

Junction 12
(Limited by guarantee)

Report and Financial Statements

For the year ended 30 June 2022

Company number: SC314809
Scottish Charity number: SC037865

Junction 12

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Charity Information

Scottish Charity Number	SC037865
Company Registration Number	SC314809
Registered Office	176 Smithycroft Road Glasgow G33 2RF
Directors	Philip Wray Sandra Peacock Jordan Bull James Reddie Roderick Shaw Joanna McNeish
Company Secretary	Jordan Bull
Independent Examiner	Alan Cunningham CA Alexander Sloan Accountants and Business Advisers 180 St Vincent Street Glasgow G2 5SG
Bankers	The Royal Bank of Scotland plc 139 St Vincent Street Glasgow G2 5JF
Solicitors	Balfour + Manson LLP 54-66 Frederick Street Edinburgh EH2 1LS

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Report of the Directors

The Directors have pleasure in presenting their report together with the financial statements of the charity for the year ended 30 June 2022.

Structure, governance and management

Background

Junction 12 (J12) is an initiative working with young people from the areas of Cranhill, Carntyne and Riddrie in the East end of Glasgow. Aimed at the 10 – 18 year age group, J12 works to encourage these young people and to enable them to make positive and healthy choices in every area of their lives.

Everything done in the name of J12 is underpinned by Christian values and standards.

Status of charity and governing document

J12 is a company limited by guarantee (No. SC314809) and a recognised Scottish charity, governed by its Memorandum and Articles of Association. The company was incorporated on 17 January 2007.

The company is recognised as a charity by HM Revenue & Customs for the purposes of Section 505 of the Income and Corporation Taxes Act 1988 and is registered with OSCR (Charity Number SC037865).

Governance and management

The Board of J12 is responsible for the governance and oversight of the organisation's activities. All Board Directors (who are also Trustees for the purposes of Charity Law) serve on a voluntary basis and are appointed to oversee the affairs of J12 and to ensure that funds are used in accordance with the charity's objects as defined in its Memorandum and Articles of Association. The Board of Directors meets at least three times a year.

Directors

The Directors who served from 1 July 2021 to the date of this report were as follows:

Philip Wray
Sandra Peacock
Jordan Bull
James Reddie
Roderick Shaw
Joanna McNeish

A Management Group meets bi-monthly to assist the Project Leader in ensuring that staff time and resources are used effectively and that the vision and priorities set by the Board are achieved.

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Report of the Directors (continued)

Charitable objectives and activities

The purpose of J12 is:

"to work with young people, pointing them to positive ways of living and enabling them to make safe and healthy choices in every area of their lives."

In working with children and young people, J12 has been established to fulfil the following objectives:

- to work with them in ways which will develop and build-up their sense of self-esteem;
- to encourage them to choose positive options where they can do so;
- to help them identify and address problematic issues in their lives;
- to share with them alternative ways of living where it is appropriate to do so;
- to support 10 – 18 year olds in a fuller participation in school and community life.

J12 approaches this work through adopting a holistic and young-person centred approach, taking into account the different contexts of 'school', 'home' and 'street' where young people spend their time.

The charity's main activities include:

- work in local schools with individuals and small groups to address behavioural and/or emotional needs as identified by school management;
- detached work at lunch time and after school to make contacts and build up working relationships with disaffected young people;
- providing youth clubs, cafes, drop-ins, skills-based clubs and social events in response to the stated needs of young people (in partnership with the local community where appropriate);
- running a programme of residential events during school holiday periods.

Overall J12 aims to work with young people to effect positive change in their lives and communities. This is achieved through close liaison and joint working with schools and other agencies as appropriate. J12 staff work with young people in their schools and communities and take them out of their environment for regular residential experiences.

Achievements and performance

During the year, J12 has had four full-time and one part-time members of staff. Pandemic restrictions gradually eased over the course of the year enabling the staff to deliver a more varied schedule of work, which has been comprehensive and demanding, supporting the children, young people and families in our area. The team were supported by 15 volunteers to deliver a mix of 1-2-1 and group work in schools, outdoor and residential activities. The work took place in four primary schools and one secondary school.

The programme of work was focused on delivering activities to help and support the most vulnerable children and young people continue to recovery from the pandemic and manage traumatic and life changing family circumstances. The work included:

- Summer activity programme for 231 young people
- Support groups for 175 children and young people
- Mentoring with 5 young people
- 1-2-1 support for 9 children and young people
- Lunchtime and afterschool groups for 158 children and young people
- Outings and social activities with 396 children and young people
- Residential weekends and weeks for 115 children and young people

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Report of the Directors (continued)

Achievements and performance (continued)

Working relationships with the local schools are very strong with very positive feedback received, and there continues to be more demand for the activities and services that J12 offer than can be delivered within the charity's current capacity. Good contacts also continue with other agencies operating locally and remain key to the day-to-day activities of the organisation.

Libby Lobban, the Project Leader, has continued to give support to the staff and volunteers. This team has worked tirelessly for J12 and often at great personal sacrifice. To all the individuals involved, and particularly to Libby, the Directors wish to extend their sincere gratitude for the gifted and energetic service that was evident throughout.

COVID-19 has had no adverse financial impact on J12 with activities being provided full-time, online or by post. The charity's donors and benefactors have been very generous throughout this time of uncertainty.

Financial review

Principal funding sources

Funding for the work is provided by individual supporters, Trusts, companies and other charitable organisations (see Note 2 to the financial statements). No statutory funding was received during the year.

Again this year, the Directors wish to express their sincere appreciation to all the individuals and organisations who, by providing vital financial support, have been important partners in the work of J12 during the last year.

Results

As shown in the Statement of Financial Activities on page 8, J12 reported net income (i.e. a surplus) for the year of £40,345 (2021 net income of £57,359).

Income of £256,546 during the year was up on 2021 (£222,936) due to higher levels of both donations and income from the work with schools.

Expenditure of £216,201 during the year was up on 2021 (£165,577) which can be attributed to easing of COVID-19 restrictions on outings.

At the Balance Sheet date, the charity held total reserves of £238,129, an increase from £197,784 in 2021. £574 was held in restricted funds (2021 £33,824).

Reserves Policy

At the year end, the amount held in the General Fund was £237,555, representing 13.2 months of costs. The aim is to hold reserves to cover 6-12 months of costs. In 2021, the General Fund had a balance of £163,960, representing 11.9 months of costs.

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Report of the Directors (continued)

Statement of Directors' responsibilities

The Directors, who are also the Trustees for the purposes of charity law, are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which 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 the income and expenditure, for that period. In preparing these financial statements, the Directors are required to:-

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP FRS102;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Examiner

The Directors recommend that Alan Cunningham, C.A., a Partner in Alexander Sloan, Accountants and Business Advisers, remains in office as Independent Examiner until further notice.

This report was approved by the Directors on 24 November 2022 and signed on their behalf by



Philip Wray

Chairperson / Director

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Independent Examiner's Report to the Directors on the Unaudited Financial Statements of Junction 12

I report on the financial statements of Junction 12 for the year ended 30 June 2022 which are set out on pages 8 to 19.

Respective Responsibilities of Directors and Examiner

The charity's Directors, who also act as Trustees for the charitable activities of Junction 12, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Directors 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 financial statements as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from the Directors 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 financial statements.

Independent Examiner's Statement

In the course of 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 financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulationshave not been met, or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Alan Cunningham

Alan Cunningham C.A. Partner

**Alexander Sloan
Accountants and Business Advisers
180 St Vincent Street
Glasgow G2 5SG**

28/11/2022

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Statement of Financial Activities (including Income & Expenditure account) for the year ended 30 June 2022

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
Income from:				
Donations	2	89,461	94,418	183,879
Charitable activities	3	72,612	-	72,612
Investments		55	-	55
Total Income		<u>162,128</u>	<u>94,418</u>	<u>256,546</u>
Expenditure on:				
Raising funds	4	6,060	-	6,060
Charitable activities				
Youth project work	5	82,473	127,668	210,141
Total Expenditure		<u>88,533</u>	<u>127,668</u>	<u>216,201</u>
Net income/(expenditure) and net movement in funds		73,595	(33,250)	40,345
Funds reconciliation				
Total Funds brought forward		163,960	33,824	197,784
Total Funds carried forward		<u>237,555</u>	<u>574</u>	<u>238,129</u>
		2021	2021	2021
		£	£	£
Income from:				
Donations	2	101,596	93,126	194,722
Charitable activities	3	28,169	-	28,169
Investments		45	-	45
Total Income		<u>129,810</u>	<u>93,126</u>	<u>222,936</u>
Expenditure on:				
Raising funds	4	6,300	-	6,300
Charitable activities				
Youth project work	5	67,975	91,302	159,277
Total Expenditure		<u>74,275</u>	<u>91,302</u>	<u>165,577</u>
Net income and net movement in funds		55,535	1,824	57,359
Funds reconciliation				
Total Funds brought forward		108,425	32,000	140,425
Total Funds carried forward		<u>163,960</u>	<u>33,824</u>	<u>197,784</u>

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 11 to 19 form an integral part of these financial statements.

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Balance Sheet at 30 June 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	10	1,858	566
		<u>1,858</u>	<u>566</u>
Current assets			
Debtors	11	37,733	18,056
Cash at bank and in hand		203,657	186,636
Total Current Assets		<u>241,390</u>	<u>204,692</u>
Liabilities			
Creditors falling due within one year	12	5,119	7,474
Net Current assets		<u>236,271</u>	<u>197,218</u>
Net assets		<u><u>238,129</u></u>	<u><u>197,784</u></u>
The funds of the charity			
Unrestricted funds	14	237,555	163,960
Restricted income funds	14	574	33,824
Total charity funds		<u><u>238,129</u></u>	<u><u>197,784</u></u>

The notes on pages 11 to 19 form an integral part of these financial statements.

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Balance Sheet (continued) at 30 June 2022

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2022.

The Directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

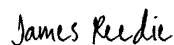
The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Directors on 24 November 2022 and signed on its behalf by



Philip Wray
Chairperson / Director



James Reddie
Director

Registered number: SC314809

**Notes to the financial statements
for the year ended 30 June 2022**

1. Accounting policies

Charity information

J12 is a charitable company limited by guarantee and incorporated in Scotland. The charity's registered office address (and principal place of business) is 176 Smithycroft Road, Glasgow, G33 2RF.

Accounting convention

The financial statements have been prepared in accordance with the charity's Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

At the time of approving the financial statements, the Directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The Directors consider there are no material uncertainties about the charity's ability to continue as a going concern. Thus the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Charitable funds

Funds are classified as either restricted funds or unrestricted funds, defined as follows:

Restricted funds are funds subject to specific requirements as to their use which may be declared by the donor or with their authority or created through legal processes, but still within the wider objects of the charity.

Unrestricted funds are expendable at the discretion of the Directors in furtherance of the objects of the charity. If parts of the unrestricted funds are earmarked at the discretion of the Directors for a particular purpose, they are designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the Directors' discretion to apply the fund.

Income

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 income receivable can be measured reliably.

Donations

Donations are recognised when the charity has evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. Entitlement usually arises immediately upon receipt, however, in the event that a donation is subject to conditions that require a level of performance 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 those conditions will be fulfilled in the reporting period.

**Notes to the financial statements (continued)
for the year ended 30 June 2022**

1. Accounting policies (continued)

Grants receivable

Income from government and other grants, whether 'capital' or 'revenue' in nature, are recognised when the charity has unconditional entitlement to the funds, it is probable that the income will be received, the amount can be measured reliably. Unconditional entitlement will be achieved once any performance or other conditions attached to the grants have been met, or fulfilment of those conditions is wholly within the control of the charity.

Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the Balance Sheet as deferred income to be released.

Gift aid

Income tax recoverable on gift aid donations is recognised when the respective donation has been recognised and the recoverable amount of income tax can be measured reliably; this is normally when the donor has completed the relevant gift aid declaration form. Income tax recoverable on gift aid donations is allocated to the same fund as the respective donation unless specified by the donor.

Income from charitable activities

Income from charitable activities includes income earned both from the supply of goods or services under contractual arrangements and from performance-related grants which have conditions that specify the provision of particular goods or services to be provided by the charity. Income from charitable activities is recognised as earned (as the related goods or services are provided).

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity. This is normally upon notification of the interest paid or payable by the bank.

Volunteers

General volunteer time is not recognized – refer to the Directors' Annual Report for more information about their contribution.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured or estimated reliably.

Liabilities are measured on recognition at historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date. The exception is that certain financial instruments must be adjusted to their present value; these include financial liabilities where settlement is deferred for more than 12 months after the reporting date.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Raising funds

Expenditure on raising funds includes all expenditure incurred by a charity to raise funds for its charitable purposes. It includes the costs of all fundraising activities and events together with those costs incurred in seeking donations, grants and legacies.

**Notes to the financial statements (continued)
for the year ended 30 June 2022**

1. Accounting policies (continued)

Expenditure on charitable activities

Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

Governance costs

Governance costs (which are included as a component of support costs in accordance with SORP) comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include those related to constitutional and statutory requirements, external scrutiny (audit or independent examination), strategic management, and other legal and professional fees.

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

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.

Judgements and key sources of estimation uncertainty

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

Tangible fixed assets and depreciation

Fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful life on a straight line basis (20%).

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

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.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Pensions

The pension costs charged in the financial statements represent the contribution payable by the charity during the year. See also note 7.

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Notes to the financial statements (continued) for the year ended 30 June 2022

2. Donations	Unrestricted	Restricted	Total Funds 2022	Total Funds 2021
	Funds	Funds		
	2022	2022		
	£	£	£	£
Donation income - individuals and churches	51,586	400	51,986	40,496
Trust income:				
National Lottery Community Fund	-	40,000	40,000	35,000
Bank of Scotland Foundation	-	22,898	22,898	-
Gannochy Trust (The)	-	10,000	10,000	-
Hugh Fraser Foundation (The)	5,000	-	5,000	-
Kells Trust (The)	5,000	-	5,000	3,000
W A Cargill Fund	4,000	-	4,000	4,000
Anchor Foundation	-	3,500	3,500	-
Endrick Trust	-	3,000	3,000	-
Kilpatrick Fraser	-	2,620	2,620	-
Hope Trust	2,500	-	2,500	2,500
Merchants House of Glasgow (The)	-	2,500	2,500	5,000
Brownlie Charitable Trust	-	2,000	2,000	-
Arnold Clark Community Fund	-	1,000	1,000	1,000
Erskine Cunningham Hill Trust	-	1,000	1,000	-
Kuenssberg Charitable Foundation (The)	1,000	-	1,000	500
MEB Charitable Trust	1,000	-	1,000	-
Nagle Family Foundation	1,000	-	1,000	-
PF Charitable Trust	1,000	-	1,000	1,000
W M Mann Foundation	-	1,000	1,000	-
Grace Trust (The)	750	-	750	1,000
Hugh Stenhouse Foundation	625	-	625	-
Andrew & Mary Little	-	500	500	-
Claremont Trust	-	500	500	-
Youthlink Scotland	-	-	-	45,826
Carlton Charitable Trust (The)	-	-	-	5,000
Mickel Fund (The)	-	-	-	5,000
Trades House Commonweal Fund (The)	-	-	-	3,500
Bellahouston Bequest Fund	-	-	-	3,000
Sabina Sutherland Charitable Trust (The)	-	-	-	2,000
Swinton Paterson Trust (The)	-	-	-	2,000
Pat Newman Memorial Trust (The)	-	-	-	1,500
Zarephath Charitable Trust	-	-	-	1,200
Gordon Fraser Charitable Trust	-	-	-	1,000
James Wood Bequest Fund (The)	-	-	-	1,000
Miss I F Harvey Charitable Trust	-	-	-	1,000
Other Trust Income	16,000	-	16,000	17,700
	89,461	90,918	180,379	183,222
Movement in deferred income (note 13)	-	3,500	3,500	11,500
	89,461	94,418	183,879	194,722

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Notes to the financial statements (continued) for the year ended 30 June 2022

3. Income from charitable activities

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Income from outings, events and groups	5,679	-	5,679	2,419
Income from schools	66,933	-	66,933	25,750
	<u>72,612</u>	<u>-</u>	<u>72,612</u>	<u>28,169</u>

4. Raising funds

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Fundraising consultant costs	6,060	-	6,060	6,300
	<u>6,060</u>	<u>-</u>	<u>6,060</u>	<u>6,300</u>

5. Costs of charitable activities

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Staff related costs (note 6)	32,034	105,052	137,086	99,824
Programme related costs	21,594	22,616	44,210	35,761
Staff training	1,579	-	1,579	500
IT costs	445	-	445	1,394
General office admin costs	24,918	-	24,918	20,008
Governance costs (note 8)	1,452	-	1,452	1,432
Bank charges and other finance charges	451	-	451	358
	<u>82,473</u>	<u>127,668</u>	<u>210,141</u>	<u>159,277</u>

6. Staff costs

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Wages and salaries	15,675	105,052	120,727	88,587
Social security costs	6,117	-	6,117	3,488
Pension and other costs	10,242	-	10,242	7,749
	<u>32,034</u>	<u>105,052</u>	<u>137,086</u>	<u>99,824</u>

The average number of employees was 5 (2021 - 4). The full-time equivalent number was 5 (2021 - 4). There were no employees who received remuneration over £60,000 in the period.

The total employee benefits of the key management personnel of the charity were £62,621 (2021- £60,287).

None of the Directors received any remuneration nor payments for re-imburement of expenses. See also Note 16.

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Notes to the financial statements (continued) for the year ended 30 June 2022

7. Staff pension scheme

The charitable company operates a group personal pension (i.e. defined contribution) scheme for employees. Contributions are charged to the Statement of Financial Activities when incurred. There was £nil (2020 - £nil) of contributions outstanding at the Balance Sheet date. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

8. Net income/(expenditure) for the year

	2022	2021
	£	£
Net income/(expenditure) is stated after charging:		
Depreciation and other amounts written off fixed assets	603	426
Loss on disposal of fixed assets	252	-
Independent Examiner's remuneration	<u>1,452</u>	<u>1,432</u>

9. 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.

10. Tangible fixed assets

	Equipment	Fixtures & fittings	Total
	£	£	£
Cost			
At 1 July 2021	7,638	1,691	9,329
Additions	2,147	-	2,147
Disposals	<u>(1,260)</u>	<u>-</u>	<u>(1,260)</u>
At 30 June 2022	<u>8,525</u>	<u>1,691</u>	<u>10,216</u>
Depreciation			
At 1 July 2021	7,072	1,691	8,763
Charge for year	603	-	603
Disposals	<u>(1,008)</u>	<u>-</u>	<u>(1,008)</u>
At 30 June 2022	<u>6,667</u>	<u>1,691</u>	<u>8,358</u>
Net book value			
At 30 June 2022	<u>1,858</u>	<u>-</u>	<u>1,858</u>
At 30 June 2021	<u>566</u>	<u>-</u>	<u>566</u>

11. Debtors

	2022	2021
	£	£
Trade debtors	32,529	17,000
Tax recoverable (Gift Aid)	4,345	-
Prepayments and accrued income	<u>859</u>	<u>1,056</u>
	<u>37,733</u>	<u>18,056</u>

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**Notes to the financial statements (continued)
for the year ended 30 June 2022**

12. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	1,102	2,061
Accrued charges	1,461	1,374
Deferred income (note 13)	-	3,500
Other creditors	2,556	539
	<u>5,119</u>	<u>7,474</u>

13. Deferred income

	Balance b/fwd	Receipts in year	Released in year	Balance c/fwd
	£	£	£	£
Trades House Commonweal Fund	<u>3,500</u>	<u>-</u>	<u>(3,500)</u>	<u>-</u>

14. Analysis of charitable funds

	Balance b/fwd	Income	Expenditure	Balance c/fwd
	£	£	£	£
Unrestricted funds				
General funds	<u>163,960</u>	<u>162,128</u>	<u>(88,533)</u>	<u>237,555</u>
Total unrestricted funds	<u>163,960</u>	<u>162,128</u>	<u>(88,533)</u>	<u>237,555</u>
Restricted funds				
Project Leader Costs	-	5,500	(5,500)	-
Male Project Worker	17,154	33,898	(51,052)	-
Staff Costs	-	48,500	(48,500)	-
Youthlink Scotland	16,670	-	(16,451)	219
Hampers / Food	-	400	(45)	355
Trades House Camp	-	3,500	(3,500)	-
Kilpatrick Fraser Clothing	-	2,620	(2,620)	-
Total restricted funds	<u>33,824</u>	<u>94,418</u>	<u>(127,668)</u>	<u>574</u>
Total funds	<u>197,784</u>	<u>256,546</u>	<u>(216,201)</u>	<u>238,129</u>

**Notes to the financial statements (continued)
for the year ended 30 June 2022**

14. Analysis of charitable funds (continued)

	Balance b/fwd £	Income £	Expenditure £	Balance c/fwd £
Unrestricted funds				
General funds	108,425	129,810	(74,275)	163,960
Total unrestricted funds	<u>108,425</u>	<u>129,810</u>	<u>(74,275)</u>	<u>163,960</u>
Restricted funds				
Project Leader Costs	-	40,000	(40,000)	-
Male Project Worker	32,000	7,000	(21,846)	17,154
Youthlink Scotland	-	45,826	(29,156)	16,670
Faith in Community Scotland	-	300	(300)	-
Total restricted funds	<u>32,000</u>	<u>93,126</u>	<u>(91,302)</u>	<u>33,824</u>
Total funds	<u>140,425</u>	<u>222,936</u>	<u>(165,577)</u>	<u>197,784</u>

Explanation of unrestricted funds

The General Fund encompasses all income and expenditure relating to the primary focus activities of the charitable company. The Board aims to maintain this fund at a level between 6 and 12 months of expenditure.

Explanation of restricted funds

The Project Leader Costs Fund represents income received towards the employment costs of the Project Leaders.

The Male Project Worker Fund represents income received towards the salary and related costs of recruiting a male project worker. During the year ended 30 June 2022, £22,398 was received from Bank of Scotland Foundation and £10,000 from The Gannochy Trust.

The Staff Costs Fund represents income received towards the salary and related costs of all employees. During the year ended 30 June 2022, £40,000 was received from the National Lottery Fund being the first of a three year award at £40,000 per year.

The Youthlink Scotland Fund represents income received to enable children to begin to recover from the pandemic and reconnect with life.

The Hampers / Food Fund represents income received to provide hampers or food for local people.

The Trades House Camp Fund represents income received towards camp and holiday activities for young people.

The Kilpatrick Fraser Clothing Fund represents income received to be spent specifically on clothing for young people.

The Faith in Community Scotland Fund represents income received to provide activity packs for young people.

In order to only use gifts for salaries on future expenditure, the draw down from restricted funding for salary costs does not start until receipt of the funding.

**Notes to the financial statements (continued)
for the year ended 30 June 2022**

15. Analysis of net assets between funds

	Fixed assets	Current	Current	2022
	£	assets	liabilities	Total
		£	£	£
Unrestricted funds	1,858	240,816	(5,119)	237,555
Restricted funds	-	574	-	574
	<u>1,858</u>	<u>241,390</u>	<u>(5,119)</u>	<u>238,129</u>

	Fixed assets	Current	Current	2021
	£	assets	liabilities	Total
		£	£	£
Unrestricted funds	566	170,868	(7,474)	163,960
Restricted funds	-	33,824	-	33,824
	<u>566</u>	<u>204,692</u>	<u>(7,474)</u>	<u>197,784</u>

16. Related party transactions

There were no related party transactions during the year requiring disclosure (2021 - £nil).