are primarily intended for persons who need them by reason of their age; by increasing the range, quantity and quality of youth-led provision in the area of benefit, based on identified need, and by increasing youth participation within the service and community, strengthening relationships and acknowledging young people as valued citizens.

#### **Financial review**

The year under review shows a significant drop in income - partly due to timing of grant receipts but also recognising that certain funding streams have come to a natural end. This has led to a reduction in reserves to £4,148. The trustees have made a number of funding applications which have been successful and these future incomes will assist in restoring a reasonable level of reserves.

Further grants were received in November 2019 to meet ongoing costs.

In light of the Covid restrictions that came in during March 2020, the trustees took a number of steps to ensure that the finances were protected, by utilising the government grants and reducing overheads. This has helped to ensure that we can continue to deliver our services through the remainder of 2020.

#### *Policy on reserves*

The management committee has examined the requirements for reserves in light of the main risks to the charity. As highlighted, the reserves are not at a level to maintain the charity and it remains the strategy of the company to continue to build these reserves through planned operating surpluses.

#### *Principal funding sources*

- Thanks to our ongoing external funders this year, The Big Lottery Stepping Stones Project), Scottish Borders Council (Accessibility Fund and Localities Bid Fund and Children and Young People's Leadership Group, Creative Scotland Youth Music Initiative, Children in Need and Burnfoot Bids Together 2 for their continued support.
- Continued thanks must also be given to STV Children's Appeal for supporting our sessional staffing and we acknowledge Live Borders continued support through our Service Level Agreement.
- Thanks must also be given to Lidl for their kind food donations we receive through the Neighbourly 'Feed it Back' Scheme.

#### *Investment policy and objectives*

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the directors wish. Monies not immediately required can be invested in such investments or securities or property as may be thought fit.

#### **Going concern**

After the year end, there has been a number of successful funding applications made which have resulted in funding being secured for at least 18 months. On this basis, the trustees consider that the going concern basis is appropriate.

### Structure, governance and management

#### *Nature of governing document*

The company, which is a recognised charity in Scotland, is a charitable company limited by guarantee and was set up by a Memorandum of Association on 28 August 2012.

# Escape Youth Services

## Trustees' Report

### *Recruitment and appointment of trustees*

All of the organisations trustees are appointed or reappointed by the members at the annual general meeting, which is held in January each year.

### *Induction and training of trustees*

New directors undergo an induction process which briefs them on their obligations under legislation, the decision making processes, the business plan and the recent financial performance.

### *Organisational structure*

The Company has a Board of Directors who meet monthly and are responsible for the strategic direction and policy of the charity. At present the committee has four members from a variety of backgrounds relevant to the work of the charity. A scheme of delegation is in place and day to day responsibility for the provision of the facilities rest with the manager. The manager is responsible for ensuring that the charity delivers the facilities specified and that key performance indicators are met, together with responsibility for the operational management of the facilities.

### **Relationships with related parties**

There are no related parties at present, but "Escape" works closely with a number of statutory and voluntary bodies and it is anticipated that service level agreements may be entered into in the future.

### **Financial instruments**

#### *Objectives and policies*

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

#### **Funds held as custodian trustee on behalf of others**

No funds are held on behalf of other organisations.

#### **Small companies provision statement**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 24 September 2020 and signed on its behalf by:



R J Jones  
Trustee

## Escape Youth Services

### Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

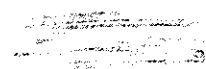
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 24 September 2020 and signed on its behalf by:



R J Jones  
Trustee



## Escape Youth Services

### Independent Examiner's Report to the trustees of Escape Youth Services

I report on the accounts of the charity for the year ended 31 October 2019 which are set out on pages 6 to 14 .

#### Respective responsibilities of trustees and examiner

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

#### Basis of independent examiner's report

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

#### Independent examiner's statement


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

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

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



.....  
David Campbell  
Deans  
ICAS

27 North Bridge Street  
Hawick  
TD9 9BD

Date: 12-10-20

## Escape Youth Services

### Statement of Financial Activities for the Year Ended 31 October 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	583	47,119	47,702
Other trading activities	5	21,788	-	21,788
<b>Total income</b>		<u>22,371</u>	<u>47,119</u>	<u>69,490</u>
<b>Expenditure on:</b>				
Charitable activities	6	(25,970)	(86,046)	(112,016)
<b>Total expenditure</b>		<u>(25,970)</u>	<u>(86,046)</u>	<u>(112,016)</u>
<b>Net expenditure</b>		<u>(3,599)</u>	<u>(38,927)</u>	<u>(42,526)</u>
<b>Net movement in funds</b>		(3,599)	(38,927)	(42,526)
<b>Reconciliation of funds</b>				
Total funds brought forward		6,391	40,283	46,674
Total funds carried forward	13	<u>2,792</u>	<u>1,356</u>	<u>4,148</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2018 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	2,986	120,457	123,443
Other trading activities	5	12,739	-	12,739
<b>Total income</b>		<u>15,725</u>	<u>120,457</u>	<u>136,182</u>
<b>Expenditure on:</b>				
Charitable activities	6	(13,793)	(97,889)	(111,682)
<b>Total expenditure</b>		<u>(13,793)</u>	<u>(97,889)</u>	<u>(111,682)</u>
<b>Net income</b>		<u>1,932</u>	<u>22,568</u>	<u>24,500</u>
<b>Net movement in funds</b>		1,932	22,568	24,500
<b>Reconciliation of funds</b>				
Total funds brought forward		4,459	17,715	22,174
Total funds carried forward	13	<u>6,391</u>	<u>40,283</u>	<u>46,674</u>

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2018 is shown in note 13.



**Escape Youth Services**  
**(Registration number: SC431246)**  
**Balance Sheet as at 31 October 2019**

	Note	2019 £	2018 £
<b>Current assets</b>			
Cash at bank and in hand	11	4,436	46,962
<b>Creditors: Amounts falling due within one year</b>	12	<u>(288)</u>	<u>(288)</u>
<b>Net assets</b>		<u>4,148</u>	<u>46,674</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	13	1,356	40,283
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>2,792</u>	<u>6,391</u>
<b>Total funds</b>	13	<u>4,148</u>	<u>46,674</u>


For the financial year ending 31 October 2019 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

**Directors' responsibilities:**

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with section 44 of the Charities and Trustee Investment (Scotland) Act 2005.

The financial statements on pages 6 to 14 were approved by the trustees, and authorised for issue on 24 September 2020 and signed on their behalf by:

  
 R J Jones  
 Trustee

## Escape Youth Services

### Notes to the Financial Statements for the Year Ended 31 October 2019

#### 1 Charity status

The charity is limited by guarantee, incorporated in Scotland, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Hawick Youth Centre  
Havelock Street  
Hawick  
Scotland  
TD9 7BB

These financial statements were authorised for issue by the trustees on 24 September 2020.

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### Basis of preparation

Escape Youth Services 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 notes.

##### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

##### Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

##### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## Escape Youth Services

### Notes to the Financial Statements for the Year Ended 31 October 2019

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### Financial instruments

##### Classification

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### Recognition and measurement

Where shares are issued, any component that creates, a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as an interest expenses in the profit and loss account.

##### Impairment

At the end of each reporting period financial instruments measured at fair value are assessed for objective evidence of impairment. The impairment loss is recognised in the profit and loss account.

### 3 Income from donations and legacies

	Unrestricted funds			
	General £	Restricted funds £	Total 2019 £	Total 2018 £
Donations and legacies;				
Donations from individuals	583	-	583	2,986
Grants, including capital grants;				
Grants	-	47,119	47,119	120,457
	583	47,119	47,702	123,443

### 4 Income from charitable activities

	Restricted funds £	Total 2019 £	Total 2018 £
Children In Need	13,971	13,971	27,942
The Robertson Trust	-	-	5,000
Scottish Borders Council	15,693	15,693	27,693
Youth Borders	-	-	31,120
Creative Scotland	4,305	4,305	16,195
Burnfoot Bids	4,400	4,400	3,000
Youth Scotland	-	-	900
Live Borders	8,750	8,750	8,607
	47,119	47,119	120,457

## Escape Youth Services

### Notes to the Financial Statements for the Year Ended 31 October 2019

#### 5 Income from other trading activities

	Unrestricted funds	Total 2019	Total 2018
	General £	£	£
Trading income;			
Tuck shop	4,464	4,464	2,392
Events income;			
Activities	2,279	2,279	1,895
Subscriptions	2,402	2,402	1,442
Rental income	12,643	12,643	7,010
	<u>21,788</u>	<u>21,788</u>	<u>12,739</u>

#### 6 Expenditure on charitable activities

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
Note	General £	£	£	£
Fundraising	4,208	-	4,208	3,702
Staff costs	6,733	70,490	77,223	62,567
Allocated support costs	14,669	15,556	30,225	45,068
Governance costs	360	-	360	345
	<u>25,970</u>	<u>86,046</u>	<u>112,016</u>	<u>111,682</u>
		Activity undertaken directly	Total 2019	Total 2018
		£	£	£
Wages and salaries		76,201	76,201	62,514
Staff training		190	190	15
Travelling		832	832	38
Repairs		6,076	6,076	21,486
Rent		-	-	1,000
Property costs		4,606	4,606	3,465
Printing, postage & stationery		530	530	655
Advertising		-	-	790
Fundraising costs		8	8	223
Telephone		2,209	2,209	1,650
Purchases		4,200	4,200	3,479
Session resources		15,209	15,209	14,839
Subscriptions		670	670	264
Professional fees		590	590	576
Confirmation statement fee		-	-	13
Bank charges		177	177	147
IT		158	158	183
		<u>111,656</u>	<u>111,656</u>	<u>111,337</u>

## Escape Youth Services

### Notes to the Financial Statements for the Year Ended 31 October 2019

£25,610 (2018 - £13,448) of the above expenditure was attributable to unrestricted funds and £86,046 (2018 - £97,889) to restricted funds.

#### 7 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds	Total 2019	Total 2018
	General £	£	£
Independent examiner fees			
Examination of the financial statements	360	360	345
	360	360	345

#### 8 Staff costs

The aggregate payroll costs were as follows:

	2019 £	2018 £
<b>Staff costs during the year were:</b>		
Wages and salaries	75,632	62,177
Social security costs	8	-
Pension costs	561	337
Other staff costs	1,022	53
	77,223	62,567

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2019 No	2018 No
Youth workers	12	11

1 (2018 - 1) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £696 (2018 - £337).

No employee received emoluments of more than £60,000 during the year.

#### 9 Independent examiner's remuneration

	2019 £	2018 £
Examination of the financial statements	360	345

## Escape Youth Services

### Notes to the Financial Statements for the Year Ended 31 October 2019

#### 10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 11 Cash and cash equivalents

	2019 £	2018 £
Cash at bank	<u>4,436</u>	<u>46,962</u>

#### 12 Creditors: amounts falling due within one year

	2019 £	2018 £
Accruals	<u>288</u>	<u>288</u>

#### 13 Funds

	Balance at 1 November 2018 £	Incoming resources £	Resources expended £	Balance at 31 October 2019 £
<b>Unrestricted funds</b>				
<i>General</i>				
General	6,391	22,371	(25,970)	2,792
<b>Restricted funds</b>				
Children In Need	4,657	13,971	(18,628)	-
CYPLG	-	15,693	(15,693)	-
Hawick Music Initiative	4,731	4,305	(9,036)	-
Hawick Common Good	2,541	-	(2,541)	-
Live Borders	-	8,750	(8,750)	-
Burnfoot Bids	3,000	4,400	(7,400)	-
Accessibility Fund	11,921	-	(11,921)	-
Big Lottery - Improving Lives	<u>13,433</u>	<u>-</u>	<u>(12,077)</u>	<u>1,356</u>
<b>Total restricted funds</b>	<u>40,283</u>	<u>47,119</u>	<u>(86,046)</u>	<u>1,356</u>
<b>Total funds</b>	<u>46,674</u>	<u>69,490</u>	<u>(112,016)</u>	<u>4,148</u>
	Balance at 1 November 2017 £	Incoming resources £	Resources expended £	Balance at 31 October 2018 £
<b>Unrestricted funds</b>				
<i>General</i>				
General	4,459	15,725	(13,793)	6,391

## Escape Youth Services

### Notes to the Financial Statements for the Year Ended 31 October 2019

	Balance at 1 November 2017 £	Incoming resources £	Resources expended £	Balance at 31 October 2018 £
<b>Restricted funds</b>				
Children In Need	4,115	27,942	(27,400)	4,657
CYPLG	-	15,693	(15,693)	-
The Robertson Trust	12,000	5,000	(17,000)	-
Hawick Music Initiative	-	16,195	(11,464)	4,731
Hawick Common Good	-	4,000	(1,459)	2,541
Live Borders	-	8,607	(8,607)	-
Youth Scotland	1,600	900	(2,500)	-
Burnfoot Bids	-	3,000	-	3,000
Localities Bid	-	8,000	(8,000)	-
Accessibility Fund	-	15,000	(3,079)	11,921
Big Lottery - Improving Lives	-	16,120	(2,687)	13,433
<b>Total restricted funds</b>	<u>17,715</u>	<u>120,457</u>	<u>(97,889)</u>	<u>40,283</u>
<b>Total funds</b>	<u>22,174</u>	<u>136,182</u>	<u>(111,682)</u>	<u>46,674</u>

The specific purposes for which the funds are to be applied are as follows:

Restricted funds represent various grants provided to assist in the running of the charity. Each provider has its own conditions attached to the grants and the providers are shown separately for this reason. Balances on these funds represent unspent grant monies where the commitment to expend the balance exists in subsequent accounting periods.

#### 14 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	General £	£	£
Current assets	3,080	1,356	4,436
Current liabilities	(288)	-	(288)
<b>Total net assets</b>	<u>2,792</u>	<u>1,356</u>	<u>4,148</u>
	Unrestricted funds	Restricted funds	Total funds at 31 October 2018
	General £	£	£
Current assets	6,679	40,283	46,962
Current liabilities	(288)	-	(288)
<b>Total net assets</b>	<u>6,391</u>	<u>40,283</u>	<u>46,674</u>

#### 15 Related party transactions

There were no related party transactions in the year.

