

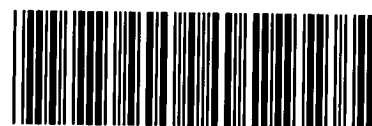


Annual Report and Financial Statements

For the year ended 31 March 2023

**Company number: SC083383
Charity number: SC003527**

THURSDAY



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CHILDREN IN SCOTLAND LTD
(A company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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Directors' (Trustees') Report

Children in Scotland Ltd

Our Report for 2022-2023

The directors, who are the trustees of the charity under charity law, are pleased to present their Annual Report and financial statements of the charity for the year ended 31 March 2023.

Our strategic objectives and values

Giving all children in Scotland an equal chance to flourish is at the heart of everything we do.

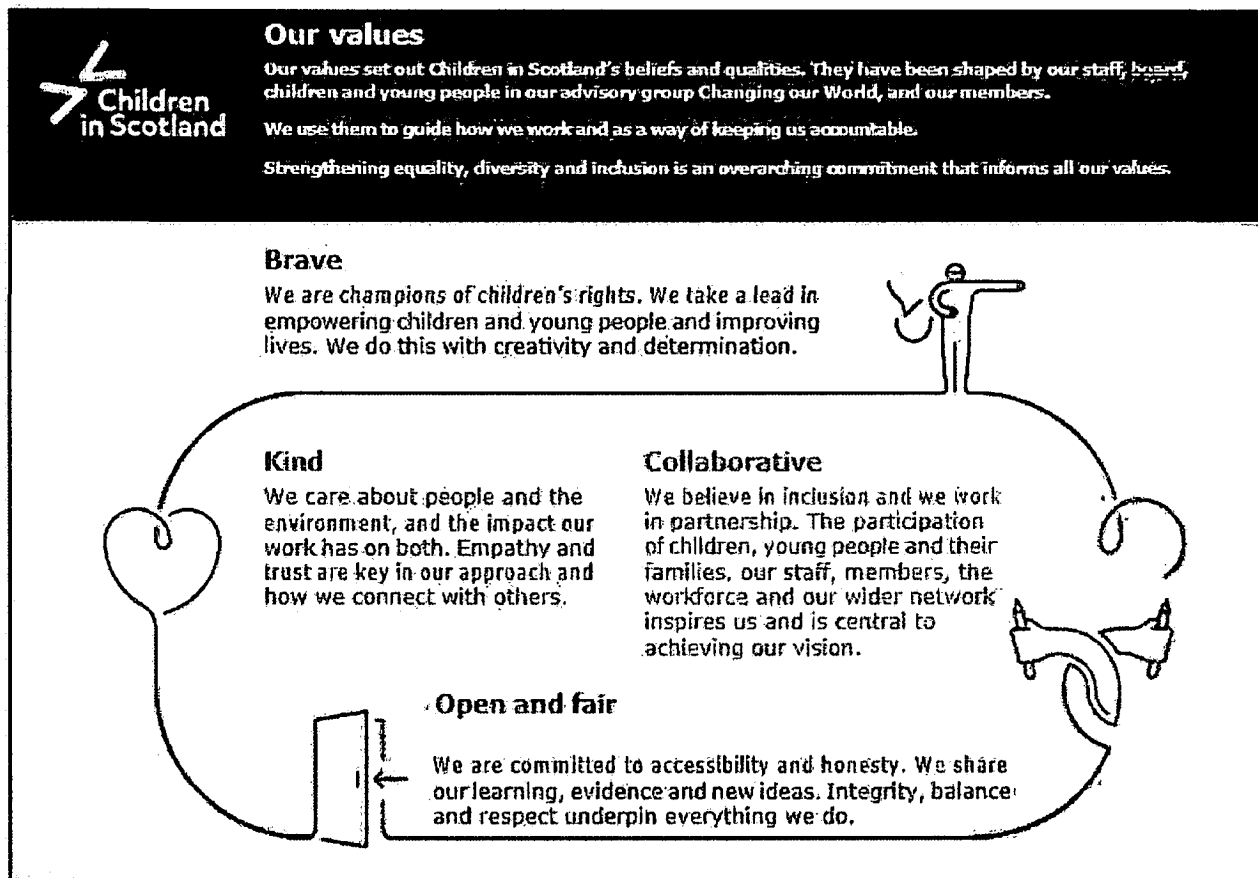
By bringing together a network of people working with and for children, alongside children and young people themselves, we offer a broad, balanced and independent voice. We create solutions, provide support and develop positive change across all areas affecting children in Scotland.

We do this by listening, gathering evidence and applying and sharing our learning, while always working to uphold children's rights. Our range of knowledge and expertise means we can provide trusted support on issues as diverse as the people we work with and the varied lives of children and families in Scotland.

2022 – 2023 was the final year of our then strategic plan which had the following objectives:

Champion the participation and inclusion of children and young people.
Ensure that support for children, young people and their families is appropriate available and accessible.
Challenge inequalities.
Lead and develop the children's sector workforce.
Continue as a sustainable organisation.

Our values were refreshed in 2021 – 2022 and they have proved to be a firm guide for us, underpinning all our work during the last year.



Our achievements and performance

Introduction

The past year has given us much to celebrate in terms of the work we have been able to deliver. We continue to be impressed and inspired by the work of our members, by the creativity and commitment of the children and young people we work with and by the depth and breadth of work by our partners and the wider network.

This is the last year reporting against our old strategic plan and a significant achievement during the year was completing the new one which will run from April 2023 to March 2028. We worked with Changing our World (the children and young people's advisory group for Children in Scotland), our members, the board, the staff and the wider network to ensure that we have a fit for purpose plan that will allow us to attack the next five years with confidence.

While we will focus this report on our achievements over the last year it is important to note that it has also been a year of immense challenge. While Covid-19 became less of a threat, the inheritance it left behind alongside the sharp cost-of-living crisis has meant that the positive impacts that we want our work to achieve for children and young people and their families have been more difficult to achieve.

As you can imagine, it is impossible for our report to cover all the work of the organisation, but below there is a good snapshot of activity under each of our strategic objectives. There is however, much more information on all of our work available on our website. We are always pleased to hear from people who want to know more about our work, so please get in touch if there is anything you read here, or on our website, that makes you want to take the conversation further.

To champion the participation and inclusion of children and young people

A commitment to the fulfilment of children's rights is at the heart of everything we do. Over the last year we have continued to build on our participation and engagement work, trying to ensure that the views, voices and experiences of children and young people are helping to shape the policy and practice that impacts them.

One of the important elements of this, is the work of **Changing our World (CoW)**, our children and young people's advisory group which celebrated its 5th birthday. The children and young people in this group influence work across the whole organisation, including helping with recruitment, inputting into policy development, and developing their own projects. A highlight for the group this year was the annual conference, where they played an active role in the planning as well as being very active in the conference itself during the two days. They also ran their own session on vaping which is one of their 'hot topics'.

This quote puts it nicely:

"My favourite part of planning the annual conference was sharing my ideas with others and seeing what they think. Alongside that I enjoyed learning about how to plan and organise a conference."

CoW member Shuman on the group's involvement at the 2022 Annual Conference



In addition to CoW, another group that has a big impact on the development of our policy is the **Inclusion Ambassadors**, which is a group of secondary school-aged pupils who have a range of additional support needs and come from a variety of schools and local authority areas. There is more about them later, but it is worth celebrating here the way in which they have contributed to our thinking and policy development on additional support for learning.

One of the ways that we ensure that the views and experiences of **children and young people are included in policy development**, is making sure that they are actively included in the responses we make to government consultations. Over the year we have submitted 17 consultation responses and of these 15 directly included the perspectives of children and young people. These responses included A Mental Health and Wellbeing Strategy for Scotland (September 2022) and Let's Talk Scottish Education – National Discussion on Scottish Education (December 2022). Where we haven't directly included such experiences, we strive to ensure that the learning from our work with children and young people informs our submissions.

Article 12 of the UN Convention on the Rights of the Child outlines the right for children to be involved in decisions that impact on their lives. Under Scottish Law, children aged 12 – 15 with additional support needs have the right to be involved in specific decision about their support. Where children want support that is independent from family and schools, they seek out the **My Rights My Say service partnership (which celebrated its 5th anniversary this year)**. Children in Scotland runs **the Children Views Service** as a constituent part of My Rights My Say where we support children to share their views in formal, adult led processes like disputes and additional support needs tribunals. Children's views also provides support to education authorities and practitioners on how to involve ASN learners in education and support planning.



We have a great team in place that has grown over the past year in order to respond to the number of requests for support received by the service. We have also worked with the Additional Support Needs Tribunals for Scotland to ensure that children of all ages and communication challenges can access the skills of the team. To explain the service in an accessible way, we also coproduced an animation with children. In total over the year the service supported 63 children across Scotland and helped to improve participatory practice in multiple local authorities. These quotes are typical of the responses we get to the work:

"It means a lot more than I can say in words. It feels better now. Like I am important, and what I say is important."

Young person, 13, on their experience of My Rights, My Say

"...the officer's efforts and professionalism could not be beaten. Her encouragement with my child was fantastic and my child felt comfortable throughout, which is not a common occurrence."

Parent on their experience of My Rights, My Say

During the year, we partnered with the Scottish Government, COSLA and the Nursing, Midwifery and Allied Health Professionals Research Unit at the University of Stirling to recruit, host and manage the new **Suicide Prevention Youth Advisory Group**. This involved a panel of 12 young people aged between 16 to 25 coming together to gather and share views and inform future policy. The group will directly advise and support the work of Scotland's National Suicide Prevention Leadership Group.

In total across all projects and services **we engaged with 2,292 children and young people** through a variety of routes such as surveys, participation in projects and accessing our direct services.

An important part of what we do is **supporting the wider sector** to develop their work on participation and engagement and children's rights. We launched a free eLearning module that introduced the principals of participation and an updated version of our Participation Principles and Guidelines. Children and young people were involved in the refresh of the Principles and Guidelines. In addition, we created a module on 'Building Good Relationships with Children & Young People' which again is free to all. Training was also given to Local Authorities and Children in Scotland members on UNCRC and on how to involve children and young people in their policy making processes.

To ensure that support for children, young people and their families is appropriate, available, and accessible.

We continue to try to ensure that the fundamental importance of early intervention and prevention is understood and consistently applied in policy making and implementation of services. We do this at a national level by trying to ensure that it is increasingly incorporated into national policies.

One of the practical ways we contribute to this work is through the running of our services. These services provide practical support, advice and representation for children, young people, their families and the professionals who support them.

Enquire and Reach offer advice and information on additional support for learning for children and young people, parents and carers and practitioners. This is a Scotland wide service. This year the helpline that the service runs responded to 1,602 queries with 98% of those using the helpful rating it as excellent (with the other 2% rating it as good).

The helpline can only reach a certain number of individuals, and so this work is amplified by creating accessible websites. The Enquire website viewing figure reached almost 88,000 in the final three months of the year with the Reach website which is for children and young people seeing 45,000 views over the same period.

We try and amplify the work further by working with others that are supporting children and young people with additional support needs. A good example would be an event for around 70 attendees, all of whom worked with other advice and support services.

The services also work directly with children and young people to hear about their experiences and views and learn what is most important to them. This helps influence the continuous development of what the service offers.

"I found the person on the phone extremely empathetic, knowledgeable and keen to help. When you're calling because your child's education needs are not being met, it's stressful and emotive. Talking to a person like that is just the antidote you need!"

Feedback from an Enquire service user

"My favourite part of working with Reach was talking about stuff that matters."
"I learned about my rights."
"You are given an opportunity to talk and given prompts to help support you to share your views."

Young people on their experiences of working with Enquire and Reach

The **Resolve Service** continued to support parents and carers of children and young people with additional support needs. This free service can be accessed when parents and carers are worried about any the education of a child or young person, and where these concerns have not been able to be resolved locally. This year they worked with 72 families from 17 different local authority areas. This is work that can be emotionally charged, and the power of mediation is to help recognise yet cut through that emotion to seek good outcomes for children, families and local authorities. As with Enquire, there is also a desire to help support learning in this area more widely. As well as doing this nationally, this year the service was invited to present at the National Symposium on Dispute Resolution in Special Education in Denver, Colorado.

The following quote helps express what the service can mean to families.

"Thank you so much, the mediator was amazing, spent so much time listening to us and then supporting the tricky conversations with the school staff which meant we were all focused and sorted out many of the issues."

Parent on their experience of the Resolve Mediation process

To challenge inequalities.

This is an overarching driver for us as an organisation. In trying to help create a Scotland where all children have a positive chance in life, it is important to realise the major barrier that inequality can create for children and young people.

As well as looking at inequalities externally, it has also been essential for us to ensure that we are considering our own internal set-up. A key part of that this year has been our work on race equality. Our Equalities and Diversity Working group carried on its work, following on from the publication of our race equality statement in September 2021. One concrete output from this is that we added a fifth organisational pledge to our original statement which is:

We will continue to improve race equality through learning and working in partnership/ collaboration with experts. In return, we will share our own learning and experiences openly and honestly with others.

Every quarter Leadership Team reports to the board on the progress made on the pledges outlined in our race equality statement.

The work of the **Inclusion Ambassadors** continues to impress and inspire. This year they wanted to do something to positively celebrate the good work that was going on in some schools, where there was a real celebration and appreciation of pupils with additional support needs. To do this they developed the "Success Looks Different award" which, now in its second year, was awarded to three schools. These schools showed that they were really celebrating the individual achievements of their pupils with additional support needs, and that they were actively being creative and innovative in how they did this.

Poverty, disability and poor mental health can be barriers for young people wanting to pursue the arts. The **Access All Arts Fund** was created as part of Creative Scotland's Nurturing Talent Fund: New Routes, and we had the pleasure of managing it to support access to the arts for those aged 11-25 who might otherwise find it difficult. In 2022-2023, we were able to support 161 young people. The fund was developed by a group of children and young people who had experienced their own barriers to the arts.

An area that we have started to invest more time in is trying to attract an increased number of smaller and more diverse organisations to our **membership**. We had a trial period where we offered free membership to small organisations and those working primarily with minority ethnic children, young people and families. This attracted new membership. We are looking at how best to continue with this work during the coming year, against the backdrop of tight budgets and resourcing.

This was the final year of Children in Scotland managing the **Access to Childcare** fund aimed at testing childcare model to look at how to make services more accessible and affordable for low-income families, particularly the six identified priority family groups most at risk from living in poverty and set out in the Tackling Child Poverty Delivery Plan. The Access to Childcare fund looked to address the challenges and barriers encountered and allow parents and carers to have time around the school day and in holidays safe in the knowledge that their child(ren) is being looked after and given opportunities to take part in activities, play or youth work experiences. The funding provided by the Access to Childcare Fund gave settings the opportunity to increase flexibility, offer financial support and try new

approaches. The costs associated with these changes were borne by the Fund, rather than the families and this was widely welcomed.

Provision included the development of whole family support services, flexible hours and subsidised or free spaces. The Access to Childcare work has been complicated by COVID-19 which meant major interruptions to the work during the life of the project. Despite that, there has been a lot of really good learning which has fed into the government's thinking on how to develop more accessible approaches to childcare going forwards. The funding shows that our vision for childcare as a service that nurtures the child and the wider family, sitting as part of a wider community and responsive to individual needs, is indeed possible.

To lead and develop the children's sector workforce.

One of the ways we do this is through creating a membership and supporting that membership. We currently have around 450 members, including charities, statutory bodies, local authorities, schools and universities and some individuals. The financial context continues to make it difficult for organisations to afford membership fees. Against that backdrop we are delighted to maintain this number of members. However, we are aware that we need to invest further to ensure that the membership remains vibrant as we continue to navigate the tricky financial position of the sector.

One of the ways that we support our membership, and the wider sector is through the delivery of **high-quality training and learning events**. During the year we delivered 121 learning events with over 3,000 participants taking part. Of these participants 90% rated the training and development as good or excellent, with 95% reporting that they felt that the trainer's knowledge and delivery was very good or excellent. These quotes help illustrate much of the feedback we get:

"I learned lots that will help me change and enhance my practise"

Autism & Communication, 31/01/23

"Such an informative session! I've attended so many of these sessions before but this one surpassed my expectation. Jackie was so knowledgeable and not judgmental, allowing all participants to feel comfortable to ask questions, which she answered so fully! I would highly recommend this to any other child protection lead. Would love to see Jackie doing intro to child protection courses for the rest of our team to attend."

Child Protection Lead, 08/03/23

"I feel better equipped to deliver a pathway for the young people I work with and assist them to dream and plan etc."

Person-centred pathways: helping children be masters of their own future, 21/03/23

One of the best events of the year, our **annual conference**, returned in 2022 after a brief hiatus caused by the Covid pandemic. The event was excellent, with a real buzz coming from participants at one of the first opportunities to get together face to face, post pandemic. The title 'reconnect, reflect and reimagine' was apt, and there was a real sense that the delegates felt refreshed by being out and about and by being able to connect at a very human level. The event was made possible by our sponsors who were Kibble, Road Safety Scotland, LGBT Youth Scotland, Forces Children Scotland and Yopa.

Another way that we can contribute to learning across the sector is through developing and sharing information and resources through digital and print communications that are accessible and will benefit the needs of the membership and the wider sector working with children and young people. One way of tracking how people are engaging with our online resources is through looking at user numbers. Over the year, we have had around 35,000 page views per quarter from around 12,000 unique users. Our "X" numbers continue to grow, increasing to 28,000 in the last quarter of the year.

One of the things that is important to us is to ensure that the views and learnings from members and the wider sector. This is done through blogs (36 published over the year), magazine articles (70), and podcasts (7).

One of the ways of allowing accessible ways of continuous learning is through producing e-modules which are then free to use. For instance, Enquire launched five e-modules to support education professionals' understanding of Additional Support for Learning (ASL) legislation and their responsibility to uphold the rights of children and young people with additional support needs and those of their families.

As a membership organisation we also have the power of bringing leaders together from across the sector to help look for constructive solutions to the problems facing our children and young people. One of the ways of doing this is through chairing the Children's Sector Strategic and Policy Forum which brings together senior leadership to work on key issues. A key strand over the year was a focus on fairer funding to aid the sustainability of the sector going forwards. We have also continued to look at Outcomes Budgeting, Children Poverty, Health and Wellbeing and Family Support. In addition, we continue to support the Cross-Party Group on Children and Young People and bring together members during the year in Voices Fora to discuss emerging issues.

To continue as a sustainable organisation.

This continues to be a challenging time to be a charity in Scotland.

Of greatest value to us as an organisation is our hugely committed and talented staff team. Like other organisations in the sector, we have seen a level of churn in the team as the changing status of COVID-19 has meant that new opportunities have opened up, and people have moved on. However, on the positive side, we have been in a position to attract excellent new members of staff and are very confident about our potential to continue to deliver high quality work. Part of keeping staff is making sure that they feel valued and minimising the 'push' factors. In this regard we managed to award staff a progressive pay award in June 2022, with our lowest paid staff receiving a pay increase of 5% and as a committed living wage employer we adopted the new real living wage within one month of its announcement in October 2022.

Making sure that wellbeing sits at the heart of the organisation is of great importance to us and we worked on a new wellbeing plan. Towards the latter stages of the financial year, we finalised the development of a new pay scale and also worked on updating key terms and conditions. These will be implemented in the coming year.

We try to make sure we are listening to our staff team, and in part we do this through our annual Having your Say survey. This year we were delighted with the average positive response rate of 90.21%, which is the highest it has been since we started the survey in 2016.

We are working to very tight budgets and during the year have been working hard to look to continue to diversify and strengthen our various income generation schemes. We designed a new income generation strategy and will be looking to implement that during the coming year.

This year, our corporate partnerships have been essential for us and it is important to thank RS Macdonald Charitable Trust and Yopa who have been with us on our journey.

Leadership and Governance

Maureen McGinn, who had held the role as Convener of Children in Scotland since December 2019, stepped down in February 2023. She had a major role in steering Children in Scotland during Covid-19, a very difficult time. The board would like to extend their thanks and appreciation for this. Steven Sweeney took over as convener from February 2023 and we are excited to work with him over the coming years in his new role.

The board met four times during the year, with regular meeting being held between the convener and the CEO to ensure ongoing oversight.

It is important to acknowledge the voluntary contribution of all the board members. In addition to Maureen, two other directors, Karen Conaghan and Jo Derrick, moved off the board in the year under review. We would like to thank them for their valuable input into the management of Children in Scotland during their time on the board. The board would also like to welcome Clare Steel who was appointed in February 2023. The appointments of Claire Gillespie, Meritxell Bulbena Vela, Peter Rigg, Steven Sweeney, Jane-Claire Judson and Rachael Hatfield were ratified in April 2022.

The board would like to thank Judith Turbyne in her role as CEO, and the other members of the leadership team, Amy Woodhouse, Billy Anderson, Simon Massey and Valerie Harty for the important role they have had in leading the organisation at a relatively difficult time.

It is important to continue to invest in good governance and we are committed to are using the Scottish Governance Code for the Third Sector as a tool for ensuring continuous improvement. We are currently working to streamline the reporting processes to ensure that the board can be as effective as possible in playing its role.

Investment Policy

The cash reserves of the organisation are held in interest bearing accounts. The directors keep this arrangement under regular review and pay particular attention to the requirement to ensure that sufficient liquidity is maintained to enable the organisation to manage its commitments.

Financial Review

Financially we worked hard to continue our progress in building a sustainable organisation. In order to continue on this journey we made some key investment decisions in the year under review which will aid our sustainability journey but meant we drew down on some the unrestricted funds we had managed to build up over the past number of years. Children in Scotland's net unrestricted funds (free reserves) at 31 March 2023 are £265,929, down from £325,824 at 31 March 2022.

The key investment decisions made to enable our continued sustainability journey were as follows:

- The recruitment of a part time IT and Digital Manager in September 2022
- A progressive pay award in June 2022 with our lowest paid staff receiving a pay increase of 5% and as a committed living wage employer we adopted the new real living wage of £10.90 within one month of its announcement in October 2022
- Seasonal support to staff to help them deal with increased costs in the winter of 2022.

Both income and expenditure of the charity reduced in the year under review. Total income for the year was £2,469,328 (down from £3,167,677 in the prior year). Total expenditure was £2,584,314 (down from £3,264,834 in the prior year). The primary driver of the decrease in both income and expenditure were decreased levels of funds that we were managing, specifically the Early Learning and Childcare Inclusion Fund. This has impacted our grant and fee income.

The financial consequences of the pandemic continues to be felt alongside the impact of the increased cost of living. Income from events continues to be comparatively low and membership income fell by almost 12%. Sponsorship income recovered with the return of our annual conference which gives us a level of confidence that we have strong foundations on which we can continue to build.

As mentioned elsewhere in this report we are investing significant time and thought into our fundraising activity for this year and are currently building a longer-term income generation strategy to underpin the sustainability of the organisation.

Reserves Policy

The reserves policy of Children in Scotland is to hold sufficient free reserves to safeguard the organisation against possible reductions in funding and provide it with funds sufficient to meet anticipated liabilities. The Directors have set a target to maintain free reserves equal to at least three months of operating costs. The Board monitors reserve adequacy on a quarterly basis.

Children in Scotland's net unrestricted funds (free reserves) at 31 March 2023 are £265,929. Based on our FY23/24 budget, one month's operating costs for Children in Scotland is £96k, meaning that at 31 March 2023 2.77 months of operating costs were held in reserve by Children in Scotland.

The Directors are satisfied that this level of reserves and our current income pipeline is sufficient to meet operational expenditure and continue to be committed to the target of maintaining free reserves equal to at least three months of operating costs.

The restricted funds balance of the charity has decreased from £239,988 at 31 March 2022 to £174,706 at 31 March 2023. This decrease is as a result of more restricted funds being spent than being received in the year.

Principal risks and uncertainties

The directors have a risk management strategy in place. The risk assessment process is designed to record the significant risks the charity faces, to allocate responsibility for their mitigation, alongside associated management actions and timescales and to record management processes designed to minimise risk. The risk framework is considered by the Leadership Team before board meetings and considered by the board at all of their formal meetings.

The principal risks and uncertainties facing the charity, as identified by the directors and the measures in place to mitigate them are as follows:

Financial sustainability (inadequate reserves position, funding falling below sustainable levels, failing to be competitive)	Detailed annual budgets are prepared, and performance is measured against these on a monthly basis by the leadership team and on a quarterly basis by the board. A strategic plan is also in place and performance is measured against this also
Changes to the external environment (making it impossible/unrealistic to secure improved outcomes for children)	The external environment is monitored closely. Our policy, projects and participation, and ASL services teams work proactively with external parties to secure improved outcomes for children. We are highlighting the case for change and transformation utilising the positive examples emerging from the pandemic.
Failing to engage properly (which would, in turn, impact our ability to influence effectively and secure change)	Our engagement mechanisms are regularly reviewed to ensure we are influencing effectively and securing change.
Failing to develop our partnership to maximum effect	Strategic relationships are proactively nurtured to ensure maximum effect in pursuit of our vision.
Failing to plan/manage projects effectively/efficiently and without sufficient focus on quality.	Project management tools are utilised to ensure quality, effectiveness and efficiency is achieved in all our work.
Inadequate focus on staff development/working environment (leading to high absenteeism/staff turnover)	A people strategy is in place including a formal one to one appraisal process and an annual review system. There is an agreed action plan following the annual staff survey analysis.

The future

The next year sees us implementing a new strategic plan. While not radically different from the last strategic plan, it does allow a sharpening of focus, which should help us continue to deliver high quality in each of our areas of work.

The financial situation will be challenging over the next year. We have confidence in the core of our work, but we will need to work hard on implementing an income generation strategy that can deliver on bringing in increased levels of unrestricted and core funding.

In order to do this, the board will work closely with the leadership team as we define a way forward that makes the most of our numerous strengths while being cognisant of the difficulties in the current environment. As well as expanding on some of our current and more traditional funding sources, we will be looking to be creative, seeking new collaborations and ways of generating income. We will also explore the potential of a period of social investment to give us the stability we need as we navigate this next period.

One of our key strengths, as noted above, is the excellent staff team we have, so investing in that team will be key to achieving our objectives in the future. We will implement a new pay scale and update our terms and conditions. We will also invest in other sources of wellbeing through the implementation of our Wellbeing Plan. This will help ensure that the 'push' factors that might make people leave are kept to a minimum. However, we will continue to celebrate when the development that staff have had while in the organisation helps them move into great positions elsewhere.

We will shine an increasingly bright spotlight on our membership, looking to attract new members and ensure that our membership become increasingly diverse.

As the context continues to challenge, we will seek to maximise the relationships we can have with our members and the wider sector, seeking to collaborate wherever we can, and ensuring that our work is lending itself to strengthening the work of the sector overall.

Ultimately, our success will be judged on the impact the work is having on children and young people across Scotland. Our Manifesto will sit at the core of what we do and will help us prioritise our activities, making sure that we are putting most energy and effort where we are likely to have the greatest impact.

Reference and administrative details

Name of the charity: Children in Scotland Ltd

Scottish Charity Number: SC083383

Company Number: SC003527

Registered Office: Thorn House 5
Rose Street
Edinburgh EH2 2PR

Directors: Steven Sweeney (Convener)
Meritxell Bulbena Vela (Vice Convener)
Jane-Claire Judson
Peter Rigg
Rachael Hatfield
Rohan Gunatillake
Satwat Rehman
Clare Steel (appointed 25 January 2023)
Donna Martin (appointed 26 April 2023)
Karen Conaghan (resigned 9 June 2022)
Jo Derrick (resigned 25 January 2023)
Maureen McGinn CBE (resigned 25 January 2023)
Claire Gillespie (resigned 4 May 2023)
Esther Black (resigned 18 August 2023)

Secretary: Valerie Harty

Auditors: Chiene + Tait (trading as CT)
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh EH3 6NL

Bankers: The Royal Bank of Scotland plc
142-144 Princes Street
Edinburgh EH2 4EQ

Solicitors: Harper Macleod LLP
65 Haymarket Terrace
Edinburgh EH12 5HD

Statement of directors' responsibilities

The Directors (who are also trustees of Children in Scotland Ltd for the purposes of charity law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

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

This report has been produced in accordance with the Statement of Recommended Practice-Accounting and Reporting by Charities (SORP) FRS 102, effective January 2015, Charities Accounts (Scotland) Regulations 2006 and in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

By order of the Board

Steven Sweeney

Steven Sweeney - Director

Date: 18 December 2023

Independent Auditor's Report to the Directors and Members of Children in Scotland**CT:****Opinion**

We have audited the financial statements of Children in Scotland Limited for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and 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 2023, and of the charitable company's incoming resources and application of resources, including the charitable company's income and expenditure, for the period 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent Auditor's Report to the Directors and Members of Children in Scotland**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report, 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report 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 Directors' Report.

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 by the charitable company, 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 directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Independent Auditor's Report to the Directors and Members of Children in Scotland**CT:****Responsibilities of directors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the directors (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 directors 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 directors 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 directors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the industry in which it operates and considered the risk of acts by the charitable company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

Independent Auditor's Report to the Directors and Members of Children in Scotland

CT:

We focused on laws and regulations that could give rise to a material misstatement in the charitable company's financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of the directors;
- review of minutes of board meetings throughout the period;
- review of legal correspondence or invoices, and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

There are inherent limitations in an audit of financial statements and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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 directors, 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 directors 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 directors as a body, for our audit work, for this report, or for the opinions we have formed.

Barry Truswell

Barry Truswell CA (Senior Statutory Auditor)
For and on behalf of CT
Chartered Accountant & Statutory Auditor
61 Dublin Street
Edinburgh EH3 6NL

18 December 2023

CT is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CHILDREN IN SCOTLAND LTD
(A company limited by guarantee)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	Note	£	£	£	£
Income from					
Donations and legacies		16,279	-	16,279	5,276
Charitable activities	7	538,258	1,911,507	2,449,765	3,161,621
Investments		3,284	-	3,284	79
Other		-	-	-	701
Total		557,821	1,911,507	2,469,328	3,167,677
Expenditure on					
Charitable activities	9	607,525	1,976,789	2,584,314	3,264,834
Total		607,525	1,976,789	2,584,314	3,264,834
Net expenditure		(49,704)	(65,282)	(114,986)	(97,157)
Other recognised gains/(losses)					
Actuarial (losses)/gains on pension schemes		(10,191)	-	(10,191)	135,905
Net movement in funds		(59,895)	(65,282)	(125,177)	38,748
Reconciliation of funds					
Total funds brought forward		325,824	239,988	565,812	527,064
Total funds carried forward	14	265,929	174,706	440,635	565,812

All incoming resources and resources expended derive from continuing activities.

The notes on pages 23 to 38 form part of these accounts.

CHILDREN IN SCOTLAND LTD
(A company limited by guarantee)
BALANCE SHEET
AS AT 31 MARCH 2023

	Note	Total 2023 £	Total 2022 £
Fixed assets:			
Tangible assets	10	-	-
		-	-
Current assets:			
Debtors	11	116,880	112,099
Cash at bank and in hand		623,863	1,159,460
		740,743	1,271,559
Liabilities:			
Creditors: Amounts falling due within one year	12	148,430	525,182
Deferred income	13	85,796	82,914
		234,226	608,096
Net current assets		506,517	663,463
Total assets less current liabilities		506,517	663,463
Pension liabilities: amounts falling due after more than one year	18	65,882	97,651
Net assets		440,635	565,812
The funds of the charity:			
Restricted income funds	14 & 19	174,706	239,988
Unrestricted funds:			
General fund	14	331,811	423,475
Pension fund	14	(65,882)	(97,651)
		440,635	565,812

The accounts were approved by the directors on 18 December 2023

and signed on their behalf by:

Steven Sweeney
Steven Sweeney - Director
Company Number: SC083383

The notes on pages 23 to 38 form part of these accounts.

CHILDREN IN SCOTLAND LTD
(A company limited by guarantee)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Total 2023 £	Total 2023 £	Total 2022 £	Total 2022 £
Net cash provided by operating activities	see below		(538,881)		104,748
Cash flows from investing activities					
Interest receivable		3,284		79	
Net cash provided by investing activities			3,284		79
Change in cash and cash equivalents in the year			(535,597)		104,827
Cash and cash equivalents brought forward			1,159,460		1,054,633
Cash and cash equivalents carried forward			623,863		1,159,460

Reconciliation of net expenditure to cash flow from operating activities

	2023 £	2022 £
Surplus/(deficit) for the year	(125,177)	38,748
Adjustments for:		
Depreciation charge on tangible assets	-	3,284
Interest receivable	(3,284)	(79)
(Increase)/decrease in debtors	(4,781)	16,855
(Decrease)/increase in creditors	(376,752)	279,367
(Increase)/decrease in deferred income	2,882	(43,961)
Decrease in amounts falling due after more than one year	(31,769)	(189,466)
Net cash provided by operating activities	(538,881)	104,748

CHILDREN IN SCOTLAND LTD
(A company limited by guarantee)
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. Company information

Children in Scotland Ltd is a company limited by guarantee incorporated and domiciled in Scotland with registered company number SC083383. The registered office is Thorn House, 5 Rose Street, Edinburgh, EH2 2PR. The financial statements have been presented in Pounds Sterling as this is the functional and presentational currency of the company.

2. Accounting policies

Basis of preparation

The accounts 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 the Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)) and the Companies Act 2016.

Public Benefit

Children in Scotland Ltd meets the definition of a public benefit entity under FRS102.

Preparation of the accounts on a going concern basis

The Board, in preparing these financial statements, is mindful of the current economic environment. The ongoing process of securing future funding is actively managed ensuring the needs of all stakeholders are taken into account. The Board has assessed the charity's ability to continue as a going concern and have prepared forecasts based on assumptions considered reasonable by the Board of Directors. Based on these projections the Board has a reasonable expectation that the charity has adequate resources for the foreseeable future and thus continues to prepare the accounts on a going concern basis.

Fixed assets

Tangible fixed assets costing more than £3,000 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life as follows:

Furniture and office equipment:	over 7 years
Computer equipment:	over 5-7 years

CHILDREN IN SCOTLAND LTD
(A company limited by guarantee)
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

Incoming resources

Grants receivable are credited to the Statement of Financial Activities (SOFA) in the year in which they accrue. Donations, legacies and similar income is included in the year in which it is receivable, which is when the charity becomes entitled to the income, it is probable that it will be received and the amount can be measured reliably.

Expenditure

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs relating to the category. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, and payroll costs which support the charitable activities.

Within support costs are governance costs which include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular project are allocated directly, other are apportioned on an appropriate basis i.e. estimated project use.

Value Added Tax ('VAT')

Children in Scotland is registered for VAT. VAT is reclaimed using the partial exemption method and as such expenditure includes irrecoverable VAT.

Pension costs

Children in Scotland employees are entitled to join a defined contribution scheme. The assets of this scheme are held separately from those of Children in Scotland in independently administered funds. The pension charge represents contributions payable by Children in Scotland. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme. Details of Children in Scotland's membership of The Pension Trust Growth Plan and The Pension Trust Scottish Voluntary Sector Pension Scheme defined benefit schemes are included in notes 17 and 18.

CHILDREN IN SCOTLAND LTD
(A company limited by guarantee)
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

Foreign currencies

Transactions denominated in foreign currencies are translated at the rates of exchange prevailing at the date of each transaction. Assets and liabilities are restated at the rates of exchange ruling at the balance sheet date, with resultant exchange differences included in the Statement of Financial Activities.

Fund accounting

Funds held by the charity are either:

- Unrestricted funds – these are funds which can be used in accordance with the charitable objects at the discretion of the directors.
- Restricted funds – these are funds which 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.

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

CHILDREN IN SCOTLAND LTD
(A company limited by guarantee)
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

3. Taxation status

The company is recognised as a charity for taxation purposes by HMRC.

4. Status of Children in Scotland

Children in Scotland is a company limited by guarantee and has no share capital. In the event of the company being wound up, each director has agreed to contribute an amount not exceeding £1 in Sterling.

5. Staff costs and numbers

	2023	2022
	£	£
Wages and salaries	1,271,925	1,181,943
Social security	120,213	107,993
Pension	135,983	124,851
	1,528,121	1,414,787

The average number of employees during the year was 45.09 (2022:44.10).

Directors' remuneration: fee £0 (2022: £0). Two directors received reimbursement of travel costs in the year totalling £117 (2022: £0). The director's liability insurance for the year was £476 (2022: £476).

During the year there was one employee's emoluments which were between £70,000 and £79,999 (2022: 0).

The key management personnel are defined as the Directors, the Chief Executive and the four Heads of Service. See above for details on Director remuneration and reimbursement of expenditure. The remuneration of the Chief Executive and the four Heads of Service, was £297,395 (2022: £278,521) including employer pension contributions of £34,431 (2022: £30,240).

Children in Scotland introduced a salary exchange scheme for pensions from 1 May 2019 which is available to all employees.

CHILDREN IN SCOTLAND LTD
(A company limited by guarantee)
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

6. Surplus for the year

This is stated after (crediting)/charging:	2023	2022
	£	£
Bank interest receivable	(3,284)	(79)
Foreign exchange (gain)/loss	(1,634)	191
Auditors' remuneration	7,500	5,700
Other operating leases – property rental	11,151	22,322
Depreciation	-	3,284

7. Incoming resources from charitable activities

	2023	2022
	£	£
Grants (See note 8)	1,803,238	2,436,670
Advertising	6,725	9,379
Fees	241,303	350,736
Membership	80,771	91,496
Events	160,498	158,732
Publications	1,925	1,730
Sponsorship	34,494	-
Specific projects	119,625	105,060
Other income	1,186	7,818
	2,449,765	3,161,621

CHILDREN IN SCOTLAND LTD
(A company limited by guarantee)
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

8. The organisation's total incoming resources include the grants below:

		2023	2022
		£	£
Scottish Government	Access to Childcare Fund	543,897	969,243
Scottish Government via Corra Foundation	CYPEIF – Children in Scotland	393,750	375,000
Scottish Government	Enquire	350,000	350,000
Corra Foundation	Promise: PSA support	125,000	-
Scottish Government	Early Learning and Childcare Inclusion Fund	-	307,811
	National Third Sector GIRFEC	90,095	79,921
Scottish Government			
Creative Scotland	Access All Arts	76,400	-
Scottish Government	National Parent Forum of Scotland	50,000	66,610
Scottish Government	Adapt and Thrive Fund	-	61,053
UK Government	Coronavirus Job Retention Scheme	-	18,194
Various	Other project work	174,096	208,838
		1,803,238	2,436,670

CHILDREN IN SCOTLAND LTD
(A company limited by guarantee)
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

9. Expenditure on Charitable Activities

	Restricted funded projects £	Unrestricted funded projects £	2023 Total £	2022 Total £
Salaries	1,196,785	331,336	1,528,121	1,414,787
Fees and payments	91,724	97,817	189,541	147,467
Event expenditure	-	85,717	85,717	44,714
Establishment	23,325	27,949	51,274	78,991
Staff and volunteer expenses	7,332	22,525	29,857	18,245
Printing, design and publications	18,096	5,633	23,729	17,063
Purchase of equipment	18,800	23,912	42,712	32,481
Professional expenses	-	8,157	8,157	9,380
Depreciation	-	-	-	3,285
Advertising and marketing	18,927	(1,416)	17,511	849
Finance costs	158	1,414	1,572	2,275
Pension finance costs	-	4,481	4,481	-
Grant awards	601,642	-	601,642	1,495,297
	1,976,789	607,525	2,584,314	3,264,834

10. Fixed Assets

	Computer equipment £	Other £	Total £
Cost			
At 1 April 2022	19,286	65,975	85,261
Additions	-	-	-
Disposals	-	-	-
At 31 March 2023	19,286	65,975	85,261
Depreciation			
At 1 April 2022	19,286	65,975	85,261
Charge in the year	-	-	-
Disposals	-	-	-
At 31 March 2023	19,286	65,975	85,261
Net book value			
At 31 March 2023	-	-	-
At 31 March 2022	-	-	-

CHILDREN IN SCOTLAND LTD
(A company limited by guarantee)
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

11. Debtors

	2023	2022
	£	£
Grants	59,851	54,324
Other debtors	27,724	28,364
Sundry debtors	394	-
Accrued income	8,685	782
Prepayments	20,226	28,629
	116,880	112,099

12. Creditors

	2023	2022
	£	£
Operating creditors	45,632	24,934
Grants payable	-	413,327
Other tax and social security	31,614	27,211
Accruals	38,606	23,444
VAT liability	15,495	16,654
Pension liability	12,644	13,200
Provision for doubtful debts	4,439	6,412
	148,430	525,182

13. Deferred income

	2023	2022
	£	£
Memberships in advance	21,255	26,610
Event income in advance	57,486	50,854
Other income in advance	7,055	5,450
	85,796	82,914

14. Reserves

	Restricted Funds	Unrestricted General Fund	Unrestricted Pension Fund	Total
	£	£	£	£
At 1 April 2022	239,988	423,475	(97,651)	565,812
(Deficit)/surplus for year	(65,282)	(91,664)	31,769	(125,177)
At 31 March 2023	174,706	331,811	(65,882)	440,635

CHILDREN IN SCOTLAND LTD
(A company limited by guarantee)
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

15. Operating leases and financial commitments

Lease rental payments charged to the statement of financial activities in the year totaled £11,151 (2022: £22,322). At 31 March 2023 the company had total future minimum commitments under non-cancellable operating leases as follows:

	2023 £	2022 £
Leases expiring:		
Between one and five years	3,971	1,464
After five years	-	-
	3,971	1,464

16. Governance costs

	2023 £	2022 £
Audit fee	7,500	5,700

17. Pension schemes

Children in Scotland participates in four pension schemes, each of which is explained below. The total contributions paid into each scheme in the year and the outstanding liabilities at the balance sheet date, are summarised as follows:

Scheme	Contributions £	Outstanding £
Aegon Scheme	11,825	0
Aviva Scheme	137,499	11,714
The Pensions Trust Scottish Voluntary Sector Pension Scheme ('SVSPS')	30,795	0
The Pensions Trust Growth Scheme	11,609	930
Total	191,728	12,644

17.1 Current pension schemes

CiS operated a defined contribution scheme, opened on 1 October 2013 to meet the requirements of auto-enrolment. This scheme was available to all eligible staff and was provided by Aegon. From 1 April 2022 the defined contribution scheme offered to all eligible staff is operated by Aviva.

CHILDREN IN SCOTLAND LTD
(A company limited by guarantee)
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

17.2 Closed schemes

CiS are members of two defined benefit schemes which are closed to new members:

- a) The Pensions Trust Scottish Voluntary Sector Pension Scheme ('SVSPS'), which has been closed to future accrual; and
- b) The Pensions Trust Growth Plan ('GP'), which has a mix of defined benefit and defined contribution funds. The defined benefit funds have been closed to future accrual and our participation in the defined contribution fund is limited to one active member, as required for administrative purposes, but is closed to new members.

Both the SVSPS and GP are multi-employer schemes, where the fund assets are co-mingled for investment purposes and benefits are paid from total scheme assets. Following a change in legislation in September 2005, there are potential debts on Children in Scotland that could be levied by the Trustees of the pension schemes and in relation to the additional voluntary contributions of the scheme invested through the Growth Plan and the Scottish Voluntary Sector Pension Scheme. These debts are due in the event of the employer ceasing to participate in the Schemes or the Schemes winding up. The directors have been informed by The Pensions Trust of the estimated employer debt on withdrawal from the Plans based on the financial positions of the Plans as at 30 September 2017. As of this date the estimated debt relating to the Scottish Voluntary Sector Pension Scheme was £1,508,984 (estimated employer debt at 30 September 2016: £2,411,922) and the debt relating to the Growth Plan was £236,952 (estimated employer debt at 30 September 2016: £261,487).

Children in Scotland have paid £30,795 into the Scottish Voluntary Sector Pension Scheme and £11,609 into the Growth Plan for the year ended 31 March 2023. The Pension Trust have advised that the amounts payable in the year ending 31 March 2024 will be £31,719 into the Scottish Voluntary Sector Pension Scheme and £11,341 into the Growth Plan.

The directors do not intend to withdraw from either scheme.

Following the introduction of FRS 102 SORP, there is a requirement to disclose the Net Present Value of agreed deficit contributions and full details are included in Note 18.

CHILDREN IN SCOTLAND LTD
(A company limited by guarantee)
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

18. Pension liabilities

	2023 £000s	2022 £000s
Reconciliation of opening and closing provisions:		
Provision at beginning of the year	98	287
Unwinding of the discount factor (interest expense)	1	2
Deficit contribution paid	(31)	(49)
Remeasurements - impact of any change in assumptions	(2)	(2)
Remeasurements - amendments to the contributions schedule	0	(140)
Provision at end of the year	66	98
Income and expenditure impact:		
Interest expense	2	2
Remeasurements - impact of any change in assumptions	(2)	(2)
Remeasurements - amendments to the contributions schedule	0	(140)
Costs recognised in income and expenditure account	0	(140)

GP scheme

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 January 2025: £3,321,000 per annum (payable monthly)

SVPS scheme

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £153.3m, liabilities of £160.0m and a deficit of £6.7m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 May 2024: £1,473,969 per annum (payable monthly and increasing by 3% each on 1st April)

Some employers have agreed concessions (both past and present) with the Trustee and have contributions up to 29 February 2028. Where the schemes are in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation (as above). The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

CHILDREN IN SCOTLAND LTD
(A company limited by guarantee)
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

19. Note of analysis of movements on restricted reserves

	At 01/04/22 £	Income £	Expenditure £	At 31/03/23 £
CYPEIF - Children in Scotland	-	393,750	(393,750)	-
Enquire	582	353,024	(348,410)	5,196
National Parent Forum of Scotland	28,271	50,000	(75,467)	2,804
Enquire - Children's Service	-	38,500	(38,500)	-
Early Learning & Childcare Inclusion Fund	11,591	(34,856)	23,265	-
Access to Childcare Fund	(5,028)	543,897	(538,869)	-
Children's Engagement Service	14,965	68,390	(71,246)	12,109
Supporting the Third Sector (STTS)	13,062	90,095	(86,303)	16,854
Supporting positive communications	1,245	-	(1,245)	-
Inclusion Ambassadors	11,970	30,000	(41,970)	-
Home & Belonging - Life Changes Trust	25,305	-	(25,305)	-
ELC Inclusion Fund - administration	31,082	-	(31,082)	-
Access to Childcare Fund – administration	24,000	55,000	(79,000)	-
Diversity in Teaching	1,970	-	(1,970)	-
Participation through the Pandemic	18,693	9,985	(28,678)	-
FLAMINGO Study (University of Stirling)	1,039	-	(234)	805
Adapt and Thrive	40,790	-	(40,790)	-
SCADR	4,059	-	(4,059)	-
Digital Boost	5,817	-	(5,817)	-
Youth Advisory Group	-	39,797	(37,172)	2,625
Changing our World	-	1,000	(1,000)	-
ISMD 2023	-	7,000	(7,000)	-
Promise: PSA support	-	125,000	(1,808)	123,192
Time to Talk	-	34,993	(33,413)	1,580
STTS: GIRFEC E-Module Development	-	5,200	-	5,200
YMI – Innovation Labs	-	15,999	(1,905)	14,094
Access All Arts – Grants	-	76,400	(86,041)	(9,641)
Access All Arts - Administration	10,575	-	(10,687)	(112)
Access All Arts - Access and Wellbeing Support	-	8,333	(8,333)	-
	239,988	1,911,507	(1,976,789)	174,706

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FOR THE YEAR ENDED 31 MARCH 2023

19. Note of analysis of movements on restricted reserves (continued)

CYPFEIF – Corra Foundation	Infrastructure funding awarded from the Children, Young People & Families Early Intervention Fund and Adult Learning & Empowering Communities Fund.
Enquire	Helpline service provided on behalf of Scottish Government to support parents, practitioners, children, young people and their families in understanding and working through the Additional Support for Learning Act.
National Parent Forum of Scotland	The National Parent Forum of Scotland was set up to give Parent Councils, and parents, an opportunity to discuss and raise educational issues of mutual interest, or concerns, at a national level.
Enquire - Children's Service	Grant funding to raise awareness of the Children's service and to ensure that children aged 12-15 are provided with suitable advice and information and referred to other services as appropriate to secure their use of their own rights.
Early Learning & Childcare Inclusion Fund	Grant funding awarded via Scottish Government's Early Learning & Childcare Inclusion Fund.
Access to Childcare Fund	Grant funding awarded via Scottish Government's Access to Childcare Fund.
Children's Engagement Service	Funding to provide a demand led service for the engagement with children to seek their views.
Supporting the Third Sector	Grant funding awarded to support the Supporting the Third Sector project work.
Supporting positive communications	Funding to develop online resources on communication with families:
Inclusion Ambassadors	Funding to support the Inclusion Ambassadors Network who are encouraged to speak freely and openly, sharing their experiences of being a pupil with additional support needs in Scotland, including what works and what would make things better.
Home & Belonging – Life Changes Trust	Funding to work with care experienced young people aged 16-26 to design and deliver an overarching evaluation of all twelve projects of the 'Home and Belonging' initiative.
ELC Inclusion Fund – administration	Funding awarded to administer the Scottish Government's Early Learning & Childcare Inclusion Fund.
Access to Childcare Fund – administration	Funding awarded to administer the Scottish Government's Access to Childcare Fund.

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19. Note of analysis of movements on restricted reserves (continued)

Diversity in Teaching	Funding to gather and report on children and young people's views on diversity in education in Scotland.
Participation through the Pandemic	Funding to deliver a co-designed research project with a group of six peer researchers (aged 14-18) to gather the views and experiences of children and young people aged 8-24 (funded by The National Lottery Community Fund).
FLAMINGO Study (University of Stirling)	Funding for an advisory role for the FLAMINGO study which is aiming to understand why children are admitted to hospital for stays of less than 24 hrs.
Adapt and Thrive	Funding for a post covid recovery plan covering a) adapting and extending our services, b) Identifying new ways of working and c) re-building unrestricted sources of income.
SCADR	Funding to work with SCADR to embed the principles of the UNCRC in their work and have a children's rights approach to their daily practice.
Digital Boost	A development grant to part fund digital aspects of our operations.
Youth Advisory Group	Funding from Scottish Government to host and provide appropriate support to the Youth Advisory Group to ensure that the needs of children and young people are considered when delivering outputs from the Delivery Plan (2023-24) of Creating Hope Together: Scotland's Suicide Prevention Strategy 2022-2032.
Changing our World	Funding from Yopa to part fund the activities of Changing our World, the children and young people's advisory group for Children in Scotland.
ISMD 2023	Funding towards the update and maintenance of the ISMD website, and promotion of ISMD through social media, ahead of Scotland's participation in ISMD (International School Meals Day) on 9 March 2023.
Promise: PSA support	Funding from the Keep the Promise Fund (administered by Corra) to provide support and learning opportunities for pupil support staff across Scotland.
Time to Talk	Funding from The National Lottery Community Fund as a core partner of The National Development Team for Inclusion (NDTi) to develop and pilot emotional and motivational transitional support for young people with additional support needs and disabilities in Scotland.
STTS: GIRFEC E-Module Development	Funding from Scottish Government to develop a GIRFEC e-module

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19. Note of analysis of movements on restricted reserves (continued)

YMI – Innovation Labs	Funding provided by Creative Scotland to allow Children in Scotland alongside Scottish Ensemble and the University of Stirling to work with children and young people (aged 8-17 years) to co-produce solutions that enable children and young people to engage with live music experiences to support their mental health and wellbeing.
Access All Arts – Grants	Grant funding awarded via the Access All Arts Fund to children and young people with additional support needs or a disability to explore their creative passions.
Access All Arts – Administration	Funding from Creative Scotland for the cost of administering the Access All Arts Fund.
Access All Arts – Access and Wellbeing Support	Funding from Creative Scotland for access and wellbeing support for grant applicants to the Access All Arts Fund.

20. Analysis of changes in net debt

	At start of year £	Cash- flows £	Other non-cash changes £	At end of year £
Cash and cash equivalents	1,159,460	(535,597)	-	623,863
	1,159,460	(535,597)	-	623,863
Loans falling due within one year	-	-	-	-
Loans falling due after more than one year	-	-	-	-
Total	1,159,460	(535,597)	-	623,863

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FOR THE YEAR ENDED 31 MARCH 2023

20. Analysis of net assets (between restricted and unrestricted funds)

	Tangible fixed assets £	Current assets/ (liabilities) £	Long term liabilities £	Total 2023 £
Restricted funds	-	174,706	-	174,706
Unrestricted funds	-	331,811	(65,882)	265,929
Total	-	506,517	(65,882)	440,635

	Tangible fixed assets £	Current assets/ (liabilities) £	Long term liabilities £	Total 2022 £
Restricted funds	-	239,988	-	239,988
Unrestricted funds	-	423,475	(97,651)	325,824
Total	-	663,463	(97,651)	565,812

21. Prior year Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income from				
Donations and legacies	5,276	-	5,276	4,959
Charitable activities	443,496	2,718,125	3,161,621	3,786,806
Investments	79	-	79	272
Other	701	-	701	10,386
Total	449,552	2,718,125	3,167,677	3,802,423
Expenditure on				
Charitable activities	377,793	2,887,041	3,264,834	3,458,704
Total	377,793	2,887,041	3,264,834	3,458,704
Net income/(expenditure)	71,759	(168,916)	(97,157)	343,719
Transfer between funds	-	-	-	-
Other recognised gains/(losses)				
Actuarial gains/(losses) on pension schemes	135,905	-	135,905	(26,015)
Net movement in funds	207,664	(168,916)	38,748	317,704
Reconciliation of funds				
Total funds brought forward	118,160	408,904	527,064	209,360
Total funds carried forward	325,824	239,988	565,812	527,064