

Scottish Fair Trade Forum
(A Company Limited by Guarantee)
Report and Financial Statements
For the Year Ended
31 March 2021

Company Number: SC337384

Charity Number: SC039883

Scottish Fair Trade Forum

Report and Financial Statements For the Year Ended 31 March 2021

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Scottish Fair Trade Forum

Trustees' Annual Report For the Year Ended 31 March 2021

The trustees, who for the purposes of company law are the directors of the limited company (hereinafter referred to as 'Trustees'), are pleased to present their report and the financial statements for the year ended 31 March 2021.

Objectives and Activities

The charitable purposes of the Scottish Fair Trade Forum (the Forum) are to relieve poverty by establishing, maintaining and promoting Scotland as a Fair Trade Nation, thereby to improve the work of the voluntary sector and effectiveness of charities forming part of the Fair Trade movement by:

- a) supporting, building, extending and maintaining the Fair Trade movement in and throughout Scotland
- b) educating stakeholders and the public generally through the production of relevant information, marketing and promotion of Fair Trade at every level of Scottish society
- c) facilitating and exchanging knowledge and information between Scotland and other Fair Trade countries and communities; and
- d) facilitating and exchanging knowledge and information between Scotland and Fair Trade producers in developing countries.

The Forum's Vision, Mission and Aims were reviewed and refreshed as part of the process of creating a strategic plan for 2020-2022. This process drew on engagement with members, stakeholders, staff, volunteers and Board members and was led by an independent consultant working with the Chief Executive and staff team. It also took into account the findings and recommendations of the independent review of Fair Trade in Scotland undertaken for the Scottish Government.

The Forum's vision:

Our vision is of a world in which justice, equity and sustainable development are at the heart of trade structures and where Scotland recognises the dignity and rights of producers through a commitment to Fair Trade.

The Forum's mission:

The Scottish Fair Trade Forum contributes to building a just, equitable and sustainable world through supporting Scotland to remain a vibrant Fair Trade Nation and working to embed the principles of Fair Trade in all aspects of Scottish society.

The Forum's Aims:

- 1: Develop our role as a hub of expertise for Fair Trade, including Fair Trade Nation status, in Scotland and internationally
- 2: Increase the market for Fair Trade goods in Scotland
- 3: Engage Scottish communities in support of Fair Trade
- 4: Continue to encourage quality education on Fair Trade
- 5: Improve our sustainability and maintain good governance

These aims formed the basis for the activities of the Forum during 2020-2021 as the first year covered by the new strategic plan.

Achievements and Performance

The past year due to the global pandemic has presented significant challenges for Fair Trade producers, businesses, campaigners and supporters as well as for the Forum itself. Despite these challenges, the Forum has continued to carry out activities to deliver on its strategic aims.

The Forum has core funding from the Scottish Government in place for two years from 2020-2022 based on the Forum's two year strategic plan. During the Scottish Government's review of its International Development Strategy in 2020-21, the Minister indicated the ongoing commitment to supporting the core-funded bodies such as the Forum.

Scottish Fair Trade Forum

Trustees' Annual Report (continued)

Achievements and Performance (continued)

The Forum has continued to grow its reputation as a hub of expertise for Fair Trade in Scotland maintaining and developing links with other Fair Trade, development and sustainability organisations in Scotland, the rest of the UK and internationally. The Forum has continued to provide the secretariat for the Cross Party Group in the Scottish Parliament on Fair Trade.

Throughout the year, the Forum continued to recognise the importance of growing and supporting the Fair Trade market in Scotland. Work was undertaken to support established Fair Trade businesses in Scotland and also to look to increase new Fair Trade business activity. A crowdfunded appeal was launched to support Fair Trade businesses in Scotland that had been adversely impacted by COVID-19 and the associated restrictions. Most of these funds were used to support trading partners and producer groups. Work has continued on increasing Fair Trade opportunities in public sector procurement. Research was undertaken to establish the amount of purchasing of Fair Trade products by public sector organisations. The data gathered will establish a baseline to measure any progress in increasing public procurement of Fair Trade in future years.

The Forum continued to support the network of local Fair Trade groups and campaigners across Scotland carrying out an audit to identify strengths and areas for further support in order that resources can be effectively deployed. Due to COVID-19 restrictions, events have been held online. The Scottish Fair Trade Awards ceremony, Fair Trade Nation Lecture, World Fair Trade Day and Fairtrade Fortnight events were held online with an increase in attendance numbers and greater involvement from Fair Trade producers. Regional networking events were also held online, again with increased attendance. Also additional events on contemporary issues identified through feedback were held on specific themes.

The Forum has continued to develop its relationships with the Development Education Centres to input specialist advice on Fair Trade to education practitioners. The roll out of a new tailored educational package for primary schools in a pilot area was delayed due to the impact of COVID-19 restrictions on schools.

The Forum has continued its involvement with Challenges Worldwide and its Rwanda Coffee and Malawi CROPS projects. It has also supported the Balmore Trust in its project to support a Malawi based farmers' organisation prepare to apply for World Fair Trade Organisation membership. The Forum has continued to successfully diversify and increase its income from sources other than the core grant from Scottish Government. Through consultancy, training and event services as well as a small amount of direct trading of Fair Trade face coverings and fundraising, income from non-core grant was significantly increased.

COVID-19 and associated restrictions

The effect of the COVID-19 pandemic and the various associated restrictions throughout the year have had a direct impact on how the Forum has carried out activities. However, although the format of events and activities have changed from what might have been originally planned, the Forum has successfully adapted to ensure significant progress on all of its strategic aims. The underlying principle to the approach taken by the Forum in response to the pandemic has been protecting the wellbeing of staff, volunteers, trustees, partners and stakeholders. At the start of the pandemic, the Trustees identified three major risks to the Forum: operational; governance and compliance; and financial.

On operational matters, Forum staff continue to work remotely and it can be reported that no significant problems have occurred due to remote working. The staff team has been able to continue with work across all of the strategic aims. In terms of governance and compliance, all reporting to OSCR, Companies House and funders have been undertaken to the normal timetable. The Board of Trustees have met with the usual regularity albeit online rather than in person.

Scottish Fair Trade Forum

Trustees' Annual Report (continued)

Achievements and Performance (continued)

On assessing the financial risks, the trustees noted the risk to some income generation activities at the start of the pandemic and these were reviewed with support from a consultant through the Scottish Government's Just Enterprise programme. This led to a revised Development Plan. In general, it has been necessary to take into account some possible delays to some income and also to look at redesigning some income generating activities. However, it has also been possible to identify new potential income generating activities. The Forum's growth in income from sources other than the core grant has exceeded what was expected despite the risks identified. As this programme continues over the next financial year, the Trustees have no reason to believe that progress will not continue to be made in this area.

Financial Review

The income and expenditure for the year is set out in the Statement of Financial Activities on page 8, which shows restricted and unrestricted funds in separate columns. This shows an increase in funds of £27,277 during the year, with an increase in unrestricted funds of £16,038 and in restricted funds of £11,239. The movement on each separate fund is shown in note 11 on page 15.

Income increased to £211,718 from £190,686, mainly due to an increase in earned income from trading, our crowdfunded appeal and consultancy work carried out during the year. Expenditure decreased to £184,441 from £193,935 in the previous year, mainly due to savings and delayed spending due to COVID-19 restrictions. A detailed analysis of expenditure is shown in note 3 on page 12.

Total funds at the year end amounted to £39,056. The general unrestricted fund was £22,793, there was a designated fixed assets fund of £1,011, and restricted funds of £15,252 were held for the purposes outlined in note 11 on page 15.

Reserves Policy

It is the Forum's policy to hold 'free' reserves equivalent to at least 3 months' fixed costs, estimated at around £32,316 and at no point should these be more than 18 months' fixed costs. At the end of the year, the charity held unrestricted free reserves, excluding those held as fixed assets, of £22,793. Although the unrestricted reserves remain below the minimum of the policy, there has been a significant increase in reserves over the course of the year from £7,214. At the end of the last financial year, a review of the Forum's Development Plan was undertaken by the Development Manager, overseen by the Chief Executive and supported through a consultant provided by the Scottish Government's Just Enterprise programme. That revised Development Plan, reviewed by the Treasurer and agreed by the Board, sets out activities to increase reserves to within the agreed reserves policy by the end of March 2022. The target for the first year of that plan has been significantly exceeded and the Trustees are confident that by the end of March 2022, the minimum level of reserves set out in the policy will be not just be met but exceeded.

Structure, Governance and Management

The Scottish Fair Trade Forum is a company limited by guarantee, with the liability of members limited to £1 each. The company is governed by the terms of its Memorandum and Articles of Association and is a registered Scottish charity. Trustees (who are directors of the company) are recruited from the membership. Up to three Trustees are elected by each section of the membership: the 'Individual Members', the 'Small Business and Organisation Members', the Medium Business and Organisation Members', the 'Large Business and Organisation Members' and up to three Trustees co-opted by the Board. A third of the Trustees are subject to re-election each year. Two Trustees stepped down at the AGM and three Trustees were elected. The Board took the decision to co-opt three Trustees, including two with links to Fair Trade producer organisations to the Board. At the end of the financial year, there were twelve Trustees.

Trustees continue to be encouraged to keep up to date with their responsibilities under charity and company law. A Trustee Handbook reflecting current best practice is issued to all Trustees. The Trustees meet a minimum of five times per year and are responsible for the strategic direction and policies of the charity. They are aware of the major risks affecting the charity and consider that, as far as possible, appropriate procedures are in place to mitigate those risks. The names of those who served as Trustees during the year are shown below together with other reference and administrative information.

Scottish Fair Trade Forum

Trustees' Annual Report (continued)

Achievements and Performance (continued)

The Forum remains at Robertson House in Bath Street, Glasgow. However during the last year, all staff and volunteers have been working remotely due to COVID-19 restrictions. The Forum plans to return to using Robertson House when this is allowed but plans to maintain a flexible working policy drawing on the benefits of remote working and having a fixed base.

Reference and Administrative Information

Company registration: SC337384
Company Limited by Guarantee

Charity registration: SC039883
Scottish Charity

**Registered office and
principal office address:** Robertson House
152 Bath Street
Glasgow
G2 4TB

Trustees

The following were in post as Trustees (directors of the company) at the date of this report:

Current Trustees:

Charles Sim	(Chair)
Rachel Farey	(Vice-Chair)
Elisabeth Manson	(Vice-Chair)
Sarah Middlemiss	(Treasurer)
Joshua Brown	
Norman Chipakupaku	
Angus Coull	
Senga Gall	
Karena Jarvie	
Aimable Nshimiye	(appointed 26 January 2021)
Chris Ross	(appointed 12 October 2020)
Michael Ross	(appointed 19 April 2021)
Ndiuzayani Zaya	(appointed 26 January 2021)

Bankers: The Co-operative Bank
Delf House
Southway
Skelmersdale
WN8 6WT

Independent Examiner: Paul M Clelland CA
Suite 1, First Floor West
Clyde Way House
813 South Street
Glasgow
G14 0BX

Scottish Fair Trade Forum

Trustees' Annual Report (continued)

Small Companies Provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime.

Approved by the Board of Trustees and signed on its behalf by:

C Sim
Director



Date:

5/7/21

Company Registration Number: SC337384

Report of the Independent Examiner To the Trustees of Scottish Fair Trade Forum

I report on the accounts of Scottish Fair Trade Forum for the year ended 31 March 2021, which are set out on pages 8 to 17.

Respective responsibilities of trustees and examiner

The directors, as trustees of the charity, are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act) and the Charities Accounts (Scotland) Regulations 2006, as amended (the 2006 Accounts Regulations). They consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the 2005 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 accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In 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 accounts 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 accounts to be reached.



Paul M Clelland CA

Date: 9th August 2021

Member of the Institute of Chartered Accountants of Scotland

Paul Clelland Accountancy
Suite 1, First Floor West
Clydeaway House
813 South Street
Glasgow
G14 0BX

Scottish Fair Trade Forum

Statement of Financial Activities (including Income & Expenditure Account)

For the Year Ended 31 March 2021

Income from:	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<i>Donations and legacies:</i>					
Grants	2	-	167,427	167,427	175,887
Membership fees and donations		8,555	8,760	17,315	4,413
<i>Fundraising trading</i>		9,960	-	9,960	-
<i>Charitable activities:</i>					
Event and sales income		430	-	430	600
Consultancy and fee income		16,580	-	16,580	9,775
<i>Investments:</i>					
Interest earned		6	-	6	11
Total		35,531	176,187	211,718	190,686
Expenditure on:					
Raising funds	3	8,225	-	8,225	-
Charitable activities	3	12,576	163,640	176,216	193,935
Total		20,801	163,640	184,441	193,935
Net (expenditure) / income for year		14,730	12,547	27,277	(3,249)
Transfers		1,308	(1,308)	-	-
Net movement in funds		16,038	11,239	27,277	(3,249)
Reconciliation of funds:					
Funds brought forward		7,766	4,013	11,779	15,028
Funds carried forward	11	23,804	15,252	39,056	11,779

The above statement includes all gains and losses recognised during the year.

All activities are regarded as continuing.

Comparative figures for the previous year by fund type are shown in Note 13 on page 16.

The notes on pages 10 to 17 form part of these financial statements.

Scottish Fair Trade Forum

Balance Sheet at 31 March 2021

	Note	2021 £	2020 £
Fixed Assets			
Tangible assets	7	1,011	552
Investments	8	<u>200</u>	<u>200</u>
		1,211	752
Current Assets			
Debtors	9	4,739	1,503
Cash at bank and in hand		<u>40,260</u>	<u>17,163</u>
		44,999	18,666
Creditors:			
Amounts due within one year	10	<u>7,154</u>	<u>7,639</u>
Net Current Assets		<u>37,845</u>	<u>11,027</u>
Net Assets		<u>39,056</u>	<u>11,779</u>
Funds:			
Unrestricted funds:			
General fund	11	22,793	7,214
Designated fixed asset fund	11	<u>1,011</u>	<u>552</u>
Total unrestricted funds		23,804	7,766
Restricted funds	11	<u>15,252</u>	<u>4,013</u>
Total Funds		<u>39,056</u>	<u>11,779</u>

For the year ended 31 March 2021 the company was entitled to exemption from an audit under sections 475 and 477 of the Companies Act 2006 ("the Act") relating to small companies.

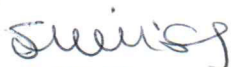
The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board and authorised for issue

Signed:



Name: S Middlemiss
Director

Date: 30 June 2021

The notes on pages 10 to 17 form part of these financial statements.

Scottish Fair Trade Forum

Notes to the Financial Statements for the Year Ended 31 March 2021

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared on the historical cost basis and in accordance with the requirements of:

- the Companies Act 2006
- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 (Charities SORP (FRS102)); and
- the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The charity constitutes a public benefit entity as defined by FRS102.

The Trustees consider that there are no material uncertainties about the ability of the charity to continue as a going concern for the foreseeable future. In particular, the impact of the COVID-19 pandemic has been assessed, as outlined in the trustees' annual report, with no significant impact on the going concern position of the charity. Accordingly, the accounts have been prepared on a going concern basis.

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. Income received by way of grants and donations is included in full in the Statement of Financial Activities when receivable. Where entitlement is conditional on the delivery of a specific performance by the charity, grants are recognised when the charity earns the right to consideration by its performance. Where a grant or donation is given for a specific purpose, it is included in restricted income and any unexpended portion is carried forward as a restricted fund.

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 reliably. All expenditure is accounted for on an accruals basis. The charity has opted not to report on the activity basis. Expenditure is instead reported by cost type.

Other Basic Financial Instruments

The charity only has financial assets and 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.

Taxation

The company is recognised as a charity for the purposes of applicable taxation legislation and is therefore not subject to taxation on its charitable activities. No charge to corporation tax arose during the year. The charity is not registered for VAT and accordingly any irrecoverable VAT incurred is included within the item of expenses to which it relates.

Pensions

The charity makes pension contributions to defined contribution pension schemes on behalf of its employees. Contributions are charged to expenditure as they become payable.

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term.

Scottish Fair Trade Forum

Notes to the Accounts (continued)

1. Accounting Policies (continued)

Investments

Programme related (social) investments are included at the amount originally invested less any impairment. The trustees do not consider any impairment is needed.

Funds

Unrestricted funds can be used in accordance with any of the charitable objects at the discretion of the Directors.

Designated funds are set aside by the Directors out of unrestricted funds for specific future purposes or projects. There is also a designated fixed asset fund corresponding to the book value of tangible fixed assets.

Restricted funds can only be used for particular purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular purposes.

2. Grants

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Scottish Government: Core grant	-	162,427	162,427	162,423
Third Sector Resilience Fund	-	5,000	5,000	-
Challenges Worldwide for Rwanda project	-	-	-	6,000
Santander for intern scheme	-	-	-	3,063
Bridge 47	-	-	-	3,401
SCVO for Cyber Essentials	-	-	-	1,000
Total grants receivable	-	167,427	167,427	175,887

Scottish Fair Trade Forum

Notes to the Accounts (continued)

3. Expenditure	Unrestricted Funds £	Restricted Funds £	Total £	Total £
<i>Raising funds:</i>				
Cost of goods for resale	8,225	-	8,225	-
<i>Charitable activities:</i>				
Staff costs	10,912	105,823	116,735	120,766
Staff training	-	-	-	150
General campaign work	-	27,581	27,581	28,560
Other projects:				
Rwanda coffee project	561	-	561	6,025
Malawi Crops	104	-	104	-
Baltimore Trust	144	-	144	-
Bridge 47	-	-	-	3,951
Cyber Essentials	-	-	-	1,000
Office premises	-	1,097	1,097	13,461
Office running costs	6	5,992	5,998	8,121
Grants and donations	-	7,850	7,850	-
Compliance and governance costs	-	15,297	15,297	11,489
Depreciation	849	-	849	412
Total expenditure	20,801	163,640	184,441	193,935

Expenditure includes:

	2021 £	2020 £
<i>Governance costs:</i>		
Independent examiner's remuneration	800	775
Board meetings, AGM and trustee expenses	172	192
	972	967
Employer's pension contributions	3,212	3,200
Operating lease payments	1,097	13,461

Scottish Fair Trade Forum

Notes to the Accounts (continued)

4. Staff costs

	£	£
Wages & salaries	107,597	110,837
Social security costs	5,926	6,729
Pensions costs	3,212	3,200
Recruitment costs	-	-
Total staff costs	116,735	120,766

The average number of staff employed on a headcount basis was 4 (2020: 4).

The total amount of employee benefits, including employer's national insurance and pension contributions, paid in respect of key management personnel was £42,587 (2020: £41,244). No employee had emoluments of more than £60,000.

Volunteers assisted staff with campaign and communication work.

5. Transactions with Trustees and Related Parties

Donations of £78 were received from trustees during the year (2020: £43).

No remuneration was paid to any trustees in the current or previous year. Travel expenses totalling £172 were reimbursed to two trustees during the year (2020: £92 to one trustee).

During the year, a cash advance was made to N Zaya in connection with her visit to Scotland on a producer tour. Subsequently, N Zaya became a trustee. The cash advance of £272 was due to be repaid at the year end.

6. Grants and donations made

During the year, grants were paid to institutions in furtherance of the charity's objectives as noted below:

	2021		2020	
	No. of recipients	£	No. of recipients	£
Grants made to organisations	12	2,100	10	2,750
Grants made to individuals	0	-	2	349
Total	12	2,100	12	3,099

The majority of grant recipients were local Fair Trade groups, other community groups or schools. The maximum grant awarded to any one recipient during the year was £250.

In addition to the above grants, donations totalling £7,850 were made to 11 organisations from the proceeds of the Crowdfunder supplier support appeal.

Scottish Fair Trade Forum

Notes to the Accounts (continued)

7. Tangible Fixed Assets

	Office equipment £
Cost:	
At 1 April 2020	8,747
Additions	<u>1,308</u>
At 31 March 2021	<u>10,055</u>
Depreciation:	
At 1 April 2020	8,195
Charge for period	<u>849</u>
At 31 March 2021	<u>9,044</u>
Net Book Value:	
At 31 March 2021	<u>1,011</u>
At 31 March 2020	<u>552</u>

8. Investments

	Social investments £	Total 2021 £	Total 2020
Carrying (fair) value at 1 April	200	200	5,000
Disposal	-	-	(4,800)
Carrying (fair) value at 31 March	<u>200</u>	<u>200</u>	<u>200</u>

Investments represent a programme related investment made with Shared Interest Society, a mutual society that lends money to fair trade businesses all round the world to achieve positive social impact. During the year, interest of £6 was earned on the invested amount (2020: £11), which was donated to the Shared Interest Foundation.

9. Debtors

	2021 £	2020 £
Trade debtors	-	932
Accrued income	25	49
Prepayments and other debtors	<u>4,714</u>	<u>522</u>
	<u>4,739</u>	<u>1,503</u>

10. Creditors

<i>Amounts falling due within one year:</i>	£	£
Accruals & other creditors	<u>7,154</u>	<u>7,639</u>

Operating lease commitment

The charity has entered into a lease for office space which now runs on a month-to-month basis. Nothing was payable as at the year end in either the current or previous years as the landlord had granted a waiver due to the COVID-19 situation meaning access to the office was not possible.

Scottish Fair Trade Forum

Notes to the Accounts (continued)

11. Movement on Funds

		At 01/04/20	Income	Expenditure	Transfers	At 31/03/21
	Note	£	£	£	£	£
Restricted funds:						
Development Fund	(a)	711	200	(911)	-	-
Third Sector Resilience	(b)	-	5,000	(5,000)	-	-
Scottish Government	(c)	3,302	162,427	(149,169)	(1,308)	15,252
Crowdfunder	(d)	-	8,560	(8,560)	-	-
Total restricted funds		<u>4,013</u>	<u>176,187</u>	<u>(163,640)</u>	<u>(1,308)</u>	<u>15,252</u>
Unrestricted funds:						
Fixed asset fund	(e)	552	-	(849)	1,308	1,011
General fund		7,214	35,531	(19,952)	-	22,793
Total unrestricted funds		<u>7,766</u>	<u>35,531</u>	<u>(20,801)</u>	<u>1,308</u>	<u>23,804</u>
Total funds		<u>11,779</u>	<u>211,718</u>	<u>(184,441)</u>	<u>-</u>	<u>39,056</u>

Notes on funds:

- The development fund, arising from specific donations received by the charity, is for the purpose of building the capacity of the Forum to meet new challenges and develop the commitment to Scotland being a Fair Trade Nation. The fund was fully spent during the year.
- The Third Sector Resilience fund arose from a grant from the Corra Foundation to help the charity to stabilise and manage cashflows during the COVID-19 pandemic. The grant was fully spent during the year.
- The core Scottish Government grant is to support the Forum delivering its work in leading and co-ordinating activity to maintain and develop Scotland's Fair Trade Nation status. The balance on the fund is carried forward to be spent in the subsequent financial year with the agreement of the funder.
- During the year, a Crowdfunder campaign was launched to raise money to support retailers and suppliers of fair trade products. The donation income and associated gift aid was used to make grants to 11 organisations and to cover other overhead costs associated with operating the appeal.
- Designated fixed asset fund: This corresponds to the net book value of fixed assets. The net book value at the start of the year has been transferred in to the fund. Annual depreciation is charged to this fund and the cost of any fixed assets purchased is transferred into the fund.

12. Analysis of Net Assets Between Funds

	Restricted Funds	Fixed Asset Fund	General Fund	Total Funds
	£	£	£	£
Fixed assets	-	1,011	-	1,011
Investments	-	-	200	200
Debtors	4,739	-	-	4,739
Cash at bank and in hand	17,667	-	22,593	40,260
Creditors	(7,154)	-	-	(7,154)
Net assets at 31 March 2021	<u>15,252</u>	<u>1,011</u>	<u>22,793</u>	<u>39,056</u>

Scottish Fair Trade Forum

Notes to the Accounts (continued)

13. Statement of Financial Activities - Prior Year

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Income from:			
<i>Donations and legacies:</i>			
Grants	-	175,887	175,887
Membership fees and donations	4,106	307	4,413
<i>Charitable activities:</i>			
Event and sales income	600	-	600
Consultancy and fee income	9,775	-	9,775
<i>Investments:</i>			
Interest earned	11	-	11
Total	14,492	176,194	190,686
Expenditure on:			
<i>Charitable activities</i>	17,520	176,415	193,935
Total	17,520	176,415	193,935
Net income	(3,028)	(221)	(3,249)
Transfers	1,550	(1,550)	-
Net movement in funds	(1,478)	(1,771)	(3,249)
Reconciliation of funds:			
Funds brought forward	9,244	5,784	15,028
Funds carried forward	7,766	4,013	11,779

Scottish Fair Trade Forum

Notes to the Accounts (continued)

14. Movement on Funds - Prior Year

		At 01/04/19	Income	Expenditure	Transfers	At 31/03/20
	Note	£	£	£	£	£
Restricted funds:						
Development Fund		404	307	-	-	711
Santander	(a)	-	3,063	(3,063)	-	-
Scottish Government		4,224	162,423	(162,926)	(419)	3,302
Challenges Worldwide	(b)	1,156	6,000	(6,025)	(1,131)	-
Bridge 47	(c)	-	3,401	(3,401)	-	-
SCVO Cyber Essentials	(d)	-	1,000	(1,000)	-	-
Total restricted funds		5,784	176,194	(176,415)	(1,550)	4,013
Unrestricted funds:						
Fixed asset fund		545	-	(412)	419	552
General fund		8,699	14,492	(17,108)	1,131	7,214
Total unrestricted funds		9,244	14,492	(17,520)	1,550	7,766
Total funds		15,028	190,686	(193,935)	-	11,779

Notes on funds (prior year):

- (b) The Santander fund relates to a grant received towards the costs of two interns, which was fully spent during the year.
- (b) The Challenges Worldwide fund represents the charity's element of a Scottish Government grant to support coffee growers in Rwanda, for which Challenges Worldwide is the lead partner. The grant period runs for 5 years from April 2017. The balance carried forward will be spent in the subsequent
- (c) The charity received a grant from the Bridge 47 programme operated by the Finnish Development NGOs Fingo ry, which was for a project to educate and empower young people to support Fair Trade. The project was completed during the year.
- (d) The charity took part in the SCVO Cyber Essentials training programme during the year and received a grant of £1,000 to fund participation in this process, which was successfully completed during the year.

15. Analysis of Net Assets Between Funds - Prior Year

	Restricted Funds	Fixed Asset Fund	General Fund	Total Funds
	£	£	£	£
Fixed assets	-	552	-	552
Investments	-	-	200	200
Debtors	1,503	-	-	1,503
Cash at bank and in hand	10,149	-	7,014	17,163
Creditors	(7,639)	-	-	(7,639)
Net assets at 31 March 2020	4,013	552	7,214	11,779