

# **Junction 12**

**(Limited by guarantee)**

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## **Report and Financial Statements**

**For the year ended 30 June 2013**

# Junction 12

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## Contents

|  | <b>Page</b> |
|--|-------------|
| Charity information                      | 1           |
| Report of the Directors                  |             |
| Structure, governance and management     | 2           |
| Charitable objectives and activities     | 2 - 3       |
| Achievements and performance             | 3           |
| Financial review                         | 4           |
| Statement of directors' responsibilities | 5           |
| Independent Examiner's Report            | 6           |
| Statement of Financial Activities        | 7           |
| Balance Sheet                            | 8           |
| Notes to the Financial Statements        | 9 - 14      |

## 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** Christine McPhail (Chair)  
Linda Campbell  
Jonathan Keefe  
Barry Elder (Resigned 22 November 2012)  
John Cameron (Appointed 22 November 2012)  
John Nonhebel (Appointed 22 November 2012)  
Philip Wray (Resigned 16 May 2013)

**Company Secretary** Barry Elder (Resigned 22 November 2012)  
John Cameron (Appointed 22 November 2012)

**Independent Examiner** Alan Cunningham CA  
Alexander Sloan  
Chartered Accountants  
38 Cadogan Street  
Glasgow  
G2 7HF

**Bankers** The Royal Bank of Scotland plc  
Kirkstane House  
139 St Vincent Street  
GLASGOW  
G2 5JF

**Solicitors** Balfour + Manson LLP  
54 – 66 Frederick Street  
EDINBURGH  
EH2.1LS

# Junction 12

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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 2013.

### Structure, governance and management

#### **Background**

Junction 12 (J12) is an initiative working with young people from the areas of Cranhill, Camtyne 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 & 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 No. 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 & Articles of Association. The Board of directors meet three times a year.

The directors who served from 1 July 2012 to the date of this report were as follows:

#### **Directors**

Christine McPhail (Chair)  
John Cameron (from November 2012)  
Linda Campbell  
Barry Elder (till November 2012)  
John Nonhebel (from November 2012)  
Rev Jonathan Keefe  
Philip Wray (till May 2013)

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.

#### **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.

## Junction 12

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J12 brings a unique contribution to this work by adopting a holistic and young-person centred approach which ties together 'school', 'home' and 'street'.

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 to 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.

J12 works 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. As part of this, 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 to June 2013, J12 maintained a comprehensive and demanding schedule of work with young people in the area. This schedule included:

- social and emotional literacy programmes in the local schools with 91 children in the primary six to third year secondary age range;
- one-to-one work with two individual children in need of particular time and focus;
- regular detached work each week with up to 120 teenagers at the office base and in the school grounds and a weekly games club
- Scripture Union groups with up to 79 children and young people attending each week.

During the year 41 young people attended week long holiday events and 49 took part in weekend events. Another 10 teenagers attended a leadership training weekend during the year. All of these trainees went on to serve in different leadership roles during the year, assisting in the running of various programmes and events as and when appropriate.

The J12 team recognise the value of working with other agencies and organisations that are active within the community that it serves. Working relationships with the local schools and churches are strong and good contacts with several other agencies operating locally remain key to the day-to-day activities of the organisation.

In March 2013, Sarah Herbert left Junction 12 after investing time and effort in the fundraising role with much success. In May 2013, Karen Scott joined to take up the position of this role and is continuing from where Sarah left off.

As reported last year, Gordon McKie started in August 2012 as Project Worker, enhancing the team and developing positive relationships with many young people especially teenage boys. His work includes support and mentoring, running groups focusing on self worth, self esteem and inter personal relationships.

Libby Lobban, the Project Leader, has continued to work with the staff and capable volunteers. Libby, and each person who has worked alongside her over the last year, has worked tirelessly for Junction 12 and often at great personal sacrifice. To all the individuals involved, but particularly to Libby, the directors wish to extend their sincere gratitude for the gifted and energetic service that was evident throughout.

# Junction 12

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## 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 (SOFA) on page 7, J12 reported Net incoming resources (i.e. a surplus) for the year of £11,269 (2012 – surplus of £32,751).

Income of £109,614 during the year was slightly up on the equivalent figure in 2012 (£103,829) but was more than 20% ahead of the budgeted income figure. This was due in no small part to the sterling efforts of our Fundraiser, Sarah Herbert. At the same time, a General Appeal was issued raising £2,090.

Expenditure of £98,345 during the year was also up on 2012 (£71,078), this was expected as J12 returned to a full staffing quota which in turn enabled a greater depth of work with the young people. This was slightly higher than the budgeted amount of £95,072. Provision has been made in the 2013/14 budget for expenditure to increase to £100,303.

At the Balance Sheet date, the charity held total reserves of £82,989, of which £38,690 related to the General Fund, down from £48,799 in 2012.

### **Reserves Policy**

A General Reserve has been set aside to meet employment contract commitments in the event that the organisation was to cease operations. At the year end, the amount held in this fund was £7,982 (2012 - £5,605). All remaining cash reserves are held to fund the future work of the organisation.

### **Funds in deficit**

There were no funds in deficit at the year end.

## Junction 12

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### **Statement of directors' responsibilities**

The directors 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;
- 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. 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, Chartered Accountants, remains in office as Independent Examiner until further notice.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the directors on 19 September 2013 and signed on their behalf by



**Christine McPhail**  
**Chairperson / Director**

## Junction 12

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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 2013 which comprise the Statement of Financial Activities, the Balance Sheet and the related Notes. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

#### Respective Responsibilities of Directors and Examiner

The charity's directors are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 ("2005 Act"), the Charities Accounts (Scotland) Regulations 2006 ("2006 Accounts Regulations"). The charity's 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 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 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, 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 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 financial statements to be reached.



**Alan Cunningham C.A.**  
Partner

**Alexander Sloan**  
Chartered Accountants

**38 Cadogan Street**  
**Glasgow**  
**G2 7HF**

19 September 2013



# Junction 12

## Statement of Financial Activities (including Income & Expenditure Account) for the year ended 30 June 2013

|   | Notes | Unrestricted         |                          |                          | Total Funds<br>£ | 2012<br>Total<br>Funds<br>£ |
|---|-------|----------------------|--------------------------|--------------------------|------------------|-----------------------------|
|   |       | General<br>Fund<br>£ | Designated<br>Funds<br>£ | Restricted<br>Funds<br>£ |                  |                             |
| <b>Incoming resources</b>                             |       |                      |                          |                          |                  |                             |
| <b>Incoming resources from generated funds:</b>       |       |                      |                          |                          |                  |                             |
| Voluntary income                                      | 2     | 31,409               | -                        | 74,425                   | 105,834          | 97,012                      |
| Activities for generating funds                       | 3     | 2,090                | -                        | -                        | 2,090            | 4,187                       |
| Investment income                                     |       | 62                   | -                        | -                        | 62               | 41                          |
| <b>Incoming resources from charitable activities</b>  | 4     | 963                  | -                        | 665                      | 1,628            | 2,589                       |
| <b>Total incoming resources</b>                       |       | <u>34,524</u>        | <u>-</u>                 | <u>75,090</u>            | <u>109,614</u>   | <u>103,829</u>              |
| <b>Resources expended</b>                             |       |                      |                          |                          |                  |                             |
| Costs of generating funds                             |       | -                    | -                        | -                        | -                | 650                         |
| Charitable activities                                 | 5     | 40,147               | 806                      | 56,194                   | 97,147           | 69,376                      |
| Governance costs                                      |       | 1,198                | -                        | -                        | 1,198            | 1,052                       |
| <b>Total resources expended</b>                       |       | <u>41,345</u>        | <u>806</u>               | <u>56,194</u>            | <u>98,345</u>    | <u>71,078</u>               |
| <b>Net incoming/(outgoing) resources for the year</b> |       | <u>(6,821)</u>       | <u>(806)</u>             | <u>18,896</u>            | <u>11,269</u>    | <u>32,751</u>               |
| <b>Transfers</b>                                      |       |                      |                          |                          |                  |                             |
| Gross transfers between funds                         | 8     | (3,288)              | 2,377                    | 911                      | -                | -                           |
| <b>Net movement in funds</b>                          |       | <u>(10,109)</u>      | <u>1,571</u>             | <u>19,807</u>            | <u>11,269</u>    | <u>32,751</u>               |
| <b>Reconciliation of funds</b>                        |       |                      |                          |                          |                  |                             |
| Total funds brought forward                           |       | 48,799               | 7,432                    | 15,489                   | 71,720           | 38,969                      |
| <b>Total funds carried forward</b>                    |       | <u>38,690</u>        | <u>9,003</u>             | <u>35,296</u>            | <u>82,989</u>    | <u>71,720</u>               |

The notes on pages 9 to 14 form an integral part of these financial statements.

# Junction 12

## Balance Sheet

at 30 June 2013

|   | Notes | 2013<br>£     | 2012<br>£     |
|---|-------|---------------|---------------|
| <b>Fixed assets</b>                                   |       |               |               |
| Tangible assets                                       | 11    | 1,021         | 1,827         |
|   |       | <u>1,021</u>  | <u>1,827</u>  |
| <b>Current assets</b>                                 |       |               |               |
| Debtors   | 12    | 4,578         | 4,156         |
| Cash at bank and in hand                              |       | 85,259        | 71,926        |
|   |       | <u>89,837</u> | <u>76,082</u> |
| <b>Creditors: amounts falling due within one year</b> | 13    | (7,869)       | (6,189)       |
| <b>Net current assets</b>                             |       | <u>81,968</u> | <u>69,893</u> |
| <b>Total assets less current liabilities</b>          |       | <u>82,989</u> | <u>71,720</u> |
| <b>The funds of the charity:</b>                      |       |               |               |
| Unrestricted funds                                    | 14    |               |               |
| General Fund  |       | 38,690        | 48,799        |
| Designated Funds:                                     |       |               |               |
| Capital Reserve (matching value of Fixed Assets)      |       | 1,021         | 1,827         |
| General Reserve                                       |       | 7,982         | 5,605         |
| Total unrestricted funds                              |       | <u>47,693</u> | <u>56,231</u> |
| Restricted funds                                      | 15    | 35,296        | 15,489        |
| <b>Total funds</b>                                    |       | <u>82,989</u> | <u>71,720</u> |

### Directors' statements required by Section 249B(4) for the year ended 30 June 2013

In approving these financial statements as directors of the charitable company, we hereby confirm:

(a) that for the year stated above, the charitable company was entitled to the exemption conferred by Section 477 of the Companies Act 2006;

(b) that no notice has been deposited at the registered office of the charitable company pursuant to Section 476 requesting that an audit be conducted for the year ended 30 June 2013 and

(c) that we acknowledge our responsibilities for:

(1) ensuring that the charitable company keeps accounting records which comply with Section 386, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its incoming resources and application of resources, including the income and expenditure, for the year then ended in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board on 19 September 2013 and signed on its behalf by

**Christine McPhail**  
Chairperson / Director

**John Nonhebel**  
Director

The notes on pages 9 to 14 form an integral part of these financial statements.

# Junction 12

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## Notes to the financial statements

at 30 June 2013

### 1. Accounting policies

#### *a. Accounting convention*

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

#### *b. Incoming resources*

All incoming resources are included in the Statement of Financial Activities on a receivable basis. The following specific policies are applied to particular categories of income:

##### **Donations**

Donations are included as voluntary income when receivable. The value of donated services provided by volunteers is not included in the financial statements.

##### **Investment income**

Investment income is included when receivable.

#### *c. Resources expended*

Expenditure is recognised on an accruals basis as a liability is incurred.

##### **Costs of generating funds**

Costs of generating funds comprise costs incurred in attracting voluntary income.

##### **Charitable expenditure**

Charitable expenditure includes costs incurred in the delivery of our charitable activities. It includes both costs that can be allocated directly to these activities and costs of an indirect nature necessary to support them.

##### **Governance costs**

Governance costs include costs associated with meeting the constitutional and statutory requirements of the charity and include the Independent Examiner's fee and costs related to the strategic management of the organisation.

#### *d. Pensions*

The pension costs charged in the financial statements represent the contribution payable by the charitable company during the year (see also Note 7).

#### *e. Fixed Assets*

Fixed assets are stated at cost less accumulated depreciation. The costs of minor additions, generally those below £500, are not capitalised. The charge for depreciation is calculated to write off the fixed assets over their expected useful lives by equal annual instalments, as follows:

|                     |     |
|---------------------|-----|
| IT equipment        | 33% |
| Fixtures & Fittings | 20% |

# Junction 12

## Notes to the financial statements

at 30 June 2013

### 2. Voluntary income

|  | Unrestricted         |                          |                          | Total Funds<br>£ | 2012<br>Total<br>Funds<br>£ |
|--|----------------------|--------------------------|--------------------------|------------------|-----------------------------|
|  | General<br>Fund<br>£ | Designated<br>Funds<br>£ | Restricted<br>Funds<br>£ |                  |                             |
| Donation income                            |                      |                          |                          |                  |                             |
| Individuals and churches                   | 24,409               | -                        | 388                      | 24,797           | 31,442                      |
| Scripture Union Scotland                   | -                    | -                        | -                        | -                | 3,000                       |
| Trust income:                              |                      |                          |                          |                  |                             |
| Robertson Trust                            | -                    | -                        | 10,000                   | 10,000           | 10,000                      |
| Gannochy Trust                             | -                    | -                        | 10,000                   | 10,000           | 10,000                      |
| Church of Scotland Parish Development Fund | -                    | -                        | 7,000                    | 7,000            | 7,000                       |
| Young Start                                | -                    | -                        | 32,500                   | 32,500           | -                           |
| Dr Guthrie's Association                   | -                    | -                        | 500                      | 500              | -                           |
| James Wood Bequest Fund                    | 500                  | -                        | -                        | 500              | -                           |
| The Henry Smith Charity                    | -                    | -                        | 10,000                   | 10,000           | -                           |
| Bellahouston Bequest Fund                  | -                    | -                        | 2,000                    | 2,000            | -                           |
| The Percy Bilton Charity                   | -                    | -                        | 2,037                    | 2,037            | -                           |
| The Endrick Trust                          | 5,000                | -                        | -                        | 5,000            | -                           |
| SMB Charitable Trust                       | 500                  | -                        | -                        | 500              | -                           |
| Foyle Foundation                           | -                    | -                        | -                        | -                | 5,000                       |
| North Face Explore Fund                    | -                    | -                        | -                        | -                | 2,109                       |
| The Mercers Charitable Foundation          | -                    | -                        | -                        | -                | 1,000                       |
| Trusthouse Charitable Foundation           | -                    | -                        | -                        | -                | 8,500                       |
| Gordon Fraser Charitable Trust             | -                    | -                        | -                        | -                | 1,300                       |
| Hugh Fraser Foundation                     | -                    | -                        | -                        | -                | 2,000                       |
| Celtic Charity Fund                        | -                    | -                        | -                        | -                | 661                         |
| Other Trust Income *                       | 1,000                | -                        | -                        | 1,000            | 15,000                      |
|  | 31,409               | -                        | 74,425                   | 105,834          | 97,012                      |

£53,500 (2012 - £33,300) of the Trust income received during the year for restricted purposes was given in respect of staff salaries.

\* Some Trusts have requested that their donations remain anonymous.

### 3. Activities for generating funds

|                         | Unrestricted         |                          |                          | Total Funds<br>£ | 2012<br>Total<br>Funds<br>£ |
|-------------------------|----------------------|--------------------------|--------------------------|------------------|-----------------------------|
|                         | General<br>Fund<br>£ | Designated<br>Funds<br>£ | Restricted<br>Funds<br>£ |                  |                             |
| General Appeal July 12  | 2,090                | -                        | -                        | 2,090            | -                           |
| Sponsored Walk April 12 | -                    | -                        | -                        | -                | 4,187                       |
|                         | 2,090                | -                        | -                        | 2,090            | 4,187                       |

### 4. Incoming resources from charitable activities

|   | Unrestricted         |                          |                          | Total Funds<br>£ | 2012<br>Total<br>Funds<br>£ |
|---|----------------------|--------------------------|--------------------------|------------------|-----------------------------|
|   | General<br>Fund<br>£ | Designated<br>Funds<br>£ | Restricted<br>Funds<br>£ |                  |                             |
| Income from outings and Wannabes groups | 963                  | -                        | 665                      | 1,628            | 2,589                       |
|   | 963                  | -                        | 665                      | 1,628            | 2,589                       |

# Junction 12

## Notes to the financial statements

at 30 June 2013

### 5. Costs of charitable activities

|                            | Unrestricted      |                       |                       | Total Funds<br>£ | 2012<br>Total Funds<br>£ |
|----------------------------|-------------------|-----------------------|-----------------------|------------------|--------------------------|
|                            | General Fund<br>£ | Designated Funds<br>£ | Restricted Funds<br>£ |                  |                          |
| Staff related costs        | 25,079            | -                     | 38,873                | 63,952           | 46,615                   |
| Programme related          | 5,517             | -                     | 6,196                 | 11,713           | 6,499                    |
| IT costs                   | 478               | -                     | -                     | 478              | 1,578                    |
| General office admin costs | 8,938             | -                     | 7,121                 | 16,059           | 14,007                   |
| Base Refurbishment         | -                 | -                     | 4,004                 | 4,004            | -                        |
| Bank charges               | 135               | -                     | -                     | 135              | 194                      |
| Depreciation               | -                 | 806                   | -                     | 806              | 483                      |
|                            | <u>40,147</u>     | <u>806</u>            | <u>56,194</u>         | <u>97,147</u>    | <u>69,376</u>            |

### 6. Salary costs

|                         | 2013<br>£     | 2012<br>£     |
|-------------------------|---------------|---------------|
| Wages and salaries      | 51,618        | 37,332        |
| Social security costs   | 4,499         | 3,247         |
| Pension and other costs | 4,401         | 2,498         |
|                         | <u>60,518</u> | <u>43,077</u> |

The average number of employees was 3 (2012 - 2). The full-time equivalent number was 2.12 (2012 - 1.64).

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

None of the members of the Board of directors received any remuneration nor payments for re-imbursment of expenses.

### 7. Staff pension scheme

The charitable company operates a group personal pension (i.e. defined contribution) scheme for employees. Contributions are charged to the SOFA as they are paid. There was £nil (2012 - £nil) of contributions outstanding as 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. Transfers

|                              | Unrestricted      |                       |                       | Total Funds<br>£ | 2012<br>Total Funds<br>£ |
|------------------------------|-------------------|-----------------------|-----------------------|------------------|--------------------------|
|                              | General Fund<br>£ | Designated Funds<br>£ | Restricted Funds<br>£ |                  |                          |
| Transfer to General Reserve  | (2,377)           | 2,377                 | -                     | -                | -                        |
| Transfer to Restricted Funds | (911)             | -                     | 911                   | -                | -                        |
|                              | <u>(3,288)</u>    | <u>2,377</u>          | <u>911</u>            | <u>-</u>         | <u>-</u>                 |

### 9. Net incoming resources for the year

|   | 2013<br>£    | 2012<br>£    |
|---|--------------|--------------|
| Net incoming resources include:             |              |              |
| Depreciation of owned tangible fixed assets | 806          | 483          |
| Independent Examiner's remuneration         | 912          | 816          |
|   | <u>1,718</u> | <u>1,299</u> |

# Junction 12

## Notes to the financial statements

at 30 June 2013

### 10. 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.

### 11. Tangible fixed assets

|                       | Equipment<br>£ | Fixtures<br>& Fittings<br>£ | 2013<br>Total<br>£ |
|-----------------------|----------------|-----------------------------|--------------------|
| <b>Cost</b>           |                |                             |                    |
| At 1 July 2012        | 5,509          | 1,691                       | 7,200              |
| Additions             | -              | -                           | -                  |
| Disposals             | -              | -                           | -                  |
| At 30 June 2013       | <u>5,509</u>   | <u>1,691</u>                | <u>7,200</u>       |
| <b>Depreciation</b>   |                |                             |                    |
| At 1 July 2012        | 4,104          | 1,269                       | 5,373              |
| Charge for year       | 468            | 338                         | 806                |
| Disposals             | -              | -                           | -                  |
| At 30 June 2013       | <u>4,572</u>   | <u>1,607</u>                | <u>6,179</u>       |
| <b>Net book value</b> |                |                             |                    |
| At 30 June 2013       | <u>937</u>     | <u>84</u>                   | <u>1,021</u>       |
| At 30 June 2012       | <u>1,405</u>   | <u>422</u>                  | <u>1,827</u>       |

### 12. Debtors

|                            | 2013<br>£    | 2012<br>£    |
|----------------------------|--------------|--------------|
| Tax recoverable (Gift Aid) | 3,841        | 3,929        |
| Other debtors              | -            | 59           |
| Prepayments                | 737          | 168          |
|                            | <u>4,578</u> | <u>4,156</u> |

### 13. Creditors: amounts falling due within one year

|                 | 2013<br>£    | 2012<br>£    |
|-----------------|--------------|--------------|
| Accrued charges | 6,953        | 5,743        |
| Other creditors | 916          | 446          |
|                 | <u>7,869</u> | <u>6,189</u> |

# Junction 12

## Notes to the financial statements

at 30 June 2013

### 14. Unrestricted funds

|                                | Balance at<br>1 July<br>2012<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Transfers<br>£ | Balance at<br>30 June<br>2013<br>£ |
|--------------------------------|-----------------------------------|----------------------------|----------------------------|----------------|------------------------------------|
| General Fund                   | 48,799                            | 34,524                     | (41,345)                   | (3,288)        | 38,690                             |
| Funds designated by the Board: |                                   |                            |                            |                |                                    |
| General Reserve                | 5,605                             | -                          | -                          | 2,377          | 7,982                              |
| Capital Reserve                | 1,827                             | -                          | (806)                      | -              | 1,021                              |
| Total designated funds         | 7,432                             | -                          | (806)                      | 2,377          | 9,003                              |
| Total unrestricted funds       | 56,231                            | 34,524                     | (42,151)                   | (911)          | 47,693                             |

#### Explanation of funds

*The General Fund* encompasses all income and expenditure relating to the primary focus activities of the charitable company.

*The General Reserve* represents a sum designated by the Board which will equate to two months' salary costs for the Project Leader and one month's salary costs for the Project Worker and Part-time Administrator.

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

### 15. Restricted funds

|                                   | Balance at<br>1 July<br>2012<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Transfers<br>£ | Balance at<br>30 June<br>2013<br>£ |
|-----------------------------------|-----------------------------------|----------------------------|----------------------------|----------------|------------------------------------|
| Wannabes Project                  | -                                 | 367                        | (668)                      | 301            | -                                  |
| Residential Weekends and Holidays | 1,184                             | 2,300                      | (1,484)                    | -              | 2,000                              |
| Events and Outings                | 661                               | 6,798                      | (4,044)                    | -              | 3,415                              |
| Project Leader Costs              | 5,254                             | 32,000                     | (17,613)                   | -              | 19,641                             |
| Project Worker Costs              | -                                 | 31,500                     | (21,260)                   | -              | 10,240                             |
| Office Rent, Heat & Light         | 7,121                             | -                          | (7,121)                    | -              | -                                  |
| Base Decoration                   | 1,269                             | 2,125                      | (4,004)                    | 610            | -                                  |
| Total restricted funds            | 15,489                            | 75,090                     | (56,194)                   | 911            | 35,296                             |

#### Explanation of funds

*The Wannabes Project Fund* represents income and costs of the Angels and Wannabes project.

*The Residential Weekends and Holidays Fund* represents income received to fund the costs of sending young people on residential weekends and week long holidays.

*The Events and Outings Fund* represents Trust income received to cover the costs of events and outings for young people in school years S1-S3.

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

*The Project Worker Costs Fund* represents income received towards the costs of the Project Worker.

*The Office Rent, Heat & Light Fund* represents Trust income received to cover rent, electricity and gas.

*The Base Decoration Fund* represents donation income received to redecorate the J12 premises.

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

# Junction 12

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## Notes to the financial statements

at 30 June 2013

### 16. Analysis of Net Assets between funds

|                    | Fixed<br>assets<br>£ | Current<br>assets<br>£ | Current<br>liabilities<br>£ | Total<br>£    |
|--------------------|----------------------|------------------------|-----------------------------|---------------|
| Unrestricted funds |                      |                        |                             |               |
| Capital reserve    | 1,021                | -                      | -                           | 1,021         |
| General reserve    | -                    | 7,982                  | -                           | 7,982         |
| General funds      | -                    | 46,559                 | (7,869)                     | 38,690        |
|                    | <u>1,021</u>         | <u>54,541</u>          | <u>(7,869)</u>              | <u>47,693</u> |
| Restricted funds   | -                    | 35,296                 | -                           | 35,296        |
| Net assets         | <u>1,021</u>         | <u>89,837</u>          | <u>(7,869)</u>              | <u>82,989</u> |