

**KINDRED ADVOCACY**

**Scottish Charity No: 000264**

**Company No. SC409397**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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## Report of the Directors For the Year ended 31 March 2017

The trustees who are also the directors present their annual report and financial statements of the charity for the year ended 31 March 2017.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association 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 Ireland (FRS102).

### Objectives

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.

### Activities

From 1<sup>st</sup> April 2016 – 31<sup>st</sup> March 2017, Kindred worked with 1,031 families providing information, advocacy and emotional support. This was an increase of 35% on the year before. Almost three hundred families (297) or 29% had a child with complex needs or a life limiting condition. 419 children (41%) had a diagnosis of Autism Spectrum Disorder.

60% of families we support are on low income and we made 386 applications for Disability Living Allowance (DLA) and 229 applications for Carers Allowance. These activities help to lift many families out of poverty as DLA increases a family's income by £21.80 - £139.75 per week, depending on the level of need of the child.

We attended 182 Child or Young Person's Planning Meetings and supported 101 families to find suitable housing, or with housing adaptation. Staff assisted parents to make 114 placing requests for specialist schooling, we supported 28 parents to make a reference to the Additional Support Needs Tribunal Scotland (ASNTS) and we assisted 39 families of children who had been excluded from school.

This year we provided a wider range of support and information groups for parents. We also provided free counselling to more parents than in previous years, with 44 parents using the counselling service.

### Achievements and Performance

Our 26<sup>th</sup> year, ending 31<sup>st</sup> March 2017, has been our most successful year to date. We delivered our service to many more families than previous years, working with greater complexity. Our income was just over half a million pounds at £503,194, achieving a small, but helpful increase in our reserves. Our trustees decided to change our strapline to '**Supporting parents of children with complex needs**' to reflect the increasingly high level of need with which we work.

We supported 150 families at the Royal Hospital for Sick Children in Edinburgh. Over a quarter of the parents had a child in Paediatric Intensive Care. We find that parents need someone to talk to when they are frightened and isolated and three of our staff are trained in counselling skills. We are funded in our work at the hospital by Edinburgh Children's Hospital Charity (EHC), the Cordis Trust and NHS Lothian. We greatly appreciate our hospital grants and EHC also fund our Kindred Counselling Service which, last year, enabled us to provide counselling to 44 parents.

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**Report of the Directors (Continued)  
For the Year ended 31 March 2017**

**Achievements and Performance (continued)**

We are very fortunate to have been awarded a third year of funding from Glasgow Children's Hospital Charity (formerly Yorkhill Children's Charity) to support children with very high care needs in the community. In November, we were awarded a grant from the Big Lottery Fund of £74,445 each year for two years. With the support of consultant, Claire Edwards (former Director of SNIP), we are working in partnership with the Managed Clinical Network for Children with Exceptional Healthcare Needs (CEN) which is a network of 1,500 professionals. Our Glasgow staff are involved in an innovative programme of consultation of families of children with Exceptional Healthcare Needs to inform the work of CEN. Our events are taking place across Scotland.

Kindred has provided advocacy to the ASN Tribunals Scotland in partnership with Govan Law Centre, through our project 'Let's Talk ASN'. We have now completed a third year of this national project, assisting families with educational provision and placement. The project has provided us with the opportunity to develop our expertise in Additional Support for Learning (ASL). Our Community & Helpline Team in Edinburgh provided support to 501 families with a very wide range of needs. Our work involved supporting 74 families to make placing requests for specialist schooling, 27 to make references to ASN Tribunal or Education Appeals, attending 108 planning meetings and supporting 25 parents whose children were excluded from school. We provided ten events for 74 parents of children aged 14 and over who were transitioning into adult services, funded by the Scottish Government through their programme to support Self Directed Support. We are particularly pleased to have developed a partnership with Blackadders Solicitors to assist parents through the complex process of guardianship. We are supporting three young people into their own accommodation with 24 hour care.

In Fife our staff supported 317 families caring for children with additional support needs. Of these children 67 have life-limiting or complex needs. We have seen an increase in complexity of need in our Fife project and we have adapted our project to cope with demand for the service. This year we have provided two events in collaboration with our colleague, Simon Robinson from Barnado's. We are grateful for funding and support from the Big Lottery Fund and Fife Health & Social Care. There is very little other support for families in Fife and our team receive wonderful feedback from our statutory colleagues.

Our FaceBook following reached 1,700 and one of our posts reached 28,000 people. We have made progress this year with our website with thanks to some exceptional volunteers: Calum MacÙisdean (technical assistance), Caroline Muir (design) and Malcolm Cochrane (photographs, courtesy of Inspiring Scotland). Jenny Harris is our loyal office volunteer. James Gamgee, has provided us with pro bono expertise to develop our database. This allows us to report accurately on all our projects for the first time. We are very lucky to have use of the Botanic Cottage at the Royal Botanic Garden in Edinburgh, and are grateful to Laura Gallagher for making us feel so welcome.

We are now reporting regularly on our achievements to funders and we hope this will help to bring in new funding so that we can continue to support more families.

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**Report of the Directors (Continued)  
For the Year ended 31 March 2017****Treasurer's Report (Financial review)**

In the year ending 31<sup>st</sup> March 2017 our income has risen to just over half a million pounds at £503,194 and we have managed a small increase in reserves of £15,967. Our expenditure was £487,227 compared with £470,370 the previous year.

Income from Scottish Government this year totalled £123,222. We are delighted to have received core funding of £64,000, with possible extension for a further two years, from the Children, Young People & Families, Early Intervention Fund (CYPFEIF). This project is to develop our fundraising capacity and public profile and we appointed a part-time fundraiser and staff who can oversee development of our social media, and our monitoring and evaluation. For the last three years we have delivered an advocacy service for the East of Scotland for the ASN Tribunals Scotland through our project 'Let's Talk ASN' in partnership with Govan Law Centre. We are into our second year of funding for Self Directed Support with our project 'The Right Direction' providing a series of events for families with young people transitioning to adult services.

We raised just under £20,000 in donations and fundraising activities and we hope to build on this achievement as we develop our fundraising team.

We continue to receive funding from City of Edinburgh Council: £26,834 for our helpline; £12,902 towards our advocacy; £19,236 for core funding. This funding, along with our Let's Talk ASN project, has allowed us to develop our expertise in Additional Support for Learning.

In May 2018, our Hospital Team will be moving to our prestigious new home at the new children's hospital, the Royal Hospital for Children and Young People. We are grateful to NHS Lothian for their contribution of £19,236 (via resource transfer from City of Edinburgh Council) and for providing us with office accommodation. Edinburgh Children's Hospital Charity (EHC) have generously funded two of our projects (hospital support for parents and counselling) and continue to be one of our most significant supporters. We are now into our final year of funding from the Cordis Trust and we are very grateful for the generous grant received.

Glasgow Children's Hospital Charity have supported our Glasgow team with a grant of £55,000. In November 2016, we received an award of £74,445 per annum for two years which will help us to establish a national presence in collaboration with the National Managed Clinical Network for Children with Exceptional Healthcare Needs (CEN).

We have been greatly assisted by the expertise of the Finance Department at Ark Housing Association who provide Kindred with financial management. Their help and guidance has been invaluable.

As an organisation, we have been extending our experience and our staff are now confident and able to provide advocacy in any situation affecting parents of children with additional support needs. We have been working more closely with statutory services and this may provide opportunities for greater financial security for Kindred's services in future.

**Reserves Policy**

The directors consider that the aim should be for free 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. Free reserves have increased in the year to £49,110 which represents just over five weeks of running costs. The directors are aware that this is insufficient and are committed to adding to this level.

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**Report of the Directors (Continued)**  
**For the Year ended 31 March 2017****Plans for Future Periods**

Kindred faces a budget deficit for our next financial year (1<sup>st</sup> April 2017 – 31<sup>st</sup> March 2018). Although this is quite usual for our organisation at the beginning of the year, we have experienced less success with grant applications as the year has progressed. This seems to reflect the fact that we are starting to reach the limits of charitable trust funding available to our service. A public appeal in September 2017 raised £55,000 and has enabled us to continue with a full service to the year end. However, we continue to experience a high level of uncertainty over our grant funding for many of our projects. At the same time, we have good prospects of new and increased funding from some sources. This situation must be managed carefully by our trustees and our management. The recent improvements in our reporting to funders is a great help in seeking new funding, as is our growing reputation for providing a very high quality service. Strategically, we need to continue to prioritise establishing funding which is longer term.

**Reference and Administrative Details**

*Company Number:* SC409397

*Scottish Charity Registration No:* SC000264

*Registered Office:* 7 Rutland Court Lane, Edinburgh, EH3 8ES

*Bankers:* The Royal Bank of Scotland

*Company Directors: (Trustees)* The directors serving during the year and since the year end were as follows:

Rebecca Goss  
Cecile Guilloteau (appointed 26.10.16, resigned 10.11.17)  
Elisa Henderson (resigned 26.10.16)  
Siobhan Hogg  
Peter Schuller  
Celia Sweeney  
Sharon Veelenturf (appointed 23.11.16)  
Huma Barrie (appointed 25.10.17)  
Khalida Hussain (appointed 25.10.17)

*Secretary & Director of Operations:* Sophie Pilgrim

*Auditors:* James Anderson & Co

**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.

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**Report of the Directors (Continued)**  
**For the Year ended 31 March 2017****Structure, Governance and Management (Continued)***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.

*Pay Policy for Senior Staff*

The key management of the charity consists of a Director of Operations, Development Manager and four Advocacy Managers. Their salaries are set each year with regard to equivalent positions in similar organisations.

*Risk Management*

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity face;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for the charity. A key element in the management of financial risk is a regular review of available liquid funds and regular preparation of management accounts and comparison with budgets.

**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.

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

**Report of the Directors (Continued)**  
**For the Year ended 31 March 2017**

**Statement of Disclosure of Information to Auditors**

In the case of each of the persons who are directors at the time when the directors report is approved:

- so far as the director is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Auditors**

The total incoming resources of the charity for the year ended 31 March 2017 exceeded the threshold for a statutory audit and the Board of Directors appointed James Anderson & Co CA as auditors. They will be proposed for reappointment in accordance with s485 of the Companies Act 2006.

**On Behalf of the Board**

The image shows two handwritten signatures in black ink. The first signature on the left is 'Rebecca Goss' and the second signature on the right is 'James Anderson'.

**Rebecca Goss**  
**Director**

13 December  
2017

We have audited the financial statements of Kindred Advocacy for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet 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 section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters that we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, or the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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 and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under these 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 (APB'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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' 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 company's affairs as at 31 March 2017 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 requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**Opinion (Continued)...**



**Emphasis of matter**

In forming our opinion on the financial statements which is not modified, we have considered the adequacy of the disclosures in note 2b) on page 11 of the financial statements concerning the charity's ability to continue as a going concern. In order to continue operations for the next 12 months the charity is dependent on a successful restructuring of its activities. If the charity is unable to restructure its operations to match its funding this would result in a material uncertainty which may cast significant doubt as to the charity's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the charity was unable to continue as a going concern.

**Opinion on other matter prescribed by the Companies Act 2006**

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

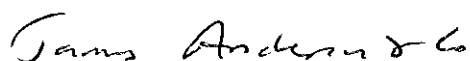
**Other matter**

The financial statements of the company for the year ended 31 March 2016 were not audited as the company did not require an audit and therefore the comparative figures were only subject to an independent examination.

**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 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 directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit;



Christopher Spalding (Senior Statutory Auditor)  
for and behalf of James Anderson & Co, Statutory Auditors, Pentland Estate, Straiton, EH20 9QH

James Anderson & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

21 December 2017

**Statement of Financial Activities  
(Including Income and Expenditure Account)  
For the Year ended 31 March 2017**

	Notes	Unrestricted Fund £	Restricted Funds £	Total Funds 2017 £	Total 2016 £
<b>Income from:</b>					
Donations	3	17,248	-	17,248	23,128
<b>Charitable activities</b>					
- Grants receivable	4	-	456,461	456,461	415,250
- Contract income	5	26,834	-	26,834	26,834
<b>Other trading activities</b>					
Fundraising	6	2,651	-	2,651	2,377
<b>Total income</b>		<u>46,733</u>	<u>456,461</u>	<u>503,194</u>	<u>467,589</u>
<b>Expenditure on:</b>					
- Raising funds	7	995	-	995	1,753
- Charitable activities	8	29,771	456,461	486,232	468,617
<b>Total expenditure</b>		<u>30,766</u>	<u>456,461</u>	<u>487,227</u>	<u>470,370</u>
<b>Net income (expenditure)</b>		15,967	-	15,967	(2,781)
<b>Transfers between funds</b>	15	-	-	-	-
<b>Net movement in funds</b>		15,967	-	15,967	(2,781)
<b>Reconciliation of funds</b>					
<b>Total funds brought forward</b>		<u>33,143</u>	<u>-</u>	<u>33,143</u>	<u>35,924</u>
<b>Total funds carried forward</b>	15	<u>49,110</u>	<u>-</u>	<u>49,110</u>	<u>33,143</u>

All the results of the charity relate to continuing activities.

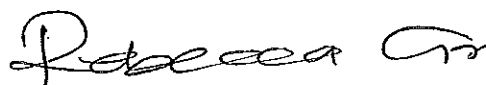
There were no other recognised gains or losses other than those included above.

**Balance Sheet**  
**As at 31 March 2017**

	Notes	2017 £	2016 £
<b>Fixed Assets</b>			
Tangible assets	11	<u>2,571</u>	<u>3,366</u>
<b>Current Assets</b>			
Debtors	12	37,104	80,911
Bank		<u>150,016</u>	<u>67,489</u>
		<u>187,120</u>	<u>148,400</u>
<b>Creditors</b>			
Amounts falling due within one year	13	<u>140,581</u>	<u>118,623</u>
<b>Net Current Assets</b>		<u>46,539</u>	<u>29,777</u>
<b>Net Assets</b>		<u>49,110</u>	<u>33,143</u>
<b>Charity Funds</b>			
Unrestricted fund	15	49,110	33,143
Restricted funds	15	<u>-</u>	<u>-</u>
<b>Total Funds</b>		<u>49,110</u>	<u>33,143</u>

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The financial statements on pages 9 to 19 were approved by and signed on behalf of the Board of Directors on 13 Dec 2017.



**Rebecca Goss**  
Director

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**Notes to the Financial Statements  
For the Year ended 31 March 2017****1. Statutory Information**

Kindred Advocacy is a private company, limited by guarantee with charitable status and registered in Scotland. The company's registration number and registered office address can be found at page 4.

The presentation currency of the financial statements is the Pound Sterling (£).

**2. Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

**a) Basis of Accounting**

The financial statements have been prepared in accordance with 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) (effective 1 January 2015) – (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Kindred Advocacy meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The last financial statements for the year ended 31 March 2016 were prepared under the previous UK GAAP. The transition date to FRS 102 is therefore 1 April 2015. The transition to FRS102 has had no impact on the financial performance and position of the company as a result of complying with the new standard.

**b) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe this is appropriate. The trustees have considered the level of funds held and the expected level of income and expenditure for a period of 12 months from authorising these financial statements. There are uncertainties surrounding the level of future grant funding and in response a sensitivity analysis has been performed which indicates that a restructuring of the charity's activities may be required to secure the financial position of the charity. Contingency plans are in place in order to achieve this and the budgeted income and expenditure is considered sufficient with the level of reserves for the charity to be able to continue as a going concern.

**c) Donated services**

In accordance with the Charities SoRP (FRS102) general volunteer time is not recognised in the accounts. Information regarding the contribution of volunteers is provided in the Report of the Directors.

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**Notes to the Financial Statements  
For the Year ended 31 March 2017****d) Income**

Income is attributable to the one continuing activity 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

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and grants are recognised when they have been communicated in writing with notification of both the amount and settlement date. In the event that a donation or grant 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.

The charity receives contract income for the provision of its services. Contract income is recognised when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

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), general volunteer time is not recognised and the trustees' annual report provides information about their contribution.

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 as expenditure in the period of receipt.

Income received in advance of a service being provided is deferred until the criteria for income recognition are met.

**e) Expenditure**

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement 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 in the statement of financial activities.

The support of fundraising activities is minimal and so all support costs have been allocated to expenditure on charitable activities.

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**Notes to the Financial Statements  
For the Year ended 31 March 2017****f) Fund accounting**

Unrestricted funds can be used on any activity within the charitable objectives of the charity.

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

Further explanation of the nature and purpose of each fund is in the notes to the financial statements.

**g) Tangible fixed assets and depreciation**

Expenditure is capitalised as a fixed asset where it represents either a new fixed asset or enhancement to an existing asset. Depreciation is provided at the following annual rates and charged to the Unrestricted Fund in order to write off each asset over its expected useful life less estimated residual value.

Equipment	25% straight line
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**h) Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**i) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**j) Cash in bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments.

**k) Pensions**

The company operates a defined contribution scheme. Contributions are charged to the Income and Expenditure Account in the year they arise.

**l) Taxation**

No provision for corporation tax is necessary as the company has charitable status and does not trade. The company suffers input VAT on some of its expenditure which it does not recover.

**m) Operating leases**

Rentals payable under operating leases are charged to the Income and Expenditure Account on a straight line basis over the period of the lease.

**Notes to the Financial Statements  
For the Year ended 31 March 2017**

	2017	2016
	£	£
<b>3. Income from donations &amp; legacies</b>		
Donations	3,569	4,641
Mr Jim McGuire	7,120	7,000
The Lynn Foundation	-	500
The Souter Charitable Trust	-	2,000
JTH Charitable Trust	-	500
The Woodroffe Benton Foundation	-	500
The Maclay Murray & Spens Charitable Trust	-	500
The Albert Hunt Trust	-	1,000
The Appletree Trust	1,000	1,000
Erskine Cunningham	-	1,000
David Solomons Trust	-	1,000
ARK Housing Association	5,559	-
	<hr/>	<hr/>
Total unrestricted donations	17,248	19,641
	<hr/>	<hr/>
Donations	-	1,487
The Hugh Fraser Foundation	-	2,000
	<hr/>	<hr/>
Total restricted donations	-	3,487
	<hr/>	<hr/>
Total donations received	17,248	23,128
	<hr/>	<hr/>
<b>4. Grants receivable</b>		
Big Lottery Fund (Kindred in Fife)	76,649	74,485
Big Lottery Fund (Children with Exceptional Needs)	24,815	-
Edinburgh Children's Hospital Charity	64,500	53,000
Third Sector Early Intervention Fund	-	63,384
City of Edinburgh Council	19,236	19,236
City of Edinburgh Council S10	12,902	13,581
NHS Fife	48,144	37,634
Glasgow Children's Hospital Charity	55,000	55,000
Cordis Charitable Trust	31,993	31,993
Scottish Government (Self Directed Support)	29,222	28,937
Scottish Government (Let's Talk ASN)	30,000	30,000
Scottish Government (Autism Fund)	-	8,000
Scottish Government (CYPFEIF)	64,000	-
	<hr/>	<hr/>
Total restricted grants received	456,461	415,250
	<hr/>	<hr/>
<b>5. Contracted Income</b>		
ASL helpline & training	26,834	26,834
	<hr/>	<hr/>
<b>6. Other trading activities</b>		
Fundraising - Unrestricted fund	2,651	1,705
- Restricted funds	-	672
	<hr/>	<hr/>
	2,651	2,377
	<hr/>	<hr/>

**Notes to the Financial Statements  
For the Year ended 31 March 2017**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>7. Expenditure on raising funds</b>		
Fundraising - Unrestricted fund	995	717
- Restricted funds	-	1,036
	<u>995</u>	<u>1,753</u>
<b>8. Cost of charitable activities</b>		
Salaries	358,651	336,918
Staff pensions	21,053	18,813
Staff expenses	8,852	13,941
Staff supervision	5,870	6,603
Staff training	1,055	587
Staff recruitment costs	750	581
Contracted work expenses	-	4,060
Therapeutic services	9,035	11,030
Consulting costs	3,642	6,394
Project support	700	233
Discretionary payments to families	650	813
Organisational development expenses	4,901	3,866
Production of information	1,249	854
Website & photography	-	350
Catering and refreshments	1,922	729
Room hire	2,610	2,378
Rent & service charges	24,287	25,707
Water rates	769	680
Insurance	1,249	1,030
Heat & light	2,918	5,182
Cleaning	1,714	2,924
Stationery	2,755	3,365
Postage	2,499	2,488
Telephone	9,947	7,277
Computer running costs	4,499	3,572
Other office costs	260	1,158
Subscriptions	702	738
Statutory fees	35	849
Bank charges	814	757
Bookkeeping services	5,559	-
Independent examiners fee	-	2,340
Audit fee	4,800	-
Committee expenses	40	327
AGM expenses	360	500
Annual report	350	100
Depreciation	1,735	1,473
	<u>486,232</u>	<u>468,617</u>
Charged to - Unrestricted fund	29,771	49,728
- Restricted funds	456,461	418,889
	<u>486,232</u>	<u>468,617</u>



**Notes to the Financial Statements  
For the Year ended 31 March 2017**

	2017 £	2016 £
<b>9. Staff Costs</b>		
Wages	330,494	310,857
Social security costs	28,157	26,061
Pension costs	21,053	18,813
	<u>379,704</u>	<u>355,731</u>
The average weekly number of employees during the year was:	<u>17</u>	<u>16</u>

The key management personnel of the charity comprise the Director of Operations, Development Manager and four Advocacy Managers. Their total benefits were £171,888 (2016: £162,792).

No employee received remuneration of more than £60,000.

	No	No
<b>10. Pension Costs</b>		
No of staff in pension scheme	<u>14</u>	<u>15</u>
	£	£
Pension cost charge	<u>21,053</u>	<u>18,813</u>

**11. Tangible Fixed Assets**

	Office Equipment £
<b>Cost</b>	
As at 31 March 2016	25,365
Additions	939
	<u>26,304</u>
As at 31 March 2017	<u>26,304</u>
<b>Depreciation</b>	
As at 31 March 2016	21,999
Charge for year	1,734
	<u>23,733</u>
As at 31 March 2017	<u>23,733</u>
<b>Net Book Value</b>	
At 31 March 2017	2,571
At 31 March 2016	<u>3,366</u>

**Notes to the Financial Statements  
For the Year ended 31 March 2017**

	2017 £	2016 £
<b>12. Debtors</b>		
Trade debtors	20,436	64,594
Prepayments	3,872	3,588
Other debtors	12,796	12,729
	<u>          </u>	<u>          </u>
	37,104	80,911
	<u>          </u>	<u>          </u>

**13. Creditors due within one year**

Trade creditors	5,357	6,490
Accruals	8,896	7,858
Other taxes & social security	15,188	13,422
Deferred income (note 14)	66,826	70,331
Other creditors	44,314	20,522
	<u>          </u>	<u>          </u>
	140,581	118,623
	<u>          </u>	<u>          </u>

**14. Deferred Income**

Deferred income relates to grant funding where the terms and conditions of the funding have not been met at the year end and contracted income when the work has not been performed.

Balance as at 31 March 2016	70,331	97,831
Amount released to income from charitable activities	( 70,331)	( 97,831)
Amount deferred in year	66,826	70,331
	<u>          </u>	<u>          </u>
Balance as at 31 March 2017	66,826	70,331
	<u>          </u>	<u>          </u>

**Notes to the Financial Statements  
For the Year ended 31 March 2017**

15. Funds	At 31 March 2016 £	Incoming Resources £	Resources Expended £	At 31 March 2017 £
<b>Unrestricted fund</b>	33,143	46,733	( 30,766)	49,110
<b>Restricted funds</b>				
Big Lottery Fund (Kindred in Fife)	-	76,649	( 76,649)	-
Big Lottery Fund (Children with exceptional needs)	-	24,815	( 24,815)	-
Edinburgh Children's Hospital Charity	-	64,500	( 64,500)	-
City of Edinburgh	-	19,236	( 19,236)	-
City of Edinburgh Council S10	-	12,902	( 12,902)	-
NHS Fife	-	48,144	( 48,144)	-
Glasgow Children's Hospital Charity (formerly Yorkhill Children's Charity)	-	55,000	( 55,000)	-
Cordis Charitable Trust	-	31,993	( 31,993)	-
Scottish Government (Self Directed Support)	-	29,222	( 29,222)	-
Scottish Government (Let's Talk ASN)	-	30,000	( 30,000)	-
Scottish Government (CYPFEIF)	-	64,000	( 64,000)	-
<b>Total restricted funds</b>	-	456,461	( 456,461)	-
<b>Total funds</b>	33,143	503,194	( 487,227)	49,110

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.

Source of funds:	Specific purpose
Big Lottery Fund	Kindred in Fife
Big Lottery Fund	Children with exception needs
Edinburgh Children's Hospital Charity	Friends Foundation
City of Edinburgh Council	To cover therapeutic services
City of Edinburgh Council S10	Helpline, emotional support, advocacy
NHS Fife	Promoting resilience for parent carers
Glasgow Children's Hospital Charity (formerly Yorkhill Children's Charity)	Kindred parent support
Cordis Charitable Trust	Kindred at the new children's hospital
Scottish Government SDS (young people)	Young people's self directed support
Scottish Government (Let's Talk ASN)	Let's talk ASN
Scottish Government (CYPFEIF)	Social media and fundraising

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**Notes to the Financial Statements**  
**For the Year ended 31 March 2017****16. Analysis of Net Assets between Funds**

	Tangible Fixed Assets £	Net Current Assets £	Total £
Unrestricted Fund	2,571	46,539	49,110
Restricted funds	-	-	-
	<u>2,571</u>	<u>46,539</u>	<u>49,110</u>

**17. Related Parties**

No directors received any remuneration or reimbursement of expenses during the year (2016: nil).