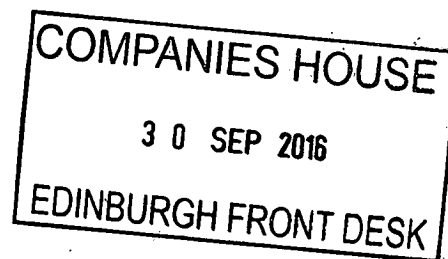


CHARITY NO: SC018249

COMPANY NO: SC137213

**SCOTTISH MARRIAGE CARE
(TRADING AS THE SPARK)**
(a company limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**



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SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

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SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Name	Scottish Marriage Care (Trading as The Spark)
Registered Office & Operational Address	72 Waterloo Street Glasgow G2 7DA
Trustees	Lynne MacDonald Margaret Tod Robert Brown Caroline Henderson Eleanor Byrne Alison Mason (resigned 5 February 2016) Michael McGrane (appointed 9 May 2016) Steven Moore (appointed 26 October 2015) Terence Prendergast (appointed 26 October 2015)
Chief Executive	Stella Gibson
Registered Office & Operational Address	72 Waterloo Street Glasgow G2 7DA
Charity Registration Number	SC018249
Company Registration Number	SC137213
Independent Auditor	Wylie & Bisset LLP 168 Bath Street Glasgow G2 4TP
Bankers	Royal Bank of Scotland plc 10 Gordon Street Glasgow G1 3PL

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

Report of the Trustees for the year ended 31 March 2016

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2016. All Board members are appointed as trustees of the charity and company directors unless otherwise stated. They are referred to throughout the remainder of this Report as "Trustees" unless the context demands otherwise. The legal and administrative information forms part of this report.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 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 published on 16 July 2014.

The legal and administrative information on page one forms part of this report.

Trustees

The Trustees who served during the year and since the year end, unless otherwise stated, were as follows:

Thomas McGlew (deceased 26 May 2016)

Lynne MacDonald

Margaret Tod

Robert Brown

Caroline Henderson

Eleanor Byrne

Alison Mason (resigned 5 February 2016)

Michael McGrane (appointed 9 May 2016)

Steven Moore (appointed 26 October 2015)

Terence Prendergast (appointed 26 October 2015)

Tom McGlew, Chair of the Board of Directors of The Spark, died on the 26th May 2016. Tom's contribution to the Board over a 10 year period was substantial: with four years as a Director, three as Depute Chair and his final three years as Chair of the Board. His dedication to the organisation was relentless, and his knowledge and expertise contributed to supporting The Spark through considerable periods of change. He will be missed both professionally and as a great friend of the organisation.

Key Management Personnel

Stella Gibson, Chief Executive

Marion Laird, Director of National Development

Maria Jackson, Director of Clinical Practice

Jennifer Graham, Director of Relationship Education, Training and HR

Magdalan Sanderson, Director of National Relationship Services

Betty Elliott, Business Development Manager

Andrew Webb, Digital Marketing Manager

Anne McAulay, Business & Finance Manager

Objectives and activities

The principal activities of the company provide a continuum of relationship support services for families across Scotland. As a national charity, the organisation is committed to ensuring that all Scottish residents have access to relationship support, regardless of whether they live in a remote and rural location, in a village, town or city.

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

Report of the Trustees for the year ended 31 March 2016

The Spark's core provision includes a range of relationship support, education and counselling services. Relationship Counselling for couples, individuals, families and young people is delivered in 12 outlets across Scotland and can also be provided online and by telephone. Relationship Helpline provides both immediate online and telephone support, and is universally available throughout the country.

For Children & Young People, the organisation delivers early intervention services to enable young people aged 10 – 25 years to develop essential relationship skills and support them with issues and challenges in their everyday lives. Programmes include relationship education, tackling violence, tackling sectarianism and employability focussed workshops. Individual counselling and art therapy services are also available.

Training is a growth area in the organisation with the provision of a comprehensive range of relationship focussed learning and development solutions for individual cpd or organisations seeking to develop their teams. These include Relationship First Aid, Scottish Mental Health First Aid, M.Sc. in Relationship Counselling, and Helpline Training.

A review of our achievements and performance

The Spark supports and fits with The Scottish Government's focus on Early Intervention and Prevention. For children to get the best start in life, a stable, loving family home surrounded by positive relationships is essential for children to thrive and grow and to reach their potential. Our relationship services reduce conflict and stress in relationships which ultimately reduces relationship breakdown.

The Spark is focused on normalising relationship support and reducing the stigma attached to accessing relationship services and encouraging families to access services at an early stage.

Parental relationships are key to achieving outcomes for all children and The Spark contribute to several policy areas: National Parenting Strategy, GIRFEC, Early Years Collaborative including the Key Change Areas of: addressing child poverty; early support for pregnancy and beyond; attachment; child development & learning; parenting skills and family engagement to support learning; health & wellbeing.

The Relationship Helpline

In 2015-16, The Relationship Helpline extended its opening hours and trained 12 new volunteers to build the capacity of the service. The Relationship helpline had 3471 calls / webchats during the year. The helpline provides an essential therapeutic listening service, providing emotional support and signposting. It provides critical relationship support for families in crisis.

Many of these calls are from families who have complex situations:

- 66% mental health issues
- 13% health issues
- 12% addiction issues
- 10% financial issues

40% of callers to the helpline were men.

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

Report of the Trustees for the year ended 31 March 2016

The Spark Counselling

The Spark's Counselling provides services to couples, individuals, children and young people and more recently to families. Services are provided face to face in our local centres, by telephone and online.

The National Counselling Appointments team supported enquiries from 1227 people. Counselling was delivered to 996 beneficiaries.

Counselling sessions were provided to

- 264 couples
- 164 individuals
- 135 young people
- 19 families

A total of 2990 counselling sessions were delivered by The Spark Counsellors.

Family counselling was introduced this year and supported by Scottish Government funding for Foundation Level Family Therapy training and establishing a Family Counselling Service. Five Counsellors from The Spark completed the Foundation level.

The Spark's Relationship MOT

The Spark was awarded Scottish Government funding to develop the Relationship MOT, a new online relationship tool. The first stage of the development was launched in March 2016 with further development expected during 2016 -17.

The Spark Relationship Education

The Spark delivers a number of relationship education initiatives for both adults and children and young people:

Relationship First Aid

In 2015-16, The Spark delivered 32 Relationship First Aid programmes to 420 frontline professionals. The Scottish Government awarded funding for the delivery of 25 Relationship First Aid courses for Early Years workers, and 22 of these were delivered in the financial year with three planned for April 2016.

In addition, the Spark also delivered 17 Scottish Mental Health First Aid training and the specialised Scottish Mental Health First Aid for Young People to 169 candidates.

Children and Young People

During 2015-16, The Sparks Relationship Education programmes were funded:

- Scottish Government Community Safety Unit – Tackling Sectarianism
- Henry Smith Trust – Tackling Violence
- Robertson Trust – Tackling Violence

569 Children and Young People completed The Sparks Tackling Sectarianism Programme
485 Children and Young People completed The Sparks Tackling Violence Programme
37 young people completed Peer Education training

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

Report of the Trustees for the year ended 31 March 2016

In addition the team continued their partnership with City Building Glasgow, delivering transition workshops and counselling for their apprentices.

50 years of delivering relationship Support

The Spark celebrated 50 years of delivering relationship support in Scotland in March 2016. The event was attended by 120 people, and was an opportunity to showcase the organisation and its growth over the period. The Spark launched the new Relationship MOT and new Relationship resources at the event which was held in the Scottish Parliament.

Financial review

During the year, the company received a revenue grant from the Scottish Government of £585,000. The company is dependent upon such grants to continue its operations. The total income of £1,007,302 for the year has been reduced by expenditure of £1,034,108 leaving a deficit of £26,806 to be deducted from the accumulated funds brought forward. It should be noted that £20,802 of the accumulated reserves of £252,395 is restricted to specific projects.

Risk management

The Directors have assessed the major risks to which the company is exposed, in particular those related to the finances of the company, and are satisfied that systems are in place to minimise exposure.

Reserves policy

The company will carry forward general reserves to meet expenditure in the event of a shortfall in future funding. At 31 March 2016, the company is only able to finance approximately 4 months' payroll expenditure and premises costs. Due to the uncertain nature of funding, the company would prefer to hold more in reserves. At 31 March 2016 the company had total reserves of £252,395 of which £20,802 are restricted reserves.

Pay policy for key management personnel

The trustees consider the board of directors, the Chief Executive, the Director of National Development, the Director of Clinical Practice, the Director of Relationship Education, Training and HR, the Director of National Relationship Services, the Business Development Manager, the Digital Marketing Manager and the Business & Finance Manager to be key management personnel.

All trustees give their time freely and no trustee received remuneration in the year.

The pay of senior staff is benchmarked against relevant roles in similar organisations.

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

Report of the Trustees for the year ended 31 March 2016

Plans for the future

The Spark will continue to develop its services, to increase the accessibility and reduce the stigma of accessing relationship support. The development of digital support and the use of social media will enable the organisation to extend its range of early intervention support and to increase the number of people accessing services.

Structure, governance and management

Scottish Marriage Care is a company limited by guarantee. It is administered by a Board of Directors, which meets regularly. The directors are chosen and appointed for their suitable knowledge and background. The directors undergo initial induction and regular training.

The charity is governed by its Memorandum and Articles of Association.

The day to day operation of the company is delegated to the Chief Executive.

The charity underwent a rebranding exercise in January 2014 and is now trading as 'The Spark'.

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

Report of the Trustees for the year ended 31 March 2016

Trustees' Responsibilities

The charity trustees (who are also the directors of Scottish Marriage Care for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing the financial statements, the trustees 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees 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.

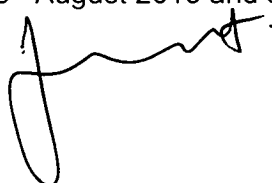
Statement of Disclosure to the Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charity auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the trustees on 29th August 2016 and signed on their behalf by:

Name: **T PRENDERGAST**



SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF SCOTTISH MARRIAGE CARE FOR THE YEAR ENDED 31 MARCH 2016

We have audited the financial statements of Scottish Marriage Care for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 7 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustees Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF SCOTTISH MARRIAGE CARE FOR THE YEAR ENDED 31 MARCH 2016

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors report.

Allister Gray

Allister Gray BAcc CA
Senior statutory auditor
For and on behalf of Wylie & Bisset LLP, Statutory Auditor

168 Bath Street
Glasgow
G2 4TP

Date: 29th August 2016

Wylie & Bisset LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2016
(Including an Income and Expenditure account)

	Note	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Unrestricted Funds 2015 £	Restricted Funds 2015 £	As Restated Total Funds 2015 £
Income from:							
Donations	4	587,787	-	587,787	600,135	-	600,135
Charitable activities	5	136,887	253,736	390,623	135,394	201,399	336,793
Investments	6	1,768	-	1,768	5,280	-	5,280
Other	7	27,124	-	27,124	12,016	-	12,016
Total Income		753,566	253,736	1,007,302	752,825	201,399	954,224
Expenditure on:							
Raising funds							
Raising donations	8	22,959	-	22,959	23,752	-	23,752
Charitable activities	10	785,406	225,743	1,011,149	730,163	216,553	946,716
Total Expenditure		808,365	225,743	1,034,108	753,915	216,553	970,468
Net income/(expenditure)		(54,799)	27,993	(26,806)	(1,090)	(15,154)	(16,244)
Transfers between funds		35,423	(35,423)	-	(190)	190	-
Net movement in funds		(19,376)	(7,430)	(26,806)	(1,280)	(14,964)	(16,244)
Funds reconciliation							
Total Funds brought forward as previously reported	18	256,342	28,232	284,574	263,424	43,196	306,620
Prior year adjustment	1	(5,373)	-	(5,373)	(11,175)	-	(11,175)
Total Funds brought forward – restated		250,969	28,232	279,201	252,249	43,196	295,445
Total Funds carried forward	18	231,593	20,802	252,395	250,969	28,232	279,201

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

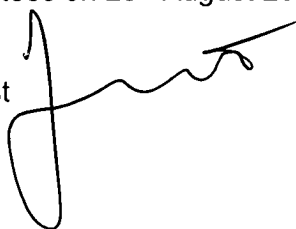
BALANCE SHEET AS AT 31 MARCH 2016

	Note	£	2016 £	Restated 2015 £
Fixed assets:				
Tangible assets	14		11,986	15,767
Current assets:				
Debtors	15	47,366		30,874
Cash at bank and in hand		239,701		261,142
Total current assets		<u>287,067</u>		<u>292,016</u>
Liabilities:				
Creditors falling due within one year	16	46,658		28,582
Net current assets			<u>240,409</u>	<u>263,434</u>
Net assets			<u>252,395</u>	<u>279,201</u>
The funds of the charity:				
Restricted funds	18		20,802	28,232
Unrestricted funds	18		231,593	250,969
Total charity funds			<u>252,395</u>	<u>279,201</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

Approved by the trustees on 29th August 2016 and signed on their behalf by:

Name: T Prendergast



SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

STATEMENT OF CASH FLOW FOR THE YEAR ENDING 31 MARCH 2016

	Note	Total Funds 2016 £	Restated 2015 £
<i>Cash flows from operating activities:</i>			
Net cash used in operating activities	20	(18,094)	(42,415)
<i>Cash flows from investing activities:</i>			
Interest received		1,768	5,280
Net cash provided by investing activities		1,768	5,280
<i>Cash flows from financing activities:</i>			
Purchase of plant and equipment		(5,115)	-
Net cash used in financing activities		(5,115)	-
Change in cash and cash equivalents in the year		(21,441)	(37,135)
Cash and cash equivalents brought forward	21	261,142	298,277
Cash and cash equivalents carried forward	21	239,701	261,142

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

The results of the subsidiary, The Relationship Centre, have not been consolidated on the grounds that the results are considered to be immaterial as all profits are paid up to The Spark.

(b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. In accordance with the requirements of FRS 102 a reconciliation of opening balances and net income/(expenditure) for the year is provided with the net income/(expenditure) under previous GAAP adjusted as a component of reported income.

Reconciliation of reported net income/(expenditure)	£
Net expenditure as previously stated	(22,046)
Adjustment for holiday pay accrual movement	5,802
2015 net expenditure as restated	(16,244)

Reconciliation of Funds	At 1 April 2014	At 31 March 2015
	£	£
Funds as previously stated	306,620	284,574
Adjustment for holiday pay accrual	(11,175)	(5,373)
	295,445	279,201

(c) Funds structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the general objects of the charity.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal.

Further details of each fund are disclosed in note 18.

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

1. Accounting Policies (continued)

(d) Income recognition

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, 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 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.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

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.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met (see note 18).

(e) Expenditure recognition

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 reliably.

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. For more information on this attribution refer to note (g) below.

- Costs of raising funds comprise the costs of commercial trading including investment management costs and certain legal fees and their associated support costs;
- Expenditure on charitable activities includes property, administration, travel, training, advertising, depreciation and professional costs and other activities undertaken to further the purposes of the charity and their associated support costs;

Irrecoverable VAT is charged as a cost against the activity for which the expenditure is incurred.

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

1. Accounting Policies (continued)

(f) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

(g) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on staff time. The allocation of support and governance costs is analysed in note 9.

(h) Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised including any incidental expenses of acquisition. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

	Basis
Fixtures & Fittings	20% straight line
Equipment	25% straight line
Computer Software	33 1/3% straight line

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

1. Accounting Policies (continued)

(i) Debtors

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

(j) 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.

(k) Pensions

The company operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are administered by the Directors in a fund independent from those of the company.

The pension costs charged against profits represent the amount of employer's contributions payable to the scheme in respect of the accounting period.

(l) 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.

(m) Taxation

The company is a charitable company within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

2. Legal status of the Charity

Scottish Marriage Care is a registered Scottish charity.

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

3. Related party transactions and trustees' expenses and remuneration

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2015: £nil). Expenses paid to the trustees in the year totalled £13 for one Trustee (2015: one Trustee totalling £38).

Other than those disclosed above, no trustee had any personal interest in any contract or transaction entered into by the charity during the year.

The Relationship Centre Limited

The Relationship Centre is a wholly owned subsidiary of Scottish Marriage Care, established to provide training facilities.

During the year The Relationship Centre made a donation of £19,773 (2015: £567) to Scottish Marriage Care. Scottish Marriage Care made use of The Relationship Centre facilities which cost £5,055 (2015: £6,245). A balance of £19,188 (2015: £4,498) was due from The Relationship Centre at the balance sheet date.

4. Income from donations

	Unrestricted £	Restricted £	2016 £	2015 £
Donations	2,787	-	2,787	135
General grants	585,000	-	585,000	600,000
	<u>587,787</u>	<u>-</u>	<u>587,787</u>	<u>600,135</u>

5. Income from charitable activities

	Unrestricted £	Restricted £	2016 £	2015 £
Grants	15,441	190,472	205,913	194,224
Projects	-	63,264	63,264	18,000
Training fees	55,947	-	55,947	62,156
Counselling	65,499	-	65,499	62,412
	<u>136,887</u>	<u>253,736</u>	<u>390,623</u>	<u>336,792</u>

6. Investment income

	Unrestricted £	Restricted £	2016 £	2015 £
Interest received	1,768	-	1,768	5,280
	<u>1,768</u>	<u>-</u>	<u>1,768</u>	<u>5,280</u>

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

7. Other income

	2016 £	2015 £
Gift aid	19,773	567
Other income	7,351	11,449
	<u>27,124</u>	<u>12,016</u>

8. Raising funds – expenditure on raising donations

	Direct Costs £	Support Costs £	Total 2016 £	Total 2015 £
Raising funds	-	22,959	22,959	23,752
	-	22,959	22,959	23,752

9. Allocation of governance and support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

Cost type	Total allocated £	Governance related £	Other support costs £	Basis of apportionment
Staff costs	578,584	16,562	562,022	Staff time
Total	<u>578,584</u>	<u>16,562</u>	<u>562,022</u>	

Governance costs:

	2016 £	2015 £
Auditor's remuneration	5,400	5,280
Legal fees	-	124
Support costs (see above)	16,562	20,604
	<u>21,962</u>	<u>26,008</u>

Breakdown of governance and support costs by activity

	Support costs £	Governance £	2016 £	2015 £
Raising funds	22,959	-	22,959	23,752
Grants	539,063	21,962	561,025	509,340
Total	<u>562,022</u>	<u>21,962</u>	<u>583,984</u>	<u>533,092</u>

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

10. Analysis of expenditure on charitable activities

	Grants	Restricted funds	2016 Total	2015 Total
	£	£	£	£
Wages and salaries	-	180,337	180,337	160,559
Professional fees	17,764	6,934	24,698	23,556
Property	106,476	-	106,476	94,104
Administration	62,409	10,000	72,409	57,501
Travel	13,164	6,621	19,785	23,414
Training	5,994	4,513	10,507	6,574
PR/Advertising	12,134	14,882	27,016	36,374
Depreciation	6,440	2,456	8,896	9,286
Governance costs (note 10)	21,962	-	21,962	26,008
Support costs (note 10)	539,063	-	539,063	509,340
	<u>785,406</u>	<u>225,743</u>	<u>1,011,149</u>	<u>946,716</u>

11. Analysis of staff costs and remuneration of key management personnel

	2016 £	2015 £
Salaries and wages	677,210	641,327
Social security costs	47,740	45,962
Pension costs	33,974	32,767
Total staff costs and employee benefits	<u>758,924</u>	<u>720,056</u>

No employees had employee benefits in excess of £60,000 (2015: None).

	2016 £	2015 £
Key management personnel remuneration	<u>170,239</u>	<u>152,597</u>

	2016 No.	2015 No.
The average weekly number of persons, by headcount, employed by the charity during the year was:	<u>49</u>	<u>48</u>

12. Net income/(expenditure) for the year

	2016 £	2015 £
This is stated after charging:		
Depreciation	8,896	9,286
Audit fees	5,400	5,280

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

13. Government Grants

	2016 £	2015 £
Scottish Government – Core	585,000	600,000
Scottish Government	177,972	141,299
North Lanarkshire Council	3,657	-
	<u>660,657</u>	<u>600,000</u>

There are no unfulfilled conditions and contingencies attaching to the grants or any indications of other forms of government assistance.

14. Tangible Fixed Assets

	Computer Equipment £	Total £
Cost		
At 1 April 2015	53,623	53,623
Additions	5,115	5,115
At 31 March 2016	<u>58,738</u>	<u>58,738</u>
Depreciation		
At 1 April 2015	37,856	37,856
Charge for the year	8,896	8,896
At 31 March 2016	<u>46,752</u>	<u>46,752</u>
Net book value		
At 31 March 2016	<u>11,986</u>	<u>11,986</u>
At 31 March 2015	<u>15,767</u>	<u>15,767</u>

15. Debtors

	2016 £	2015 £
Trade debtors	12,785	-
Other debtors	-	4,626
Amounts due from group companies	19,188	4,498
Prepayments	15,393	16,583
Accrued income	-	5,167
	<u>47,366</u>	<u>30,874</u>

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

16. Creditors: amounts falling due within one year

	2016	Restated 2015
	£	£
Other creditors and accruals	28,663	14,581
Deferred income (Note 17)	3,000	510
Taxation and social security costs	14,995	13,491
	<u>46,658</u>	<u>28,582</u>

17. Deferred income

	2016 £
Balance as at 1 April 2015	510
Amount released to incoming resources	(510)
Amount deferred in the year	3,000
Balance as at 31 March 2016	<u>3,000</u>

Deferred income relates to monies received in advance in relation to courses.

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

18. Analysis of charitable funds

	As restated at 1 April 2015 £	Income £	Expenditure £	Transfers £	As at 31 March 2016 £
Unrestricted funds					
General funds	250,969	753,566	808,365	35,423	231,593
Total unrestricted funds	250,969	753,566	808,365	35,423	231,593
Restricted fund					
Henry Smith Charity	24,970	-	18,960	(14)	5,996
TSEF	1,888	-	1,482	-	406
Capital Grant	1,374	-	974	-	400
Robertson Trust	-	12,500	12,500	-	-
SG Tackling Sectarianism	-	105,972	106,135	163	-
FTT	-	34,764	25,231	(9,533)	-
Early Years	-	72,000	52,790	(19,210)	-
Aberlour	-	14,500	7,671	(6,829)	-
Sanctuary	-	14,000	-	-	14,000
Total restricted funds	28,232	253,736	225,743	(35,423)	20,802
TOTAL FUNDS	279,201	1,007,302	1,034,108	-	252,395

The unrestricted funds are available to be spent for any of the purposes of the charity.

19. Net assets over funds

	Unrestricted Funds £	Restricted Funds £	Total 2016 £
Fixed assets	11,986	-	11,986
Debtors	47,366	-	47,366
Bank & Cash	218,899	20,802	239,701
Creditors	(46,658)	-	(46,658)
	<u>231,593</u>	<u>20,802</u>	<u>252,395</u>

SCOTTISH MARRIAGE CARE (TRADING AS THE SPARK)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

20. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2016 £	2015 £
Net expenditure for the year (as per the Statement of Financial Activities)	(26,806)	(16,244)
Adjustments for:		
Depreciation charges	8,896	9,286
Interest received	(1,768)	(5,280)
Increase in debtors	(16,492)	(19,146)
Increase in creditors	18,076	(11,031)
Net cash used in operating activities	(18,094)	(42,415)

21. Analysis of cash and cash equivalents

	2016 £	2015 £
Cash in hand	239,701	261,142
Total cash and cash equivalents	239,701	261,142