

KINDRED ADVOCACY

Scottish Charity No: 000264

Company No. SC409397

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

**Report of the Directors
For the Year ended 31 March 2018**

The trustees who are also the directors present their annual report and financial statements of the charity for the year ended 31 March 2018.

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 1st April 2017 – 31st March 2018, Kindred worked with 825 families providing information, advocacy and emotional support. Although we worked with less families than the previous year, we supported an increased number of families with a child with complex needs. Of the 825 families, 343 (42%) had a child with a complex medical or life limiting condition. This was an increase on last year when we worked with 297 complex needs families (29% of last year's total families). This picture reflects Kindred's policy of focussing our service on children with more complex medical needs.

60% of families we support are on low income and we made 197 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 supported 115 families at Child or Young Person's Planning Meetings (sometimes attending as many as 8 meetings per family in the year) and supported 111 families to find suitable housing, or with housing adaptation. Staff assisted parents to make 48 placing requests for specialist schooling. We assisted 109 families with liaison with social work (including Self Directed Support) and we supported 206 families in liaison with health professionals.

This year we provided a wider range of support and information groups for parents. We also provided free counselling to parents, with more than 30 parents using the counselling service. Our new Therapeutic Support Group has developed a regular attendance and runs once a term for eight sessions. We have also applied for 420 trust fund grants for families raising £229,227 for aid and adaptations and equipment (for example, sleep systems, specialist baths and beds).

Achievements and Performance

Our 27th year, ending 31st March 2018, was our most successful to date in terms of income as we raised £565,903 in grants and charitable contributions. However, we also experienced the loss of four major funders and our five year Big Lottery Fund project (Resilience for Parent Carers in Fife) came to an end. As a result of loss of funding we have had to undergo major cuts to our staff team and we continue to cope with the repercussions of loss of long term funding. Staff are very committed to Kindred and we are working as a team to find new and innovative ways of funding our charity.

**Report of the Directors (Continued)
For the Year ended 31 March 2018****Achievements and Performance Continued**

We supported 222 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 very grateful for long term support for our work at the hospital from the Cordis Trust and from NHS Lothian. We are delighted to receive a new grant from the Robertson Charitable Trust. It is a measure of the hard work of our hospital team that they successfully applied for 309 charitable trusts for families, raising £137,787 in twelve months. They also supported 11 families who had experienced bereavement and each of whom received a great deal of time and care from our team.

We continued with our Big Lottery Fund grant of £74,445, 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 600 professionals. Our staff are involved in an innovative programme of consultation of families of children which Exceptional Healthcare Needs to inform the work of CEN. Our events are taking place across Scotland including a Parliamentary event hosted by Jenny Gilruth MSP. The project supported families from 19 local authority areas across Scotland.

Our Community & Helpline Team in Edinburgh provided support to 358 families with a very wide range of needs. Our work involved supporting 36 families to make placing requests for specialist schooling. We provided events for 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. In Fife our staff supported 175 families caring for children with additional support needs. Of these children 84 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

Our FaceBook following reached over 2,000 followers. We have made progress this year with our website with thanks to some exceptional volunteers: Calum MacÙisdean (technical assistance) and Malcolm Cochrane (photographs, courtesy of Inspiring Scotland). Jenny Harris is our loyal office volunteer and fundraiser. We are grateful to the Royal Botanic Garden Edinburgh and to the R S MacDonald Charitable Trust for the use of venues for meetings. Jane Gray, Jock Encombe and Ron Watson provided invaluable guidance and support.

Treasurer's Report (Financial review)

In the year ending 31st March 2018 our income has risen to £565,903 and we have managed a small increase in reserves to £78,232. Our expenditure was £536,781 compared with £487,227 the previous year.

Income from Scottish Government included a grant of £64,000; £32,000 for our Exceptional Families Project and £32,000 for Social Media & Fundraising. We raised just under £55,000 in donations and fundraising activities thanks to the efforts of our fundraising team. We received funding from City of Edinburgh Council: £26,835 for our helpline; £22,902 towards our advocacy. This funding, along with our Let's Talk ASN project, has allowed us to develop our expertise in Additional Support for Learning.

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 £9,236 (via resource transfer from City of Edinburgh Council) and for providing us with office accommodation. Later in the year, NHS Lothian stepped in to assist our organisation with additional funding of £30,000 and have committed to recurrent funding of £40,000 per annum. Edinburgh Children's Hospital Charity (EHC) have generously funded two of our projects (hospital support for parents and counselling). We completed our third year of funding from the Cordis Charitable Trust and we are very grateful for the generous grant received and we are delighted that the Trust have decided to continue their grant funding to our hospital team. We also received a new and substantial grant of £19,000 per annum for three years from the Robertson Trust.

Report of the Directors (Continued)
For the Year ended 31 March 2018**Treasurer's Report (Financial review) Continued**

We are now into our second year of a two year award of £74,445 per annum to establish a national presence in collaboration with the National Managed Clinical Network for Children with Exceptional Healthcare Needs (CEN) and this funding contributed towards our Glasgow team.

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.

In summary, although we lost grants earlier in the year we have taken steps to reduce our expenditure and we are delighted to have received new grants from the Robertson Trust, RS Macdonald Charitable Trust, Henry Duncan Grants, St James's Place, and NHS Lothian.

Statement of Cash Flows

Cash flows are inherently subject to variation from year to year as a result of the timing differences between the receipt and payment of income and expenditure and their recognition in the financial statements. The 2017 increase and 2018 decrease in bank funds reflect these timing differences. With reference to the Statement of Cash Flows on page 12 the level of bank funds held reduced by £12,122 (2017 – increase £82,527) in the year to £137,894 (2017 - £150,016).

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 £74,649 which represents just over seven weeks of running costs. The directors are aware that this is insufficient and are committed to adding to this level.

Plans for Future Periods

In February 2019, 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.

Despite the challenges, the trustees are keen for Kindred to retain all of our current 12 staff. We are therefore working to replace our income. In view of the rapidly decreasing availability of charitable grant funding we are looking at the viability of generating our own fundraising. Kindred's hospital service is currently featured in STV Children's Appeal (5 October 2018). We are conducting a strategic review with a sustainability consultant (Graeme Reekie, Wren & Greyhound).

**Report of the Directors (Continued)
For the Year ended 31 March 2018****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 year and since the year end were as follows: Siobhan Hogg Huma Barrie (appointed 25.10.17) Treasurer & Chair Khalida Hussain (appointed 25.10.17) Rebecca Goss (end of term of office 30.10.17) Celia Sweeney (end of term of office 30.10.17) Cecile Guilloteau (resigned 10.11.17) Peter Schuller (resigned 30.11.17) Sharon Veelenturf (resigned 6.2.18) Les Clemenson (appointed 22.2.18)
<i>Secretary & Director of Operations:</i>	Sophie Pilgrim
<i>Auditors:</i>	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.

Report of the Directors (Continued)
For the Year ended 31 March 2018**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 2018**

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:

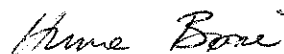
- so far as the director is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order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

Auditors

The auditors James Anderson & Co CA, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

On Behalf of the Board



**Huma Barrie
Director**

3 December 2018

Opinion

We have audited the financial statements of Kindred Advocacy (the 'charitable company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018, 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2(b) in the financial statements which indicates that uncertainty exists over the level of future grant funding. As stated in note 2(b) these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Directors, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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

- adequate and proper accounting records have not been kept, 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Statement of Directors' Responsibilities 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters 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 charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



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.

3 December 2018

Statement of Financial Activities
(including Income and Expenditure Account)
For the Year ended 31 March 2018

	Notes	Unrestricted Fund £	Restricted Funds £	Total Funds 2018 £	As restated Total 2017 £
Income from:					
Donations	3	44,111	-	44,111	17,248
Charitable activities					
- Grants receivable	4	-	477,111	477,111	456,461
- Contract income	5	28,035	-	28,035	26,834
Other trading activities					
Fundraising	6	16,646	-	16,646	2,651
Total income		<u>88,792</u>	<u>477,111</u>	<u>565,903</u>	<u>503,194</u>
Expenditure on:					
- Raising funds	7	752	12,182	12,934	15,446
- Charitable activities	8	54,913	468,934	523,847	471,781
Total expenditure		<u>55,665</u>	<u>481,116</u>	<u>536,781</u>	<u>487,227</u>
Net movement in funds		33,127	(4,005)	29,122	15,967
Reconciliation of funds					
Total funds brought forward (As restated)		<u>41,522</u>	<u>7,588</u>	<u>49,110</u>	<u>33,143</u>
Total funds carried forward	16	<u>74,649</u>	<u>3,583</u>	<u>78,232</u>	<u>49,110</u>

All the results of the charity relate to continuing activities.

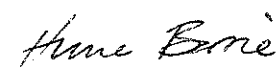
There were no other recognised gains or losses other than those included above.

Balance Sheet
As at 31 March 2018

		2018	As restated
	Notes	£	2017
			£
Fixed Assets			
Tangible assets	11	4,969	2,571
Current Assets			
Debtors	12	32,108	37,104
Bank		137,894	150,016
		<u>170,002</u>	<u>187,120</u>
Creditors			
Amounts falling due within one year	13	96,739	140,581
		<u>73,263</u>	<u>46,539</u>
Net Current Assets			
		<u>78,232</u>	<u>49,110</u>
Charity Funds			
Unrestricted fund	16	74,649	41,522
Restricted funds	16	3,583	7,588
		<u>78,232</u>	<u>49,110</u>
Total Funds			
		<u>78,232</u>	<u>49,110</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 10 to 21 were approved by and signed on behalf of the Board of Directors on 3 December 2018.



Huma Barrie
Director

For the Year ended 31 March 2018
Cash Flow

Reconciliation of net income to net cash flow from operating activities

	2018 £	2017 £
Net income	29,122	15,967
Depreciation charges	2,287	1,735
	<u>31,409</u>	<u>17,702</u>
Decrease in debtors	4,996	43,807
(Decrease) / increase in creditors	(43,842)	21,958
Net cash (used in) / provided by operating activities	<u>(7,437)</u>	<u>83,467</u>

Statement of Cash Flows

Cash flows from operating activities

Cash generated from operations	(7,437)	83,467
Net cash (used in) / provided by operating activities	<u>(7,437)</u>	<u>83,467</u>

Cash flows from investing activities

Purchase of tangible fixed assets	(4,685)	(940)
Net cash used in investing activities	<u>(4,685)</u>	<u>(940)</u>

Cash flows from financing activities

Repayment of borrowing	-	-
Net cash used for financing activities	<u>-</u>	<u>-</u>

Net (decrease) / increase in cash and cash equivalents	(12,122)	82,527
Cash and cash equivalents at 31 March 2017	<u>150,016</u>	<u>67,489</u>
Cash and cash equivalents at 31 March 2018	<u>137,894</u>	<u>150,016</u>

**Notes to the Financial Statements
For the Year ended 31 March 2018****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).

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 is a material uncertainty surrounding the level of future grant funding that may cast significant doubt on the company's ability to continue as a going concern. 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.

**Notes to the Financial Statements
For the Year ended 31 March 2018****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.

**Notes to the Financial Statements
For the Year ended 31 March 2018****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 over £500 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.

n) Prior year adjustment

The accounts for the year ended 31 March 2017 showed the restricted Parent Counselling fund as being fully spent. This has been corrected to show a balance available of £7,588 and an adjustment has been made to reflect this.

Notes to the Financial Statements
For the Year ended 31 March 2018

	2018	As restated 2017
	£	£
3. Income from donations & legacies		
Donations & appeals	38,302	11,689
ARK Housing Association (Donated Services)	5,559	5,559
Genie Maids (Donated Services)	250	-
	<hr/>	<hr/>
Total unrestricted donations	44,111	17,248
	<hr/>	<hr/>
4. Grants receivable		
Fife Health & Social Care (Fife Parent Advocacy)	59,032	48,144
Big Lottery Fund (Fife Parent Advocacy)	58,724	76,649
Big Lottery Fund (Exceptional Families Project)	74,445	24,815
Scottish Government (Exceptional Families Project)	32,000	-
Glasgow Children's Hospital Charity (Exceptional Families Project)	-	55,000
Cordis Charitable Trust (Royal Hospital for Sick Children)	31,617	31,993
Edinburgh Children's Hospital Charity (Royal Hospital for Sick Children)	26,000	52,000
City of Edinburgh Council (Royal Hospital for Sick Children)	-	19,236
St James's Place (Royal Hospital for Sick Children)	10,000	-
The Robertson Trust (Royal Hospital for Sick Children)	9,500	-
Henry Duncan Grants (Royal Hospital for Sick Children)	5,000	-
NHS Lothian (Royal Hospital for Sick Children)	30,000	-
Edinburgh Children's Hospital Charity (Parent Counselling)	6,000	12,500
City of Edinburgh Council (Helpline)	12,902	12,902
City of Edinburgh Council (Helpline)	9,236	-
Scottish Government (Helpline)	30,000	30,000
NHS Lothian (Helpline)	10,000	-
The RS Macdonald Charitable Trust (Helpline)	10,637	-
Scottish Government (Support in the Right Direction)	30,018	29,222
Scottish Government (Social Media & Fundraising)	32,000	64,000
	<hr/>	<hr/>
Total restricted grants received	477,111	456,461
	<hr/>	<hr/>
5. Contracted Income		
City of Edinburgh Council (Helpline)	26,835	26,834
Ross Greer – MSP (Consultancy)	1,200	-
	<hr/>	<hr/>
	28,035	26,834
	<hr/>	<hr/>
6. Other trading activities		
Fundraising - Unrestricted fund	16,646	2,651
	<hr/>	<hr/>

Notes to the Financial Statements
For the Year ended 31 March 2018

	2018	As restated 2017
	£	£
7. Expenditure on raising funds		
Fundraising costs - Unrestricted fund	752	995
- Restricted funds	86	-
Salary costs - Restricted funds	12,096	14,451
	<u>12,934</u>	<u>15,446</u>
8. Cost of charitable activities		
Salaries & national insurance	383,545	344,416
Staff pensions	19,587	20,837
Staff expenses	8,799	8,852
Staff supervision	5,807	5,870
Staff training	375	1,055
Staff recruitment costs	-	750
Therapeutic services	16,378	9,035
Consulting costs	13,333	3,642
Project support	450	700
Discretionary payments to families	1,295	650
Organisational development expenses	3,981	4,901
Production of information	459	1,249
Catering and refreshments	1,024	1,922
Room hire	1,336	2,610
Rent & service charges	26,852	24,287
Water rates	1,085	769
Insurance	1,561	1,249
Heat & light	3,187	2,918
Cleaning	2,321	1,714
Stationery	2,694	2,755
Postage	2,231	2,499
Telephone	7,949	9,947
Computer running costs	3,874	4,499
Other office costs	517	260
Subscriptions	1,210	702
Statutory fees	212	35
Bank charges	857	814
Bookkeeping services	5,559	5,559
Audit fee	4,800	4,800
Committee expenses	-	40
AGM expenses	282	360
Annual report	-	350
Depreciation	2,287	1,735
	<u>523,847</u>	<u>471,781</u>
Charged to - Unrestricted fund	54,913	37,359
- Restricted funds	468,934	434,422
	<u>468,934</u>	<u>434,422</u>

**Notes to the Financial Statements
For the Year ended 31 March 2018**

	2018 £	2017 £
9. Staff Costs		
Wages	365,103	330,494
Social security costs	30,538	28,157
Pension costs	19,587	21,053
	<u>415,228</u>	<u>379,704</u>
The average weekly number of employees during the year was:	<u>17</u>	<u>17</u>

The key management personnel of the charity comprise the Director of Operations, Development Manager and four Advocacy Managers. Their total benefits were £174,823 (2017: £171,888).

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

	No	No
10. Pension Costs		
No of staff in pension scheme	<u>13</u>	<u>14</u>
	£	£
Pension cost charge	<u>19,587</u>	<u>21,053</u>

11. Tangible Fixed Assets	Office Equipment £
Cost	
As at 31 March 2017	26,304
Additions	4,685
	<u>30,989</u>
As at 31 March 2018	<u>30,989</u>
Depreciation	
As at 31 March 2017	23,733
Charge for year	2,287
	<u>26,020</u>
As at 31 March 2018	<u>26,020</u>
Net Book Value	
At 31 March 2018	4,969
At 31 March 2017	<u>2,571</u>

**Notes to the Financial Statements
For the Year ended 31 March 2018**

12. Debtors	2018	2017
	£	£
Trade debtors	14,743	20,436
Prepayments	3,536	3,872
Other debtors	13,829	12,796
	<u> </u>	<u> </u>
	32,108	37,104
	<u> </u>	<u> </u>

13. Creditors due within one year

Trade creditors	6,311	5,357
Accruals	8,010	8,896
Other taxes & social security	7,668	15,188
Deferred income (note 14)	74,750	66,826
Other creditors	-	44,314
	<u> </u>	<u> </u>
	96,739	140,581
	<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 2017	66,826	70,331
Amount released to income from charitable activities	(66,826)	(70,331)
Amount deferred in year	74,750	66,826
	<u> </u>	<u> </u>
Balance as at 31 March 2018	74,750	66,826
	<u> </u>	<u> </u>

15. Prior Year Adjustment

The accounts for the year ended 31 March 2017 showed the restricted Parent Counselling fund as being fully spent. This has been corrected to show a balance available of £7,588 and an adjustment has been made to reflect this.

Notes to the Financial Statements
For the Year ended 31 March 2018

16. Funds	As restated At 31 March 2017 £	Incoming Resources £	Resources Expended £	At 31 March 2018 £
Current Year				
Unrestricted fund	41,522	88,792	(55,665)	74,649
Restricted funds				
Fife Parent Advocacy	-	117,756	(115,647)	2,109
Exceptional Families Project	-	106,445	(106,445)	-
Royal Hospital for Sick Children	-	112,117	(112,117)	-
Parent Counselling	7,588	6,000	(12,114)	1,474
Helpline	-	72,775	(72,775)	-
Support in the Right Direction	-	30,018	(30,018)	-
Social Media & Fundraising	-	32,000	(32,000)	-
Total restricted funds	7,588	477,111	(481,116)	3,583
Total funds	49,110	565,903	(536,781)	78,232
Comparative	At 31 March 2016 £	Incoming Resources £	Resources Expended £	As restated At 31 March 2017 £
Previous Year				
Unrestricted fund	33,143	46,733	(38,354)	41,522
Restricted funds				
Fife Parent Advocacy	-	124,793	(124,793)	-
Exceptional Families Project	-	79,815	(79,815)	-
Royal Hospital for Sick Children	-	103,229	(103,229)	-
Parent Counselling	-	12,500	(4,912)	7,588
Helpline	-	42,902	(42,902)	-
Support in the Right Direction	-	29,222	(29,222)	-
Social Media & Fundraising	-	64,000	(64,000)	-
Total restricted funds	-	456,461	(448,873)	7,588
Total funds	33,143	503,194	(487,227)	49,110

**Notes to the Financial Statements
For the Year ended 31 March 2018**

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.

Restricted fund:	Specific purpose
Fife Parent Advocacy Big Lottery Fund Fife Health & Social Care	Parent advocacy
Exceptional Families Project Big Lottery Fund Scottish Government	Children with exceptional needs
Royal Hospital for Sick Children Cordis Charitable Trust Edinburgh Children's Hospital Charity City of Edinburgh Council St James's Place The Robertson Trust Henry Duncan Grants NHS Lothian	Family support services at RHSC
Parent Counselling Edinburgh Children's Hospital Charity	Parent counselling service
Helpline City of Edinburgh Council Scottish Government (ASN Tribunals) NHS Lothian The R S MacDonald Charitable Trust	Helpline, emotional support, advocacy
Support in the Right Direction Scottish Government	Young People's self directed support
Social Media & Fundraising Scottish Government	Social media & fundraising

17. Analysis of Net Assets between Funds

Current Year	Tangible Fixed Assets	Net Current Assets	Total
	£	£	£
Unrestricted Fund	4,969	69,680	74,649
Restricted funds	-	3,583	3,583
31 March 2018	4,969	73,263	78,232
Previous Year	Tangible Fixed Assets	Net Current Assets	Total
	£	£	£
Unrestricted Fund	2,571	38,951	41,522
Restricted funds	-	7,588	7,588
31 March 2017 (As restated)	2,571	46,539	49,110

18. Related Parties

No directors received any remuneration or reimbursement of expenses during the year (2017: £nil).