

**KINDRED ADVOCACY**

**Scottish Charity No: 000264**

**Company No. SC409397**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015**

**Report of the Directors  
For the Year ended 31 March 2015**

The directors present their report and financial statements for the year ended 31 March 2015.

**Reference and Administrative Details**

<i>Company Number:</i>	SC409397
<i>Scottish Charity Registration No:</i>	SC000264
<i>Registered Office:</i>	7 Rutland Court Lane, Edinburgh, EH3 8ES
<i>Bankers:</i>	The Royal Bank of Scotland
<i>Company Directors: (Trustees)</i>	The directors serving during the period and since the period end were as follows:  Morag Steven Elisa Henderson Becky Goss Celia Sweeney Alison Corbett Catherine Foggo – resigned 29/5/2014 Nichola Printie
<i>Secretary &amp; Director of Operations</i>	Sophie Pilgrim
<i>Independent Examiner:</i>	Christopher Spalding C.A. (ICAS)

**Statement of Directors Responsibilities**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements the directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- Observe the methods and principles in the Charities Statement of Recommended Practice.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

**Report of the Directors (Continued)  
For the Year ended 31 March 2015****Structure, Governance and Management**

Kindred Advocacy is a charitable company limited by guarantee and is governed by its Memorandum and Articles of Association dated 14 October 2011. The liability of each member is limited to £1. Kindred Advocacy is a registered charity with the Office of the Scottish Charity Regulator (OSCR).

*Structure*

The company will have no less than three and no more than ten directors who shall be responsible for the management of the company's business. At any one time at least two directors are to be parents of children with additional needs. The directors may be elected at any general meeting of the company or appointed by the other directors.

The board of directors appoints a director of operations, carries out financial management and is available to assist the director of operations. The director of operations is responsible for the day to day management of the charity's activities. The board meets on a regular basis, on average seven times a year, to examine financial and operational matters. All staff have access to the board.

*Recruitment of Directors*

The directors are appointed to maintain a balance of skills within the board of directors.

*Induction and Training of Directors*

An induction programme, which includes a day spent shadowing staff, training and publications are made available to committee members to assist them to carry out their duties and understand their responsibilities. They take part in an annual development day when they review organisational strategy and their role in implementing that strategy.

*Risk Management*

The board of directors are satisfied that the major risks to which the charity is exposed have been reviewed and procedures have been established to manage these risks.

**Objectives and Activities**

The objects of Kindred Advocacy are:

To promote the relief of families of children and young people affected by ill-health or disability; and, to promote equality and diversity by advocacy and campaigning on behalf of families of disabled children and young people for better access to public facilities.

**Achievements and Performance**

In the year ending 31<sup>st</sup> March 2015, we supported an unprecedented 909 families of children with additional support needs. This is an increase of 34% on the previous year, when we supported 674 families. Support provided ranges from a straight forward Disability Living Allowance or trust funding application, to long-term support over complex medical and care arrangements. Our biggest achievements have included the first full year for two new services: our advocacy service in Glasgow; and 'Let's Talk ASN', our project in partnership with Govan Law Centre. We have also increased our presence in Fife and continue to run a successful helpline, which benefits a large number of families in Edinburgh and the Lothians. We discuss these projects further below. It was only possible to support such large numbers of families because of the exceptional hard work and dedication of our staff across all our team.

**Report of the Directors (Continued)  
For the Year ended 31 March 2015****Achievements and Performance (continued)**

It was the first full year for our Glasgow team which was set up in April 2014. Our two staff are supporting families of children with 'exceptional healthcare needs' from a new office base in Govan. The project is managed in parallel with our two staff at the Royal Hospital for Sick Children (RHSC) Edinburgh and this has proved to be an excellent arrangement with good opportunities for learning across the teams. Yorkhill Children's Charity hosted a recent visit for our staff to the Royal Hospital for Children, Glasgow, and we have held a number of meetings with staff from Sick Kids Friends Foundation and from Yorkhill Children's Charity to develop partnership working. Our Edinburgh team continue to provide support to families on the wards at RHSC Edinburgh, including providing support to many families of children who are in Paediatric Intensive Care. We pay for massage on the wards of RHSC Edinburgh and this year we were funded by Radio Forth Cash for Kids. The massage is provided to parents who spend weeks or even months at the bedsides of their children.

Our Fife team tend to work with families with multiple needs, including increasing numbers of children with complex needs and life limiting conditions. Close working relationships have been developed with the community nursing team, who regularly ask our staff to support their home visits. We have established a parent support group which has run successfully throughout the year. Our team are increasingly in demand due to their high reputation and lack of alternative support projects in Fife. We have made a number of changes to practice to enable the staff to work with more families. Our joint funding for Fife from the Big Lottery Fund and from NHS Fife (Carers Information Strategy) has led to improvements in our monitoring and evaluation which have benefitted all our teams.

The high numbers of families supported last year is largely attributable to our Helpline team who supported 485 families in total. The Helpline is based at our Rutland Court Lane office and benefits from the extra support of our administrative staff helping out with taking initial enquiries. As a general pattern, the Helpline supports many families with relatively straightforward benefits applications (such as Disability Living Allowance) and with trust grant applications. However, the Helpline staff also support highly complex situations including attending Children's Hearings, tribunals for Disability Living Allowance, education department hearings, discharge planning meetings, and many Child Planning Meetings.

We have had a successful first year providing advocacy to the Additional Support Needs Tribunals Scotland, in partnership with Govan Law Centre, through our new project, 'Let's Talk ASN', playing our part in the resolution of many disputes over schooling and school support. We also received funding from the national Autism Development Fund to research parent perspectives on the need for psychiatric inpatient care for families of children and young people with Autistic Spectrum Disorder and Learning Disability, in partnership with National Services Division (NHS Scotland), the Mental Welfare Commission and Scottish Government.

As well as our exceptional achievements in the projects above, we have also made considerable progress as an organisation. We have achieved a high standard of financial reporting with the generous support of the finance department of Ark Housing Association. This is a very significant contribution to Kindred, allowing us to report effectively to funders, budget for new projects, and manage our income and expenditure. Our future developments include establishing a cloud based server. This will enable us to establish a shared database for all our teams which will greatly enhance reporting. We are also moving towards storing confidential data electronically to increase data security.

Overall, the year ending 31<sup>st</sup> March 2015 was highly successful for Kindred. As our profile has increased we have also seen a dramatic rise in demand for our support. While we continue to expand our capacity, we must also bring in measures to control demands on our service, to prevent our staff being over-stretched. We hope to build on this success to support our staff with improved working environments so that they can continue to provide exceptionally high standards of support for parents.

**Report of the Directors (Continued)  
For the Year ended 31 March 2015****Treasurer's report**

The most notable feature of our accounts for the year ending 31<sup>st</sup> March 2015 is a growth in income from £361,362 to £471,900, an increase of 31%. This is due to the generosity of our funders, who have enabled us to expand the nature and scope of Kindred services. We are very grateful to all our supporters.

Our main new grant funding is from the Yorkhill Children's Charity with a substantial award of £50,000 over twelve months. We have also been successful in securing a Scottish Government tender for a national advocacy service (provided for the Additional Support for Learning Tribunals Scotland). These two grants have accounted for the rise in our income. It should also be noted that we have diversified our income with seven sources of grant funding which exceed £30,000.

The increase in our grant funding reflects the high standards within our service and our ability to compete in a difficult economic climate. We have retained our annual grant from Midlothian Council (£6,774) and our regular grant funding from City of Edinburgh Council (£14,044). We experienced a small cut in our grant from NHS Fife (down to £37,540) but received our regular grant from NHS Lothian (£19,236). All in all, we have had a successful year in terms of statutory grants considering the scale of the recession and the impact on local finances.

At present, our most significant grant funding comes from the Big Lottery Fund for our project in Fife (£72,765). Next in terms of contribution to our income is our grant from the Third Sector Early Intervention Fund, Scottish Government (£65,774). We are very grateful for our grant funding from Sick Kids Friends Foundation (£45,833). As well as supporting our work at the Royal Hospital for Sick Children (RHSC), the Friends Foundation fund our invaluable counselling service for parents. In September 2014 we were delighted to hear of our three year award for funding from the Cordis Trust, which contributes an additional post at RHSC Edinburgh.

City of Edinburgh Council continue to commission a Helpline service at our West End office (£17,000 of £27,750 of contracted services). The Helpline is now our one remaining project for which we do not have full cost recovery, but new opportunities are arising.

Our reserves have remained stable at £35,408 compared with £37,485 last year. We experienced a very great increase in demand for our service last year (with numbers of families up from 674 to 909). Working with such a large number of families has impacted on our planned expenditure. For this reason, we were not able to increase our reserves as we had hoped. It is a priority for Kindred to increase reserves to three months running costs.

We are extremely grateful to Mr J McGuire for his generous donation of £3,500. We would also like to thank the trusts which have contributed to Kindred: The R S MacDonald Charitable Trust; The Lynn Foundation; The Souter Charitable Trust; Radio Forth Cash for Kids; The Hugh Fraser Foundation; The Underwood Trust; The Stafford Trust; The Christina Mary Hendrie Trust; The Alchemy Foundation; JTH Charitable Trust.

Looking to the future, Kindred has established longer term funding relationships and we expect to continue to improve our financial stability. We have managed to diversify our grant funding sources and are looking to establish a greater proportion of income from other types of funding such as corporate and community fundraising. We have drafted a five year business plan which will enable us to increase reserves, diversify our income sources further and continue to provide high level support for all families in the long term.

**Report of the Directors (Continued)  
For the Year ended 31 March 2015****Reserves policy**

The directors consider that the aim should be for reserves to be at a level of at least three months of running costs in order to allow the charity to operate from year to year. The current sum of free reserves at 31<sup>st</sup> March 2015 is £35,408.

**Independent Examiner**

Christopher Spalding C.A. has indicated his willingness to continue in office as independent examiner and a resolution proposing his re-appointment will be put to the Annual General Meeting.

**On Behalf of the Board**

**Elisa Henderson  
Director**

**28 October 2015**

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**Independent Examiner's Report to the Trustees of Kindred Advocacy**

I report on the accounts of the charity for the year ended 31 March 2015 which are set out on pages 7 to 14.

**Respective responsibilities of trustees and examiner**

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

**Basis of Independent examiner's statement**

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. 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 in the accounts.

**Independent examiners 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 (as amended) and
  - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended)have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Christopher Spalding CA (ICAS)  
James Anderson & Co  
Chartered Accountants  
Pentland Estate  
Straiton  
EH20 9QH

28 October 2015

**Statement of Financial Activities  
(incorporating Income and Expenditure Account)**

**For the Year ended 31 March 2015**

	<b>Notes</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Incoming Resources</b>					
Incoming resources from generated funds					
- Voluntary income	2	31,784	16,550	48,334	29,700
- Activities for generating funds	3	4,403	-	4,403	-
Incoming resources from charitable activities					
- Grants receivable	4	-	391,213	391,213	303,912
- Contract income	4	27,950	-	27,950	27,750
<b>Total incoming resources</b>		<b>64,137</b>	<b>407,763</b>	<b>471,900</b>	<b>361,362</b>
<b>Resources Expended</b>					
Costs of generating funds					
- Costs of generating voluntary income	5	1,260	-	1,260	689
Charitable activities	6	62,120	407,247	469,367	352,657
Governance costs	7	2,834	-	2,834	2,136
<b>Total resources expended</b>		<b>66,214</b>	<b>407,247</b>	<b>473,461</b>	<b>355,482</b>
<b>Net (Outgoing)/Incoming Resources</b>		<b>( 2,077)</b>	<b>516</b>	<b>( 1,561)</b>	<b>5,880</b>
<b>Fund Balances in 1 April 2014</b>		<b>37,485</b>	<b>-</b>	<b>37,485</b>	<b>31,605</b>
<b>Fund Balances at 31 March 2015</b>	12	<b>35,408</b>	<b>516</b>	<b>35,924</b>	<b>37,485</b>

All the results of the charity relate to continuing activities.

There were no other recognised gains or losses other than those included above.

**Balance Sheet**  
**As at 31 March 2015**

	<b>Notes</b>	<b>2015 £</b>	<b>2014 £</b>
<b>Fixed Assets</b>			
Tangible assets	9	2,568	6,382
<b>Current Assets</b>			
Debtors	10	54,174	40,813
Bank		98,452	78,766
		152,626	119,579
<b>Current Liabilities</b>			
Creditors: amounts falling due within one year	11	119,270	88,476
<b>Net Current Assets</b>			
		33,356	31,103
<b>Net Assets</b>			
		35,924	37,485
<b>Represented by:</b>			
Restricted funds	12	516	-
Unrestricted funds	12	35,408	37,485
	12	35,924	37,485

These annual accounts have not been audited because the company is entitled to the exemption provided by S477 of the Companies Act 2006 and members have not required the company to obtain an audit of its accounts for the period in accordance with S476 of the Companies Act 2006. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records that comply with S386 of the Companies Act 2006. The directors also acknowledge their responsibilities for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year in accordance with S396 Companies Act 2006, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company. The financial statements on pages 6 to 13 were approved on 28 October 2015 and signed on its behalf.

**Elisa Henderson Director**



**Notes to the Financial Statements  
For the Year ended 31 March 2015**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>3. Activities for Generating Funds</b>		
<b>Unrestricted funds</b>		
Other fundraised income	4,403	-
	<u>4,403</u>	<u>-</u>
<b>4. Incoming resources from charitable activities</b>		
<b>Grants received - restricted grants</b>		
Big Lottery Fund	72,765	72,671
Sick Kids Friends Foundation	45,833	50,000
Third Sector Early Intervention Fund	56,774	65,085
City of Edinburgh Council	19,236	19,236
City of Edinburgh Council	14,044	14,044
Midlothian District Council	6,774	6,775
NHS Fife	37,540	40,837
Yorkhill Children's Charity	50,000	-
Cordis Charitable Trust	15,997	-
Scottish Government SDS (pilot projects)	16,074	8,200
Scottish Government SDS (young people)	15,426	15,426
Additional Support Needs Tribunals	30,000	-
Scottish Government	10,750	-
Shared Care Scotland	-	10,546
Young Scot	-	1,092
	<u>391,213</u>	<u>303,912</u>
<b>Contracted Income</b>		
Advisor fee	200	-
ASL helpline & training	27,750	27,750
	<u>27,950</u>	<u>27,750</u>

**Notes to the Financial Statements**  
**For the Year ended 31 March 2015**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>5. Cost of generating voluntary income</b>		
Fundraising expenses	1,260	689
	<hr/>	<hr/>
<b>6. Charitable activities</b>		
Salaries	335,775	260,293
Staff pensions	17,118	13,888
Staff expenses	11,657	7,375
Staff supervision	7,034	5,330
Staff training	4,281	2,739
Staff recruitment costs	550	850
Contracted work expenses	4,750	2,880
Therapeutic services	12,387	11,719
Consulting costs	1,549	-
Cleaning	2,074	1,534
Project support	592	9,280
Production of information	628	2,422
Stationery	2,462	2,666
Postage	2,574	1,498
Room hire	2,231	2,690
Rent	24,883	11,923
Heat & light	2,853	1,764
Other office costs	2,543	-
Water rates	1,614	1,136
Telephone	7,537	3,986
Website & photography	5,130	60
Subscriptions	732	507
Bank charges	882	500
Payroll service charge	979	511
Computer running costs	6,869	2,581
Insurance	1,214	1,488
Organisational development expenses	3,761	910
Depreciation	4,708	2,127
	<hr/>	<hr/>
	469,367	352,657
	<hr/>	<hr/>
<b>7. Governance Costs</b>		
Committee expenses	139	322
Independent examiners fee	1,800	1,500
AGM expenses	600	34
Annual report	295	280
	<hr/>	<hr/>
	2,834	2,136
	<hr/>	<hr/>

**Notes to the Financial Statements  
For the Year ended 31 March 2015**

**8. Staff Costs**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Wages	311,724	239,302
Social security costs	24,051	20,991
Pension costs	17,118	13,888
	<u>352,893</u>	<u>274,181</u>

The average monthly number of employees during this year was nine. No directors received any remuneration or reimbursement of expenses during the year for their service as executive committee members. No employee received remuneration of more than £60,000.

**9. Fixed Assets**

<b>Cost</b>	<b>Office Equipment</b>
	<b>£</b>
As at 1 April 2014	22,200
Additions	894
	<u>23,094</u>
As at 31 March 2015	23,094
	<u>20,526</u>
<b>Depreciation</b>	
As at 1 April 2014	15,818
Charge for year	4,708
	<u>20,526</u>
As at 31 March 2015	20,526
	<u>6,382</u>
<b>Net Book Value</b>	
At 31 March 2015	2,568
At 31 March 2014	6,382

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>10. Debtors</b>		
Trade debtors	41,484	38,481
Prepayments	4,198	2,332
Other debtors	8,492	-
	<u>54,174</u>	<u>40,813</u>

**11. Creditors: amounts falling due within one year**

Trade creditors	6,624	1,208
Accruals	7,487	1,500
Other taxes & social security	7,328	6,100
Deferred income	97,831	77,750
Other creditors	-	1,918
	<u>119,270</u>	<u>88,476</u>

**Notes to the Financial Statements  
For the Year ended 31 March 2015**

**12. Funds**

	<b>At 1 April 2014 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>At 31 March 2015 £</b>
<b>Unrestricted funds</b>	37,485	64,137	66,214	35,408
<b>Restricted funds</b>				
Big Lottery Fund	-	72,765	72,765	-
Sick Kids Friends Foundation	-	45,833	45,833	-
Third Sector Early Intervention Fund	-	56,774	56,774	-
City of Edinburgh Council S10	-	19,236	19,236	-
City of Edinburgh	-	14,044	14,044	-
Midlothian District	-	6,774	6,774	-
NHS Fife	-	37,540	37,540	-
Yorkhill Children's Charity	-	50,000	50,000	-
Cordis Charitable Trust	-	15,997	15,997	-
Scottish Government SDS (pilot projects)	-	16,074	16,074	-
Scottish Government SDS (young people)	-	15,426	15,426	-
ASN Tribunals	-	30,000	30,000	-
Scottish Government	-	10,750	10,750	-
Cash for kids	-	4,050	3,534	516
The Hugh Fraser Foundation	-	1,000	1,000	-
The Underwood Trust	-	2,000	2,000	-
The Stafford Trust	-	4,500	4,500	-
Christina Mary Hendrie Trust	-	5,000	5,000	-
	-	407,763	407,247	516
<b>Total funds</b>	37,485	471,900	473,461	35,924

The unrestricted funds represent funds which the Committee is free to use in accordance with the objects of the charity.

The restricted funds represent funds received and raised for specific purposes.

<b>Source of funds:</b>	<b>Specific purpose</b>
Big Lottery Fund	Kindred in Fife
Sick Kids Friends Foundation	Peer support at RHSC & counselling service
Third Sector Early Intervention Fund	Hospital support
City of Edinburgh Council S10	Helpline, emotional support, advocacy
City of Edinburgh Council	To cover therapeutic services
Midlothian District Council	Advocacy and therapeutic services

**Notes to the Financial Statements  
For the Year ended 31 March 2015**

<b>Source of funds:</b>	<b>Specific purpose</b>
NHS Fife	Promoting resilience for parent carers
Yorkhill Children's Charity	Kindred parent support
Cordis Charitable Trust	Kindred at the new children's hospital
Scottish Government SDS (pilot projects)	Piloting self directed support projects
Scottish Government SDS (young people)	Young people's self directed support
ASN Tribunals	Let's talk
Scottish Government	Autism funding
Cash for kids	Ward Therapies
The Hugh Fraser Foundation	Glasgow activities
The Underwood Trust	Glasgow office
The Stafford Trust	Helpline & peer support
The Christina Mary Hendrie Trust	Young people's advocacy

**13. Analysis of Net Assets between Funds**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total £</b>
Tangible fixed assets	2,568	-	2,568
Net current assets	32,840	516	33,356
	<u>35,408</u>	<u>516</u>	<u>35,924</u>