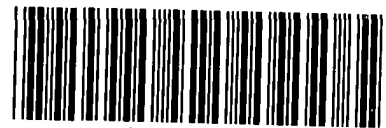

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

TUESDAY



SCT *S8ENESS3*
24/09/2019 #231
COMPANIES HOUSE

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1 - 2
Trustees' Report	3 - 9
Independent Auditors' Report	10 - 12
Statement of Financial Activities	13
Balance Sheet	14
Statement of Cash Flows	15
Notes to the Financial Statements	16 - 38

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019

Trustees

Mrs Maureen McEvoy, MBE, MA, MPS (resigned 25 October 2018)
Mr Fergus Christie, MA, LLB, SSC, NP, KHS, Chair and Company Secretary
Ms Kirsty Fergusson, BA, FCCA, Treasurer
Mrs Anne Hampton, MA, Dip Soc Admin, Dip SW
Mrs Nicola Kehoe, BA (Hons), PGDE
Hon Lord Minginish (Roderick John MacLeod QC)
Mr David Johnston, BA, Dip Soc Admin, Dip SW (resigned 25 October 2018)
Mr Innes Begg Ledingham, BCom CA, Vice Chair
Mr Robert Hilton Swift CQSW MSc

One third of the members of the Committee retire at each Annual General Meeting and are eligible for re-election.

Company registered number
SC079520

Charity registered number
SC005754

Registered office and Principal address
7 John's Place
Edinburgh
EH6 7EL

Company secretary
Mr Fergus Christie, MA, LLB, SSC, NP, KHS

Senior management team
Stephen Small, Director
Charlie Egan, Service Manager
Rita Grant, Service Manager
Claire McMahon, Office Manager

Auditor and Accountants
French Duncan LLP
Chartered Accountants and Statutory Auditor
56 Palmerston Place
Edinburgh
EH12 5AY

Bankers
Bank of Scotland
43 Comely Bank
Edinburgh
EH4 1AF

Solicitors
BCKM
53 George IV Bridge
Edinburgh
EH1 1YH

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019**

Advisers (continued)

Investment Managers

Brewin Dolphin
Sixth floor, Atria One
144 Morrison Street
Edinburgh
EH3 8EX

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The Trustees, who are also directors of the charitable company for the purposes of company law, present their annual report together with the audited financial statements of St Andrews Children's Society Limited for the year ended 31 March 2019.

The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the charitable company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

The charitable objects of the Society are encompassed in its mission statement:

"We seek to address the needs of vulnerable children in our society by providing adoption and foster care for children unable to remain with their birth families and supporting families and individuals throughout the process."

In order to achieve these objectives, the Society operates as a registered adoption and fostering agency.

Review of activities and key performance indicators

The number of children needing new families does not reduce, so we continue to prepare and support as many families as we can for these children. We are glad to say that numbers of enquiries and adoption applications continue to rise, and we are confident that our staff team can continue to provide the excellent service for which we are well known. One of our social workers has retired in this year and we were able to offer a permanent contract to another social worker who had been on a temporary contract. People who apply to us to adopt or foster and those who receive a service from our adoption support and counselling services continue to be fulsome in their praise of the professionalism and genuine care shown to them by our staff.

We continue to maintain a settled and dedicated staff team. While recruitment of adopters has picked up somewhat in Edinburgh this has not been as evident in Aberdeen. We have therefore amended our strategy to allow us to recruit foster carers from our Aberdeen office as the demand for permanent foster carers continues unabated.

We continue to collaborate with West Lothian Council on Concurrent Planning, with an average of one placement per annum. We will be reviewing this service with a view to considering similar relationships with other councils.

This year we placed 34 children for adoption, which is a considerable increase over last year, and we had 7 children matched with adopters at the year-end but had not yet moved to their new families until legal and other formalities allow. Our disruption rate for adoptions (5.8%) remains below the British average around 20%. We believe the preparation we give families before placement, and the support we give after placement is the reason for this low disruption rate.

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

We continue to develop our adoption support services to families, as we are aware this is vital to the long term stability of a placement and the strength of the ties a child builds with their new family. The demand for our adoption support services continues to increase and our adoption support team manager and other staff continue to give support to families, parents and children. This has often been in face-to-face work in respect of particular issues faced by individual families and their children as well as offering a wide range of groups work support and activities to reach as many families as possible. We have also liaised with other professionals in social work education and health to ensure a wide access to support services.

We will, in the coming year, carry out a comprehensive revamp of our SafeBase Parenting Programme to ensure as wide access to this valuable support to families which will also make it more financially viable.

We continue to be the only agency in Scotland to host the Theraplay Level 1 training and will consider offering a level 2 course if the demand is there.

Our foster care service continues to give excellent care to vulnerable children and we have had a core of foster parents offering long term and permanent placements for children. We are developing a campaign to attract new foster carers. During the year 2018-19 we have had 23 children in foster/respice placements with 14 families.

We will continue to manage Scotland's Adoption Register on behalf of The Scottish Government until March 2020. The funding of this service is due for review and we will make a decision about whether we should continue to manage this service once a tendering process is agreed.

St Andrew's Children's Society was founded to help children who cannot stay with their birth families find loving new families to care for them. As Trustees we are proud to continue this work to benefit as many children as we can. We sincerely thank all those who work with us to achieve this aim – our staff, our adopters and foster carers, our Adoption and Foster Care Panel members, the Charitable Trusts and donors who give us financial support.

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Financial review

As shown in the financial activities on page 13, there were net outgoing resources of £26,056 (2018 - £212,829) during the year before the actuarial movement on the pension scheme, comprising a decrease of £62,816 (2018 - £254,149) in unrestricted funds offset with an increase of £36,760 (2018 - £41,320) in restricted funds. Despite the net deficit for the year, the financial results are a significant improvement when compared to previous year; adoption placements have increased from the previous year to 34 (2018 - 24), although this has been offset by a significant increase in post adoption support expense. The employment of a part-time fundraiser continued during the year at a cost of £22,200 (2018 - £22,200) and total grants and donations received were £373,789 (2018 - £359,755).

The net movement in funds highlights a £72,056 deficit compared to a surplus of £121,171 in the previous year (primarily due to a recognised loss (£26,056) coupled with an actuarial loss from the defined benefit scheme (£46,000)). This results in total funds carried forward of £1,211,271 (2018 - £1,283,327) of which £948,921 (2018 - £1,057,737) is unrestricted and £262,350 (2018 - £225,590) is restricted.

Trustees scrutinise the financial position of the Society on a quarterly basis. This has been a year where particular attention has been given to the growth of adoption placements and the sustainability of finance, following on from the previous year whereby there were three voluntary redundancies in order to cut costs accordingly. Early indicators are that 2019/20 is looking favourable.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Reserves policy

The level of reserves is determined by balancing two objectives; maintaining sufficient reserves to enable us to carry on our work when faced with difficult circumstances, and ensuring we maximise the resources used for charitable purposes. Our reserves level therefore needs to be adequate to allow us to address potential losses that might arise from our charitable activities, investments and other activities. It also needs to give us sufficient time to adjust our strategy to meet changing circumstances without unnecessarily removing funds from addressing our charitable purposes.

The Board of Trustees assesses the risks the charity could be exposed to and the appropriate level of reserves that should be maintained.

At the year end total reserves were £1,211,271. Of this, £262,350 reserves were restricted and could only be used for the purpose for which they were given, £626,291 reserves were held in a designated property fund and other funds which are not readily realisable and £(267,000) held in a pension fund reserve which matches the liability in the accounts. This leaves free reserves of £589,630. It is the policy of the trustees to hold free reserves equivalent to 3 to 6 months expenditure to allow the charity to continue to operate and steps to be taken should there be a change in the circumstances of the organisation. At the year end the target level of free reserves had been achieved.

been achieved.

There has been a change in the circumstances of the organization. At the year end the target level of free reserves had equaled to 3 to 6 months expenditure to allow the charity to continue to operate and there to be taken should it arise in the accounts. This leaves free reserves of £288,030. It is the policy of the trustees to hold free reserves other funds which are not readily realisable and £(50,000) held in a pension fund reserve which matches the used for the purposes for which they were given. £250,030 reserves were held in a designated property fund and at the year end total reserves were £1,511,511. Of this, £250,030 reserves were restricted and could only be

that should be maintained.

The Board of Trustees assesses the risk the charity could be exposed to and the appropriate level of reserves

addressing our charitable purposes.

There is a change in the circumstances of the organization without necessarily removing funds from the fund which arise from our charitable activities, investments and other activities. It also needs to give us sufficient charitable purposes. Our reserves level therefore needs to be adequate to allow us to address potential issues early on our work when faced with difficult circumstances, and ensuring we maximize the resources used for the level of reserves is determined by balancing two objectives: maintaining sufficient reserves to enable us to

Reserves policy

The going concern basis can be found in the Accounting Policies.

It is the policy of the trustees to ensure the financial statements, further details regarding the adoption of adequate resources to continue in operational existence for the foreseeable future. For this reason they continue after making appropriate enquiries, the trustees have a reasonable expectation that the charitable company has

Going concern

Accordingly, Early indicators are that 2018/19 is looking favourable.

Following on from the previous year, where there were three voluntary redundancies in order to cut costs, particular attention has been given to the growth of adoption placements and the sustainability of finance. Trustees scrutinize the financial position of the Society on a monthly basis. This has been a year where

(2018 - £1,021,131) is unrestricted and £250,030 (2018 - £250,030) is restricted.

(£40,000). This results in total funds carried forward of £1,511,511 (2018 - £1,503,351) of which £248,851 (2018 - £248,851) is unrestricted and £(50,000) is restricted. This is a decrease of £(8,000) compared with an increase of £(8,000) in the previous year. The net movement in funds represents a £15,020 deficit compared to a surplus of £15,111 in the previous year.

(2018 - £320,122)

During the year at a cost of £55,500 (2018 - £55,500) and total grants and donations received were £213,180. Significant increase in both adoption support expenses. The employment of a part time fundraiser continued adoption placements have increased from the previous year to 24 (2018 - 24) although this has been offset by a net deficit for the year, the financial results are a significant improvement when compared to previous year. £55,500 (2018 - £55,500) is unrestricted funds offset with an increase of £30,100 (2018 - £41,350) in restricted funds. Despite during the year before the financial movement on the pension scheme, comprising a decrease of £25,810 (2018 - £25,810) as shown in the financial activities on page 13, there were net outgoing resources of £50,020 (2018 - £51,580).

Financial review

FOR THE YEAR ENDED 31 MARCH 2019
TRUSTEES' REPORT (continued)

(A company limited by guarantee)
ST ANDREW'S CHILDREN'S SOCIETY LIMITED

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Investment Policy

The Trustees employ Brewin Dolphin Limited as investment managers of the portfolio on a discretionary basis. The investment objective is to maintain a diversified portfolio aiming for a balance between income and capital growth. There are no specific investment restrictions or limitations applied to the portfolio. The performance of the portfolio is compared against the APCIMS Balanced Index. The portfolio is monitored by the Trustees on a bi-annual basis.

Plans for future periods

The Society wishes to increase the number of adoptive families we recruit so that more children who wait will be able to enjoy love and security in their new families. To help us achieve this the Board has appointed someone to the post of Head of Marketing. The fruits of this are already apparent with the increase in our social media presence.

We continue to increase the variety of ways in which we support our adopters and foster carers, with a variety of support groups and individual training sessions. This year we have plans to re-launch our SafeBase Parenting Programme to make it more accessible to as many families as possible. One result of our work has been the recognition by other professionals of our expertise, and we continue to expand our training programme. This provides us with income, and also is a showcase for the quality of our work in adoption and foster care.

We will continue the management of the Scotland's Adoption Register until March 2020.

Structure, governance and management

Constitution

St Andrews Children's Society Limited ("the Society") was incorporated in 1982 as a company limited by guarantee, governed by its Memorandum and Articles of Association. In the event of winding up, each member is liable to contribute £1. The Society is a registered adoption society, a registered fostering agency and a registered Scottish charity.

Members of the Board of Trustees ("the Board") are elected at the Annual General Meeting. The Board meets regularly to review and direct operations and plan future strategy for the Society. Day to day operations are delegated to the staff under the supervision of the Director. There is also a Fostering Panel and an Adoption Panel, each chaired by an independent, suitably qualified professional, and comprising people with personal experience of fostering and adoption and external advisers. Two members of the Board serve as Decision Makers to both panels. Board members receive induction and training as required. The names of those who served as Board members during the year and other reference and administrative details are shown on page 1.

Key Management Personnel and Remuneration Policy

The Board, who are also the directors, are responsible for strategic planning and are ultimately accountable for the operations of the charity. Trustees delegate responsibility for the running and operating the charity on a day to day basis to the CEO and the management team, who are all employees. All directors give of their time freely and no director received remuneration nor expenses for their services as Trustees in the year.

The remuneration of the staff is broadly in line with the Local Authority remuneration, including pension arrangements.

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Risk management

Principal risks and uncertainties

The Board of Trustees has responsibility for ensuring that there are effective risk management and internal control systems in place to manage the charity's risks and support achievement of our strategic objectives. Processes in place to manage the key risks that could affect the charity's ability to achieve its objectives include the following:

- A risk escalation protocol is established to identify risks and ensure these are included in the risk register.
- The Board of Trustees approves the risk register on an annual basis, incorporating any relevant audit risk findings.
- A framework of Delegated authority is established with detailed procedures setting out governance and decision making process for key corporate decisions.
- A whistleblowing policy is in place, which is communicated and accessible to all employees. All whistleblowing cases are subject to independent review, investigation and reporting to Trustees where required.

The Trustees consider the key risks to the organisation as being:

- Competition - Local authorities in our area of operation from time to time engage in large scale recruitment campaigns for adopters and foster carers and this has an impact on our recruitment of these key groups. Our Head of Marketing is working hard to counter this with our own recruitment strategies with signs of success already apparent.
- Changes in NJC terms and conditions and pension demands - Our trustees regularly review staff costs and continue to monitor our pension liabilities.
- Unanticipated changes in public sector contracting arrangements - Our main foster care stakeholder is reissuing a new fostering tender document this year and we will ensure that this does not result in a loss of income or a diminution of our services to children and families.
- Property - While we have renegotiated a more favourable leasing arrangement with the landlord for our Aberdeen office we are vulnerable to a shorter notice period to termination. We are now looking for different premises that would be better value and better suited to the changing needs of the service.
- Breach of internal protocols or careless lapse of security compromising data protection - Managers attended Scottish Government sponsored training to help voluntary agencies minimise their vulnerability to lapses in information security and we have an IT Consultant who oversees this area.
- Loss of key staff, leading to risk of unsafe service - We continue to support staff to feel valued and challenged in their work so as to minimise the possibility that they would be unhappy and want to look for other jobs. Alongside this we continue to keep our recruitment policies and procedures under review.

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Trustees' responsibilities statement

The Trustees (who are also directors of St Andrews Children's Society Limited for the purposes of company law) are responsible for preparing the Report of the Board of Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 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 Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Disclosure of information to auditors

Each of the persons who are Trustees, who are also directors of the charitable company for the purposes of company law, at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)


TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019


Auditors

French Duncan LLP have indicated their willingness to continue in office. The Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

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

This report was approved by the Trustees, on 18/09/19 and signed on their behalf by:


.....
Fergus Christie
Trustee


.....
Kirsty Fergusson
Trustee

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF ST. ANDREWS
CHILDREN'S SOCIETY LIMITED**

Opinion

We have audited the financial statements of St. Andrews Children's Society Limited (the 'charitable company') for the year ended 31 March 2019 set out on pages 13 to 38. 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 2019 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF ST. ANDREWS
CHILDREN'S SOCIETY LIMITED**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

Opinion 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' 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 Trustees' 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 (as amended) requires 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 Trustees' 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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.

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF ST. ANDREWS
CHILDREN'S SOCIETY LIMITED**

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.

Auditors' 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 the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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 Auditors' 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 Auditors' 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, its members, as a body, and its trustees, as a body for our audit work, for this report, or for the opinions we have formed.



Antony J Sinclair CA (Senior Statutory Auditor)

for and on behalf of

French Duncan LLP

Chartered Accountants and Statutory Auditor

56 Palmerston Place

Edinburgh

EH12 5AY

Date: 19/09/19

French Duncan LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:					
Donations and legacies	2	60,914	312,875	373,789	359,755
Charitable activities	3	1,362,887	-	1,362,887	1,164,150
Investments	4	9,601	-	9,601	8,315
Other income	5	10,681	9	10,690	11
Total income		1,444,083	312,884	1,756,967	1,532,231
Expenditure on:					
Raising funds:					
Fundraising costs	6	26,291	-	26,291	25,525
Charitable activities		1,485,762	276,124	1,761,886	1,709,889
Total expenditure	10	1,512,053	276,124	1,788,177	1,735,414
Net (expenditure) / income before investment gains/(losses)		(67,970)	36,760	(31,210)	(203,183)
Net gains/(losses) on investments		5,154	-	5,154	(9,646)
Net (expenditure) / income before other recognised gains and losses		(62,816)	36,760	(26,056)	(212,829)
Actuarial (loss)/gain on defined benefit pension scheme		(46,000)	-	(46,000)	334,000
Net movement in funds		(108,816)	36,760	(72,056)	121,171
Reconciliation of funds:					
Total funds brought forward		1,057,737	225,590	1,283,327	1,162,156
Total funds carried forward		948,921	262,350	1,211,271	1,283,327

The notes on pages 16 to 38 form part of these financial statements.

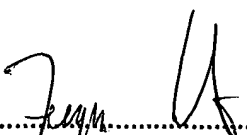
ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: SC079520

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	14		624,301		645,188
Investments	15		366,412		356,095
			<u>990,713</u>		<u>1,001,283</u>
Current assets					
Debtors	16	171,219		207,474	
Cash at bank and in hand		417,665		239,783	
		<u>588,884</u>		<u>447,257</u>	
Creditors: amounts falling due within one year	17	(101,326)		(70,213)	
Net current assets			<u>487,558</u>		<u>377,044</u>
Total assets less current liabilities			<u>1,478,271</u>		<u>1,378,327</u>
Defined benefit pension scheme liability	23		(267,000)		(95,000)
Net assets including pension scheme liabilities			<u>1,211,271</u>		<u>1,283,327</u>
Charity Funds					
Restricted funds	19		262,350		225,590
Unrestricted funds	19		948,921		1,057,737
Total funds			<u>1,211,271</u>		<u>1,283,327</u>

The charitable company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and constitute the annual financial statements required by the Companies Act and are for circulation to the members of the charitable company.

The financial statements were approved and authorised for issue by the Trustees on 18/09/19 and signed on their behalf, by:



Fergus Christie
 Trustee



Kirsty Fergusson
 Trustee

The notes on pages 16 to 38 form part of these financial statements.

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	<u>174,404</u>	<u>(60,439)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		9,601	8,315
Purchase of tangible fixed assets		(960)	(5,002)
Proceeds from sale of investments		33,775	14,992
Purchase of investments		<u>(38,938)</u>	<u>(22,833)</u>
Net cash provided by/(used in) investing activities		<u>3,478</u>	<u>(4,528)</u>
Change in cash and cash equivalents in the year		<u>177,882</u>	<u>(64,967)</u>
Cash and cash equivalents brought forward		<u>239,783</u>	<u>304,750</u>
Cash and cash equivalents carried forward	22	<u><u>417,665</u></u>	<u><u>239,783</u></u>

The notes on pages 16 to 38 form part of these financial statements.

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. Accounting Policies

The financial statements were prepared in Sterling and rounded to the nearest £.

1.1 Company status

The charitable company is a company limited by guarantee incorporated and domiciled in Scotland with registered company number SC079520. The registered office is 7 John's Place, Edinburgh, EH6 7EL. The members of the company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and 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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)) as amended by Update Bulletin 1, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Accounts Scotland Regulations 2006 (as amended) and the Companies Act 2006.

St. Andrews Children's Society Limited 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.

1.3 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have assessed the Charity's ability to continue as a going concern and have reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

1.4 Income

All incoming resources are included in the Statement of Financial Activities when the Trust is entitled to the income, it is probable that the income will be received and the amount can be measured reliably. Fee income for adoption placements, fostering and respite care is recognised in the period when the placement is made or the service takes place. Income received through the Edinburgh adoption and fostering service agreement is treated as deferred when income has been received but not all the placements have been made. The prepaid element of other long term fostering fees is also deferred.

Income from grants, donations and fund raising is recognised when it is receivable. Any gift aid due on donations is accrued in the period when the donation is received.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Staff costs, overheads and governance costs have been apportioned to the various charitable activities in proportion to estimated usage of the resources during the year. Governance costs are those related to the general running of the charity rather than the charitable activity.

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the Bank.

1.7 Taxation

The company is a registered charity and no charge for taxation arises on its charitable activities.

The charitable company is not registered for VAT and expenditure includes VAT where relevant.

1.8 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

1.9 Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each report date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

1.10 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised in the balance sheet.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Heritable property	-	2% on cost
Office equipment and furnishings	-	20% on cost
Computer equipment	-	25% on cost

1.11 Investments and investment income

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities incorporating Income and Expenditure Account.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all trade in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

Income from investments is recognised when receivable and the amount can be measured reliably. Dividends are recognised once the dividend has been declared and notification received of the amount due.

1.12 Debtors

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

1.13 Cash at Bank and in hand

Cash at bank and 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.

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. Accounting Policies (continued)

1.14 Creditors

Creditors are recognised where the 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.

1.15 Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Unrestricted general funds are the funds which can be used in accordance with the charitable objects at the discretion of the directors. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

1.16 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical conditions of the assets. See note 14 for carrying amounts of tangible assets. "

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Income from donations and legacies

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	22,789	-	22,789	10,080
Grants	38,125	312,875	351,000	349,675
	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and legacies	60,914	312,875	373,789	359,755
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2018	75,080	284,675	359,755	
	<hr/>	<hr/>	<hr/>	

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

Analysis of grants and donations

	Unrestricted Funds £	Restricted Funds £	2019 £	2018 £
For Aberdeen				
The John Gordon Charitable Fund	-	2,000	2,000	2,000
Robertson Trust	-	15,000	15,000	15,000
Sub total for Aberdeen	-	17,000	17,000	17,000
Other Funds				
Clipper Foundation	-	-	-	1,500
Corra Foundation	30,375	-	30,375	40,500
The Kintore Charitable Trust	-	-	-	1,000
The W Mann Foundation	-	-	-	1,500
The Royal Caledonian Charities Trust	-	-	-	3,000
The Ryvoan Trust	-	-	-	5,000
The JTH Charitable Trust	-	-	-	500
The Martin Connell Charitable Trust	-	-	-	1,000
Hugh Fraser Foundation	-	-	-	6,000
The R S McDonald Charitable Trust	-	10,000	10,000	10,000
The Cattnach Charitable Trust	-	10,000	10,000	10,000
The Lady Marian Gibson Trust	-	-	-	3,000
The Henry Smith Charity	-	35,375	35,375	8,875
Gloag Foundation	-	-	-	2,000
Tay Charitable Trust	-	-	-	1,000
Leach Family Charitable Trust	-	-	-	2,000
C Burgess Trust	5,000	-	5,000	1,000
Blai Cad Stewart Fund	500	-	500	-
Nancy Massey Trust	2,000	-	2,000	-
Stella Symons	250	-	250	-
Russell Trust	-	900	900	-
Baurer Rad Ta Forth	-	900	900	-
Sub total for Other Funds	38,125	57,175	95,300	97,875
For Scotland's Adoption Register				
Scottish Government - Corra Foundation	-	138,000	138,000	138,000
Linkmaker	-	96,000	96,000	96,000
Sub total for Scotland's Adoption Register	-	234,000	234,000	234,000
For Safebase Project				
St Katherine's Fund	-	700	700	-
Anton Jurgan's Trust	-	4,000	4,000	-
Other	-	-	-	800
Sub total for Safebase	-	4,700	4,700	800

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

Other grants and donations (including Gift Aid)	22,789	-	22,789	10,080
Total for year	<u>60,914</u>	<u>312,875</u>	<u>373,789</u>	<u>359,755</u>
3. Income from charitable activities				
	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Training	36,043	-	36,043	32,340
Adoption	823,131	-	823,131	573,561
Fostering and respite fees	503,713	-	503,713	558,249
	<u>1,362,887</u>	<u>-</u>	<u>1,362,887</u>	<u>1,164,150</u>
Total 2018	<u>1,164,150</u>	<u>-</u>	<u>1,164,150</u>	
4. Investment income				
	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income	9,332	-	9,332	8,159
Bank deposit interest	269	-	269	156
	<u>9,601</u>	<u>-</u>	<u>9,601</u>	<u>8,315</u>
Total 2018	<u>8,315</u>	<u>-</u>	<u>8,315</u>	
5. Other incoming resources				
	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Sundry income	10,681	9	10,690	11
Total 2018	<u>-</u>	<u>11</u>	<u>11</u>	

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

6. Fundraising costs

	Adoption Service £	Post Adoption Service £	Fostering and Respite Care £	Governance Costs £	2019 £	2018 £
Investment management costs	2,911	843	337	-	4,091	3,325
Fundraising salary and consultancy costs	14,178	5,730	2,292	-	22,200	22,200
Total	17,089	6,573	2,629	-	26,291	25,525
<i>Total 2018</i>	<i>17,867</i>	<i>5,105</i>	<i>2,553</i>	<i>-</i>	<i>25,525</i>	

7. Expenditure on charitable activities

	Adoption service £	Post adoption service £	Fostering and respite care £	Governance costs £	2019 £	2018 £
Direct costs	666,763	220,508	438,047	139	1,325,457	1,329,744
Support costs	281,542	108,286	43,315	3,286	436,429	380,145
Total	948,305	328,794	481,362	3,425	1,761,886	1,709,889

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

8. Direct costs

	Adoption service £	Post adoption service £	Fostering and respite care £	Governance costs £	Total 2019 £	Total 2018 £
Pension interest	2,600	1,000	400	-	4,000	9,000
Foster carers' fees	-	-	332,603	-	332,603	370,879
Foster carers' expenses	-	-	5,603	-	5,603	4,034
Adoption expenses	17,477	-	-	-	17,477	15,696
Legal costs re adoption	12,794	-	-	-	12,794	32,078
Respite care costs	-	-	11,639	-	11,639	8,488
Training and supervision	8,915	3,482	1,393	139	13,929	21,890
Safebase costs	-	-	-	-	-	9,279
Care commission registration fee	3,654	1,406	562	-	5,622	5,060
Subscriptions and publications	73,103	28,117	11,247	-	112,467	102,977
Advertising, publicity and PR	3,617	1,391	556	-	5,564	14,438
Social workers' expenses	32,853	12,636	5,054	-	50,543	45,343
Social workers' salary costs	448,438	172,476	68,990	-	689,904	638,016
Scotland's Adoption Register salary costs	63,312	-	-	-	63,312	52,566
	666,763	220,508	438,047	139	1,325,457	1,329,744
Total 2018	699,427	145,738	484,360	219	1,329,744	

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

9. Support costs

	Adoption service £	Post adoption service £	Fostering and respite care £	Governance costs £	Total 2019 £	Total 2018 £
Property costs	27,844	10,709	4,284	-	42,837	33,660
Office running costs	31,257	12,022	4,809	-	48,088	45,356
Professional fees	14,820	5,700	2,280	-	22,800	22,519
Bank interest and charges	365	140	56	-	561	974
Other expenditure	23,068	8,873	3,549	-	35,490	13,852
Pension past service cost	79,300	30,500	12,200	-	122,000	111,000
Auditor remuneration	-	-	-	3,286	3,286	2,678
Wages and salaries	90,688	34,880	13,952	-	139,520	127,733
Depreciation	14,200	5,462	2,185	-	21,847	22,373
	281,542	108,286	43,315	3,286	436,429	380,145
<i>Total 2018</i>	<i>264,227</i>	<i>75,494</i>	<i>37,746</i>	<i>2,678</i>	<i>380,145</i>	

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

10. Analysis of Expenditure by expenditure type

	Staff costs 2019 £	Depreciation 2019 £	Other costs 2019 £	Total 2019 £	Total 2018 £
Costs of raising funds:					
Expenditure on raising voluntary income	22,200	-	4,091	26,291	25,524
Subtotal costs of raising funds	22,200	-	4,091	26,291	25,524
Charitable activities:					
Adoption service	602,438	14,200	331,667	948,305	963,654
Post adoption service	207,356	5,462	115,976	328,794	221,232
Fostering and respite care	82,942	2,185	396,235	481,362	522,106
Governance costs	-	-	3,425	3,425	2,897
Subtotal charitable activities	892,736	21,847	847,303	1,761,886	1,709,889
	914,936	21,847	851,394	1,788,177	1,735,413
Total 2018	840,514	22,373	872,526	1,735,413	

11. Net income/(expenditure)

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets:		
- owned by the charity	21,847	22,375
Auditors' remuneration - audit (net)	2,746	2,678
Auditors' remuneration - other services	4,680	-

During the year, one (2018 - one) Trustee received remuneration amounting to £2,200 (2018 - £1,007). This was in respect of fees for services provided as Chair of the Panel.

During the year, no Trustees received any benefits in kind (2018 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2018 - £NIL).

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

12. Staff costs

Staff costs were as follows:

	2019 £	2018 £
Wages & salaries	715,787	661,166
Employers NIC	65,146	64,428
Pension Costs	134,003	114,920
Total	914,936	840,514

The average number of persons employed by the charitable company during the year was as follows:

	2019 No.	2018 No.
Social workers	16	19
Administration	4	4
Scotland's Adoption Register	4	3
Communications	1	-
	25	26

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charitable company comprise the Trustees, the Director and the Senior Staff as listed on page 1. The total employee benefits of the key management personnel of the charitable company during the year were £238,931 (2018: £243,136).

13. Other finance income / (charges)

	2019 £	2018 £
Interest on pension scheme liabilities	(4,000)	(9,000)

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

14. Tangible fixed assets

	Heritable property £	Office equipment £	Computer equipment £	Total £
Cost				
At 1 April 2018	750,000	35,869	48,391	834,260
Additions	-	960	-	960
Disposals	-	(1,156)	(5,200)	(6,356)
At 31 March 2019	<u>750,000</u>	<u>35,673</u>	<u>43,191</u>	<u>828,864</u>
Depreciation				
At 1 April 2018	120,000	30,557	38,515	189,072
Charge for the year	15,000	2,370	4,477	21,847
On disposals	-	(1,156)	(5,200)	(6,356)
At 31 March 2019	<u>135,000</u>	<u>31,771</u>	<u>37,792</u>	<u>204,563</u>
Net book value				
At 31 March 2019	<u>615,000</u>	<u>3,902</u>	<u>5,399</u>	<u>624,301</u>
At 31 March 2018	<u>630,000</u>	<u>5,312</u>	<u>9,876</u>	<u>645,188</u>

On transition to FRS 102, a valuation of the property as at the date of transition has been identified as the deemed cost of the heritable property going forward.

15. Fixed asset investments

			Listed securities £
Market value			
At 1 April 2018			356,095
Additions			38,938
Disposals			(32,815)
Revaluations			4,194
At 31 March 2019			<u>366,412</u>
Historical cost			<u>333,969</u>
Investments at market value comprise:			
	UK £	Overseas £	2019 £
Listed investments	<u>191,487</u>	<u>174,925</u>	<u>366,412</u>
			<u>356,095</u>

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

16. Debtors

	2019 £	2018 £
Trade debtors	107,073	144,946
Other debtors	49,000	45,000
Prepayments and accrued income	15,146	17,528
	<u>171,219</u>	<u>207,474</u>

17. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	15,342	4,655
Other taxation and social security	23,288	16,033
Other creditors	21,911	17,824
Accruals and deferred income	40,785	31,701
	<u>101,326</u>	<u>70,213</u>

Deferred income

Deferred income at 1 April 2018	26,625
Resources deferred during the year	36,375
Amounts released from previous years	(26,625)
Deferred income at 31 March 2019	<u>36,375</u>

Deferred income in the year relates to a grant received towards a year's running costs of the Concurrent Care project that runs from January 2019 to December 2019 in addition to a grant received towards the charity's core services cost in the year 2019/20.

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

18. Financial instruments

	2019 £	2018 £
Financial assets measured at fair value through income and expenditure	366,412	356,095
Financial assets measured at amortised cost	156,073	189,946
	<u>522,485</u>	<u>546,041</u>
Financial liabilities measured at amortised cost	<u>64,951</u>	<u>43,588</u>

Financial assets measured at fair value through income and expenditure comprise fixed asset investments.

Financial assets measured at amortised cost comprise trade and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, other taxation and social security and other creditors.

19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2019 £
Designated funds						
Property fund	630,000	-	(15,000)	-	-	615,000
Fixed asset fund	15,188	-	(6,847)	960	-	9,301
Adoption support	1,990	-	-	-	-	1,990
	<u>647,178</u>	<u>-</u>	<u>(21,847)</u>	<u>960</u>	<u>-</u>	<u>626,291</u>
General funds						
General fund	474,868	1,444,083	(1,364,206)	1,482	960	557,187
Revaluation reserve - Investments	30,691	-	-	(2,442)	4,194	32,443
Pension fund	(95,000)	-	(126,000)	-	(46,000)	(267,000)
	<u>410,559</u>	<u>1,444,083</u>	<u>(1,490,206)</u>	<u>(960)</u>	<u>(40,846)</u>	<u>322,630</u>
Total Unrestricted funds	<u>1,057,737</u>	<u>1,444,083</u>	<u>(1,512,053)</u>	<u>-</u>	<u>(40,846)</u>	<u>948,921</u>

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

19. Statement of funds (continued)

Restricted funds

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2019 £
Safebase training	143,440	4,700	-	-	-	148,140
Scotland's Adoption Register	59,862	234,009	(239,651)	-	-	54,220
Concurrent Care	16,288	55,375	(19,673)	-	-	51,990
Adoption Support	6,000	15,000	(15,000)	-	-	6,000
Aberdeen	-	2,000	-	-	-	2,000
Relax Kids	-	1,800	(1,800)	-	-	-
	<u>225,590</u>	<u>312,884</u>	<u>(276,124)</u>	<u>-</u>	<u>-</u>	<u>262,350</u>
Total of funds	<u>1,283,327</u>	<u>1,756,967</u>	<u>(1,788,177)</u>	<u>-</u>	<u>(40,846)</u>	<u>1,211,271</u>

Statement of funds - prior year

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2018 £
Designated funds						
Property fund	645,000	-	(15,000)	-	-	630,000
Fixed asset fund	17,561	-	(7,375)	5,002	-	15,188
Adoption support	1,990	-	-	-	-	1,990
	<u>664,551</u>	<u>-</u>	<u>(22,375)</u>	<u>5,002</u>	<u>-</u>	<u>647,178</u>
General funds						
General fund	326,046	1,247,545	(1,469,673)	36,950	334,000	474,868
Revaluation reserve - Investments	45,878	-	-	(5,541)	(9,646)	30,691
Pension fund	-	-	-	(95,000)	-	(95,000)
	<u>371,924</u>	<u>1,247,545</u>	<u>(1,469,673)</u>	<u>(63,591)</u>	<u>324,354</u>	<u>410,559</u>
Total Unrestricted funds	<u>1,036,475</u>	<u>1,247,545</u>	<u>(1,492,048)</u>	<u>(58,589)</u>	<u>324,354</u>	<u>1,057,737</u>

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

19. Statement of funds (continued)

Restricted funds

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2018 £
Safebase training	151,919	800	(9,279)	-	-	143,440
Education support	16,635	-	-	(16,635)	-	-
Aberdeen fund	(90,224)	15,000	-	75,224	-	-
Scotland's Adoption Register	47,351	234,011	(221,500)	-	-	59,862
Concurrent Care	-	28,875	(12,587)	-	-	16,288
Adoption Support	-	6,000	-	-	-	6,000
	<u>125,681</u>	<u>284,686</u>	<u>(243,366)</u>	<u>58,589</u>	<u>-</u>	<u>225,590</u>
Total of funds	<u>1,162,156</u>	<u>1,532,231</u>	<u>(1,735,414)</u>	<u>-</u>	<u>324,354</u>	<u>1,283,327</u>

Summary of funds - current year

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2019 £
Designated funds	647,178	-	(21,847)	960	-	626,291
General funds	410,559	1,444,083	(1,490,206)	(960)	(40,846)	322,630
	<u>1,057,737</u>	<u>1,444,083</u>	<u>(1,512,053)</u>	<u>-</u>	<u>(40,846)</u>	<u>948,921</u>
Restricted funds	225,590	312,884	(276,124)	-	-	262,350
	<u>1,283,327</u>	<u>1,756,967</u>	<u>(1,788,177)</u>	<u>-</u>	<u>(40,846)</u>	<u>1,211,271</u>

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

19. Statement of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2017</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2018</i>
	£	£	£	£	£	£
Designated funds	664,551	-	(22,375)	5,002	-	647,178
General funds	371,924	1,247,545	(1,469,673)	(63,591)	324,354	410,559
	<u>1,036,475</u>	<u>1,247,545</u>	<u>(1,492,048)</u>	<u>(58,589)</u>	<u>324,354</u>	<u>1,057,737</u>
Restricted funds	125,681	284,686	(243,366)	58,589	-	225,590
	<u>1,162,156</u>	<u>1,532,231</u>	<u>(1,735,414)</u>	<u>-</u>	<u>324,354</u>	<u>1,283,327</u>

Designated Reserves

The Property fund corresponds to the net book value of the heritable property, including the revaluation reserve. This serves to separate the value of these assets from the free reserves available in the general fund. Annual depreciation of £15,000 has been charged to the fund.

The Fixed asset fund corresponds to the net book value of fixed assets, other than property. This serves to separate the value of these assets from the free reserves available in the general fund. Annual depreciation of £5,479 has been charged to the fund.

The Adoption support fund is an allowance for the cost of post adoption support work using monies from the post adoption module in the final adoption placement fee.

Free Reserves

The General fund has been set up to enable the directors to make progress towards objectives set out in the reserves policy.

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

19. Statement of funds (continued)

Restricted Reserves

The Safebase training fund arises from trust fund donations received during the year to fund this new post adoption support programme.

Scotland's Adoption Register fund represents funding by the Scottish Government and the grant funds can only be used to further the aims of the Register.

The Concurrent Care fund arises from grants received to meet the costs of assessing and supporting families in addition to training staff in respect of concurrency.

The Adoption Support fund arises from grants received to provide ongoing support to families, children and adult adoptees after the adoption is granted. These services are not covered by the adoption fee.

The Aberdeen fund represents income and expenses in relation to services in Aberdeen.

Relax Kids represents two one off grants received in the year to provide relaxed kids groups in Edinburgh and Aberdeen. Relaxed kids helps to give children the tools and techniques to manage their emotional, and mental, health.

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	624,301	-	624,301
Fixed asset investments	366,412	-	366,412
Current assets	326,534	262,350	588,884
Creditors due within one year	(101,326)	-	(101,326)
Provisions for liabilities and charges	(267,000)	-	(267,000)
	948,921	262,350	1,211,271

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	645,188	-	645,188
Fixed asset investments	356,095	-	356,095
Current assets	221,667	225,590	447,257
Creditors due within one year	(70,213)	-	(70,213)
Provisions for liabilities and charges	(95,000)	-	(95,000)
	<u>1,057,737</u>	<u>225,590</u>	<u>1,283,327</u>

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2019 £	2018 £
Net expenditure for the year (as per Statement of Financial Activities)	(26,056)	(212,829)
Adjustment for:		
Depreciation charges	21,847	22,375
(Gains)/losses on investments	(5,154)	9,646
Dividends, interest and rents from investments	(9,601)	(8,315)
Decrease in debtors	36,255	65,768
Increase/(decrease) in creditors	31,113	(57,084)
Pension movement	126,000	120,000
Net cash provided by/(used in) operating activities	<u>174,404</u>	<u>(60,439)</u>

22. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	417,665	239,783
Total	<u>417,665</u>	<u>239,783</u>

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

23. Defined benefit pension scheme

The company participates in the Lothian Pension Fund (LPF), a multi-employer defined benefit scheme which provides benefits based on final pensionable salary. A separate actuarial valuation has been obtained from the fund's actuary which identifies the separate share on assets and liabilities of the scheme which relate to the company.

Contributions are determined by the fund's qualified actuary on the basis of triennial valuations using the projected unit method. The most recent triennial valuation was at 31 March 2017 by Hymans Robertson independent actuaries and this has been updated to reflect conditions at the balance sheet date, 31 March 2019. Contribution rates during the year were set at 31.6% by the employer and at rates varying from 5% to 8.1% by the employee depending on salary level. The main assumptions used by the actuary in the valuation are shown below:

Financial assumptions

Year ended	31 March 2019 % per annum	31 March 2018 % per annum
Pension increase rate	2.5	2.4
Salary increase rate	4.2	4.1
Discount rate	2.4	2.7

Mortality

Life expectancy is based on the Fund's Vita Curves with improvements in line with CMI 2012 model assuming current rates of improvements have peaked and will converge to a long-term rate 1.25% p.a.

	Males	Females
Current pensioners	21.7	24.3
Future pensioners	24.7	27.5

Historic mortality

Life expectancies for the prior period end are based on the Fund's Vita Curves. The allowance for future life expectancies are shown below:

Period ended	Prospective Pensioners	Pensioners
31 March 2018	CMI 2016 model assuming current rates of improvement have peaked and will converge to a long term rate of 1.25% p.a.	

Commutation

An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits for pre-April 2009 service and 75% of the maximum tax-free cash for post April 2009 service.

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

Analysis of the amounts recognised in the balance sheet

Year ended	31 March 2019 £(000)	31 March 2018 £(000)
Fair value of employer assets	6,452	5,859
Present value of funded liabilities	(6,719)	(5,954)
Net (liability)	<u>(267)</u>	<u>(95)</u>

Reconciliation of defined benefit obligations

Year ended	31 March 2019 £(000)	31 March 2018 £(000)
Opening defined benefit obligation	5,954	6,074
Current service cost	251	225
Interest cost	163	159
Contribution by members	46	42
Actuarial losses/(gains)	442	(387)
Past service costs	-	5
Estimated benefits paid	(137)	(164)
Closing defined benefit obligation	<u>6,719</u>	<u>5,954</u>

Reconciliation of fair value of employer assets

Year ended	31 March 2019 £(000)	31 March 2018 £(000)
Opening fair value of employer assets	5,859	5,765
Interest income	159	150
Contribution by members	46	42
Contribution by the employer	129	119
Expected return on assets	396	(53)
Benefits paid	(137)	(164)
Closing fair value of employer assets	<u>6,452</u>	<u>5,859</u>

ST. ANDREWS CHILDREN'S SOCIETY LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

Recognition in the Statement of Financial Activities (SOFA)

Year ended	31 March 2019 £(000)	31 March 2018 £(000)
Current service cost	251	225
Past service cost	-	5
Contributions by employer	(129)	(119)
Expected return on employer assets	4	9
Total	126	120

Analysis of projected amount to be charged to resources expended for the year to 31 March 2020

Year ended	£(000)	31 March 2020 % of pay
Projected current service cost	277	44.5
Interest income	(155)	(24.9)
Interest cost	163	26.2
	285	45.8

The employer's contribution for the year to 31 March 2020 is estimated at £137,000.

24. Operating lease commitments

At 31 March 2019 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Amounts payable:		
Within 1 year	21,192	24,859
Between 1 and 5 years	7,148	15,507
Total	28,340	40,366

25. Related party transactions

Mr Fergus Christie, a Trustee, is a partner in BCKM who act as solicitors for the Company. The firm received fees of £794 (2018: £32,078) for legal services during the year. This fee includes all legal representation for parents in court.