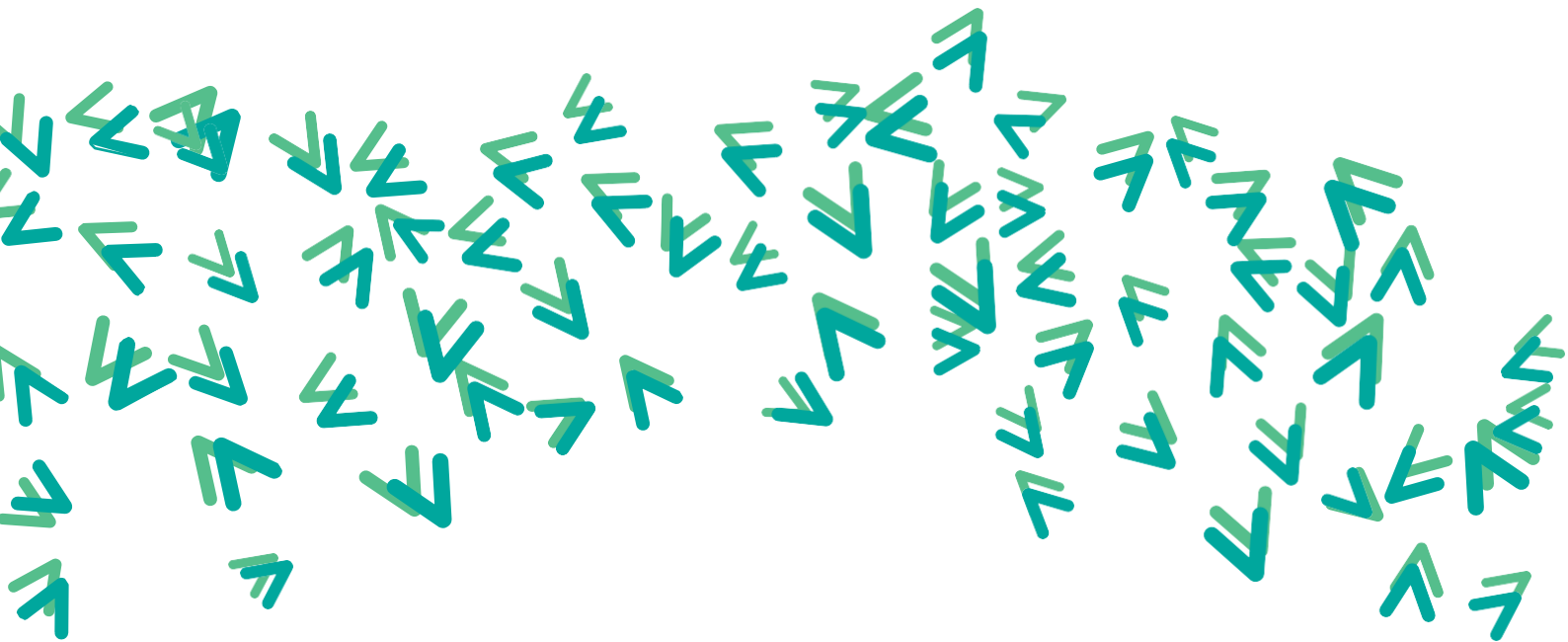




# Annual Report And Financial Statements

For the year ended 31 March 2021



Company number: SC083383  
Charity number: SC003527

**CHILDREN IN SCOTLAND LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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## **DIRECTORS' REPORT CHILDREN IN SCOTLAND LTD**

The directors are pleased to present their report and financial statements of the charity for the year ended 31 March 2021.

### **Objectives and activities**

2020-21 was the fourth year of our strategic plan. Our vision is that all children have an equal chance to flourish. We work towards achieving this through our five strategic priorities:

1. To champion the participation and inclusion of children and young people.
2. To ensure that support for children, young people and their families is appropriate, available and accessible.
3. To challenge inequalities.
4. To lead and develop the children's sector workforce.
5. To continue as a sustainable organisation.

Our values which guide how we work to achieve our vision are:

1. Respect and trust: Respecting the views of everyone in our staff team; our Board, children, young people, their families, our members and partners.
2. Collaboration and participation: of children and young people and in partnerships with the children's sector and others.
3. Transparency and integrity: We are committed to openness and honesty in all aspects of our work.
4. Informed, focussed and accountable: We are always updating our learning, we use and apply evidence to inform and achieve our goals.

Our activities across Children in Scotland were planned and delivered in line with our strategic priorities.

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

2020-21 has been a year of exceptional activity, in terms of its quality, its breadth and its scale, with projects across Scotland supporting our goals, broadening our network and increasing our influence.

## **DIRECTORS' REPORT CHILDREN IN SCOTLAND LTD**

### **Achievements and performance**

In a year where everything was affected by the COVID-19 pandemic, Children in Scotland has continued to play a leading role, supporting and speaking for the children's sector and raising the views and experiences of children, young people and families with decision makers.

The influence of the pandemic across our organisation was unprecedented, changing our approaches to service and project delivery overnight, and refocusing our influencing work to understand and address the impact of the lockdown and restrictions on the lives of children, young people and families. Nevertheless, even with these challenges and constraints, there are many highlights from this year to demonstrate our achievements and effective performance:

The national additional support for learning advice service Enquire responded to 1,376 enquiries from parents, carers and professionals to their helpline. The service continued to receive excellent feedback from people who contacted Enquire, with 93% of parents and carers rating the service they received as excellent.

The Enquire parents and carers website was viewed nearly 233,000 times. Across the year there were 10,870 downloads of Enquire information with the parents' guide to additional support for learning downloaded 1,855 times. The Reach website for children and young people was viewed 46,454 times during 2020/21 with the coronavirus pages having over 11,500 page views.

Enquire hosted 5 'Facebook Live' sessions where helpline advisers presented information on common issues we hear about on our helpline and answered live questions. To date these sessions have had a total of 5,475 unique views.

Resolve Mediation service received 53 referrals for mediation across their 15 education authority contracted partners and continues to be the largest provider of additional support for learning mediation in Scotland. The service continued to deliver mediation virtually which in many cases has meant it is able to facilitate mediations in a shorter time frame. Parents have reported it has been less stressful being in their own surroundings during the mediation.

Our part in the My Rights, My Say support service was delivered over the year raising awareness of children's rights under the additional support for learning legislation and providing direct support to children to share their views. We also developed a partnership with a local authority to support their improvement work in listening to and involving children and young people with additional support needs.

## **DIRECTORS' REPORT CHILDREN IN SCOTLAND LTD**

### **Achievements and performance (continued)**

Our approaches to engaging with children and young people changed significantly as a result of the pandemic, moving to entirely online and remote delivery in 2020/21. While the restrictions arising from the pandemic brought many challenges, we were able to successfully engage with over 550 children and young people across our projects this year. We used the opportunities digital working provided to share their views creatively, using film, infographics and animation. Children and young people engaged with us on diverse topics including COVID-19, rights, cycling, education, heritage, Europe and home. Our Children and Young People's Advisory Group Changing our World met regularly online across the year, sharing their views on the pandemic and influencing our responses.

We also adjusted our existing influencing mechanisms to focus on pandemic responses. Our Children's Sector Strategic Forum met monthly online, bringing together senior representatives from our membership with Scottish Government officials to discuss COVID responses. We utilised the Children and Young People's Cross Party Group to enable members and children and young people to digitally share their views on the impact of the pandemic with parliamentarians.

Alongside the COVID-19 response, planned policy activity has proceeded to the best of our ability. A highlight of our policy and influencing work this year was the publication of our Manifesto for 2021-2026, which we launched at our online annual conference in November 2020. The manifesto was written with input from across our membership, Changing our World, staff team and Board of Trustees. It outlines 33 calls across 10 themes which we believe, if acted on, would significantly improve the lives of children, young people and families living in Scotland.

We have been delighted with the widespread support the Manifesto has received since publication, which includes endorsement from a wide range of members and children's sector organisations including Aberlour, Children 1<sup>st</sup>, Children's Parliament, Includem, Parenting Across Scotland, Play Scotland, Save the Children, Together and Youthlink Scotland.

We shared our calls with all main political parties in advance of the May elections and offered a range of opportunities for our members to discuss our calls with parliamentary candidates, including a pre-election digital hustings in March.

In addition to our manifesto work this year, contributions were made to nine consultations held by the Scottish Government, the Scottish Parliament and wider civil society to ensure that the rights and wellbeing of children and young people were being upheld and/or met. Topics included hate crime, professional teaching standards, child protection standards, national planning, the right to food and the UNCRC Incorporation (Scotland) Bill.

## **DIRECTORS' REPORT CHILDREN IN SCOTLAND LTD**

### **Achievements and performance (continued)**

Supporting the introduction and passing of the UNCRC Incorporation (Scotland) Bill was a hugely significant and important focus for us throughout this year. We supported children and young people to give evidence to the Equalities & Human Rights Committee and held dedicated meetings of our VOICES forum and Cross Party Group on Children and Young People.

Children in Scotland continued to be an active member of a range of Scottish, UK and European campaigns and working groups that affect real change to policy of relevance to children and young people.

For 2020/21 these included:

- End Child Poverty Coalition
- Eurochild's National Partner Network
- Growing Up in Scotland Senior Leadership Board
- The Scottish Alliance for People and Places
- Scottish Government's COVID-19 Children and Families Collective Leadership Group
- Scottish Play Council Strategy Group
- SCVO Intermediaries Network
- Additional Support for Learning Implementation Group
- Pupil Support Staff Working Group
- Disabled Children and Young People Advisory Group

By March 2020, it was evident how the pandemic would have a significant impact on how the Learning & Events team delivered the Learning Programme. Despite the challenges faced, they went on to produce an outstanding online Learning Programme which included 6,800 participants taking part in 61 webinars, a Learning Week consisting of 29 sessions (pre-recorded and live) in March, an international More Than My Trauma conference and delivery of a range of commissioned training contracts.

Our membership was 500 by the end of March 2021, covering all parts of the children's sector in Scotland – local authorities and other statutory organisations, schools, nurseries, residential care, charities, corporate, business and social enterprises have all signed up to our values of a network dedicated to improving the lives of children in Scotland.

The pandemic had an impact on our usual member benefits, but we continued to provide up-to-date digital comms, access to VOICES, our members' quarterly forum and the Strategic Sector Forum – both of which moved online.

The bi-monthly Children in Scotland Magazine was usually a member benefit but due the fact we couldn't send out hard copies because of the pandemic, we made it available to the whole sector as an online PageSuite resource. We also supported the sector through our regular digital comms – latest news, press releases and social media.

## **DIRECTORS' REPORT CHILDREN IN SCOTLAND LTD**

### **Achievements and performance (continued)**

We are fortunate to have a hugely committed staff team who went over and above during an increasingly challenging year. Their commitment to the charity and focus on working to achieve our priorities and vision has been impressive. Despite the challenges, we have seen innovation and exciting developments across the organisation while staff have worked in flexible and professional way, supporting each other where necessary.

During the financial year the Board met five times. The Board regularly received reports from the Chief Executive and Leadership Team regarding the provision of support for staff working from home, among other aspects of how the organisation was adapting to difficult and changing circumstances caused by the pandemic.

The board meeting in June 2020 was extended to allow us to conduct a review of governance arrangements in line with the Scottish Governance Code and associated SCVO checklist. This exercise provided much reassurance and also assisted us to identify some areas for development in line with good practice.

We advertised for, interviewed, and recruited, two new Directors to help diversify the skills and experience of the Board. We welcomed Rohan Gunatillake and Ben Supple in August 2020. Director Esther Black was unanimously appointed as a Vice Convener in October 2020 in place of Jane Devine who stepped down from that role but continued as a Director. The Vice Conveners Esther Black (prior to that Jane Devine) and Jo Derrick have provided valued support to the Convener and the Leadership team throughout the year. They, along with the whole Board, willingly contribute their time, skills, experience and good judgement in support of Children in Scotland.

Our much respected Chief Executive, Jackie Brock, who had been with the organisation since June 2012, indicated that she would be leaving the organisation on 30 April 2021. The Board then took steps to approve interim cover arrangements and begin the process for recruiting her successor. Her contribution to the organisation over her time as Chief Executive was substantial, and the Board were truly grateful for her all her efforts for Children in Scotland.

Valuable support and leadership was provided by the three members of the Leadership Team, Amy Woodhouse, Sally Cavers and Simon Massey, who took on the role of acting joint Chief Executives from 1 May 2021 to 29 August 2021. After an open recruitment process which also involved panels of staff and some of the children and young people from our Changing Our World panel, Dr Judith (Jude) Turbyne was appointed as Chief Executive from 30 August 2021. The Board look forward to working with Jude over the coming year.

## **DIRECTORS' REPORT CHILDREN IN SCOTLAND LTD**

### **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 and were very pleased to once again record a positive net movement in our unrestricted funds.

In this financial year Children in Scotland's total incoming resources were £3,802,423 (2020: £3,014,185) and total resources expended were £3,458,704 (2020: £3,259,908). The primary driver of the increase in income were increased funds awarded to us to award to early learning and childcare settings and childcare settings respectively via the Access to Childcare and Early Learning and Childcare Inclusion funds. The increase in resources expended relates to spending restricted funds held. Cost analysis exercises continue to be undertaken and efficiencies are sought out wherever possible. Children in Scotland produced a surplus on unrestricted funds of £55,016 (2020: £97,658). Children in Scotland has budgeted to produce a surplus on unrestricted funds again in the year to 31 March 2022.

There have been financial consequences due to the impact of the pandemic, with reduction in anticipated income from events and challenges to the ways we engage with, and involve, children and young people in our work. However, as noted above, the start of lockdown saw the staff of Children in Scotland adapt to home working with great professionalism and flexibility, transforming the delivery of many services, including events, to online. This effort was remarkable and has enabled us to maintain much of the planned work programme to the best of our ability and has limited the financial impact. While there remain uncertainties, we have robust planning and fundraising processes in place and are confident about our ability to continue to serve the interests of children and young people in Scotland.

### **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 Board has 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.



## **DIRECTORS' REPORT**

### **CHILDREN IN SCOTLAND LTD**

#### **Reserves policy (continued)**

Following the introduction of FRS102 SORP with its requirement to disclose the Net Present Value of agreed pension deficit contributions, Children in Scotland's unrestricted funds are £118,160 (at 31 March 2020 £63,144). There is a recovery plan in place whereby contributions will be paid annually over the next 7 years meaning that the pension liability's impact on the unrestricted funds balance should reduce year on year over this period and our strategy to build gradually unrestricted funds to a position where they can cover 3 months of operating costs can ultimately be achieved. Currently unrestricted funds (excluding the impact of the pension liability) stand at £405,277 (at 31 March 2020: £376,247). The Directors are satisfied that the current level of reserves and income pipeline is sufficient to meet operational expenditure. As well as reserves adequacy, the Board also monitors the income pipeline on a quarterly basis.

The restricted funds balance of the charity has increased from £146,216 at 31 March 2020 to £408,904 at 31 March 2021. This increase is as a result of more restricted funds being received than being spent in the year, notably £133,959 held at 31 March 2021 in respect of the Access to Childcare Fund.

#### **Principal risks and uncertainties**

The Directors have a risk management strategy in place and the risk assessment process is designed to record the significant risks the charity faces, to allocate responsibility for their mitigation along with associated management actions and timescales and to record management processes designed to minimise risks.

The principal risks and uncertainties facing the charity, as identified by the Directors, are as follows:

- Financial sustainability (inadequate reserves position, funding falling below sustainable levels, failing to be competitive)
- Changes to the external environment (making it impossible/unrealistic to secure improved outcomes for children)
- Failing to engage properly (which would in turn impact our ability to influence effectively and secure change)
- Failing to develop our partnerships to maximum effect
- Failing to plan/manage projects effectively, efficiency and without sufficient focus on quality
- Inadequate focus on staff development/working environment (leading to high absenteeism/staff turnover)

## **DIRECTORS' REPORT CHILDREN IN SCOTLAND LTD**

### **Principal risks and uncertainties (continued)**

The measures in place to mitigate the above risks and uncertainties are as follows:

- 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 four year strategic plan is also in place and performance is measured against this also.
- 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.
- Our engagement mechanisms are regularly reviewed to ensure we are influencing effectively and securing change.
- Strategic relationships are proactively nurtured in order to ensure maximum effect in pursuit of our vision.
- Project management tools are utilised to ensure quality, effectiveness and efficiency is achieved in all our work.
- A People Strategy is in place including a formal 1 to 1 appraisal process and an annual review system. There is an agreed action plan following the annual staff survey analysis.

### **Future plans**

Children in Scotland has succeeded in increasing levels of unrestricted funds in this financial year. This will continue to be a focus for us in 2021 -2022, as will the drive to continue to develop sustainable income generation models. Our four key funding sources will continue to be grants for core funding and projects, provision of information services, membership fees and events income. Across the organisation, all departments are completing cost analysis exercises which will be essential in ensuring that we understand the real costs of our work, and that we budget accordingly.

Key to our success as an organisation is the impact our work can have on children and young people across Scotland. Our Manifesto sets out the key areas of focus for us, and we will be prioritising our actions where we feel we can have most impact. A key part of that will be maximising the relationships with have with our members and our wider network, seeking to collaborate where we can, and ensuring that our work is lending itself to strengthening the work of the sector overall.

**DIRECTORS' REPORT  
CHILDREN IN SCOTLAND LTD**

**Reference and administrative details**

Name of the charity: Children in Scotland Ltd

Scottish Charity Number: SC003527

Company Number: SC083383

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

Directors: Maureen McGinn  
Jo Derrick (Vice Convener)  
Esther Black (Vice Convener, from 28 October 2020)  
Jane Devine (Vice Convener, until 28 October 2020)  
Karen Conaghan  
Professor Brigid Daniel  
Jennie Gollan  
Rohan Gunatillake  
Satwat Rehman  
Liam Slaven (until 24 September 2021)  
Benjamin Supple  
Lady Morag Wise

Secretary: Valerie Harty (from 28 April 2021)  
Jackie Brock (until 28 April 2021)

Auditors: Chiene + Tait LLP  
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

## **DIRECTORS' REPORT CHILDREN IN SCOTLAND LTD**

### **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.

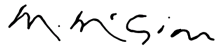
**DIRECTORS' REPORT  
CHILDREN IN SCOTLAND LTD**

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



Maureen McGinn

Date: 08 December 2021

Convener

**INDEPENDENT AUDITOR'S REPORT  
TO THE DIRECTORS AND MEMBERS OF  
CHILDREN IN SCOTLAND LTD**



**Opinion**

We have audited the financial statements of Children in Scotland Limited for the year ended 31 March 2021 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 2021, 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.

**INDEPENDENT AUDITOR'S REPORT  
TO THE DIRECTORS AND MEMBERS OF  
CHILDREN IN SCOTLAND LTD**



**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.

**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.

**INDEPENDENT AUDITOR'S REPORT  
TO THE DIRECTORS AND MEMBERS OF  
CHILDREN IN SCOTLAND LTD**



**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.

**Responsibilities of directors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, 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.



**INDEPENDENT AUDITOR'S REPORT  
TO THE DIRECTORS AND MEMBERS OF  
CHILDREN IN SCOTLAND LTD**



**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.

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.

**INDEPENDENT AUDITOR'S REPORT  
TO THE DIRECTORS AND MEMBERS OF  
CHILDREN IN SCOTLAND LTD**



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](http://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  
Chiene + Tait LLP  
Chartered Accountant & Statutory Auditor  
61 Dublin Street  
Edinburgh  
EH3 6NL

Chiene + Tait LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

08 December 2021

**CHILDREN IN SCOTLAND LTD**  
(A company limited by guarantee)  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

		Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	Note	£	£	£	£
<b>Income from</b>					
Donations and legacies		4,951	8	4,959	16,962
Charitable activities	7	473,278	3,313,528	3,786,806	2,973,034
Investments		272	-	272	1,058
Other		10,386	-	10,386	23,131
<b>Total</b>		<b>488,887</b>	<b>3,313,536</b>	<b>3,802,423</b>	<b>3,014,185</b>
<b>Expenditure on</b>					
Charitable activities	9	407,856	3,050,848	3,458,704	3,259,908
<b>Total</b>		<b>407,856</b>	<b>3,050,848</b>	<b>3,458,704</b>	<b>3,259,908</b>
<b>Net income/(expenditure)</b>		<b>81,031</b>	<b>262,688</b>	<b>343,719</b>	<b>(245,723)</b>
<b>Transfer between funds</b>		-	-	-	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains/(losses) on pension schemes	18	(26,015)	-	(26,015)	6,599
<b>Net movement in funds</b>		<b>55,016</b>	<b>262,688</b>	<b>317,704</b>	<b>(239,124)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		63,144	146,216	209,360	448,484
<b>Total funds carried forward</b>	14	<b>118,160</b>	<b>408,904</b>	<b>527,064</b>	<b>209,360</b>

All incoming resources and resources expended derive from continuing activities.

The notes on pages 22 to 38 form part of these accounts.

**CHILDREN IN SCOTLAND LTD**  
(A company limited by guarantee)

**BALANCE SHEET**  
**AS AT 31 MARCH 2021**

	Note	Total 2021	Total 2020
		£	£
<b>Fixed assets:</b>			
Tangible assets	10	3,284	13,141
		3,284	13,141
<b>Current assets:</b>			
Debtors	11	128,954	294,025
Cash at bank and in hand		1,054,633	631,205
		1,183,587	925,230
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	12	245,815	221,386
Deferred income	13	126,875	194,522
		372,690	415,908
<b>Net current assets</b>		810,897	509,322
<b>Total assets less current liabilities</b>		<b>814,181</b>	<b>522,463</b>
Pension liabilities: amounts falling due after more than one year	18	287,117	313,103
<b>Net assets</b>		<b>527,064</b>	<b>209,360</b>
<b>The funds of the charity:</b>			
Restricted income funds	14 & 19	408,904	146,216
Unrestricted funds:			
General fund	14	405,277	376,247
Pension fund	14	(287,117)	(313,103)
		<b>527,064</b>	<b>209,360</b>

The accounts were approved by the directors on 08 December 2021

and signed on their behalf by:



Maureen McGinn

Convener

Company Number: SC083383

The notes on pages 22 to 38 form part of these accounts.

**CHILDREN IN SCOTLAND LTD**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Total 2020 £	Total 2020 £	Total 2020 £	Total 2020 £
<b>Net cash provided by operating activities</b>	<i>see below</i>		423,156		94,745
<b>Cash flows from investing activities</b>					
Interest receivable		272		1,058	
<b>Net cash provided by investing activities</b>			272		1,058
<b>Change in cash and cash equivalents in the year</b>			423,428		95,803
<b>Cash and cash equivalents brought forward</b>			631,205		535,402
<b>Cash and cash equivalents carried forward</b>			1,054,633		631,205

**Reconciliation of net expenditure to cash flow from operating activities**

	2021 £	2020 £
Surplus/(deficit) for the year	317,704	(239,124)
<b>Adjustments for:</b>		
Depreciation charge on tangible assets	9,857	11,037
Interest receivable	(272)	(1,058)
Decrease in debtors	165,071	183,999
Increase in creditors	24,429	39,962
(Increase)/decrease in deferred income	(67,647)	152,533
Decrease in amounts falling due after more than one year	(25,986)	(52,604)
<b>Net cash provided by operating activities</b>	<b>423,156</b>	<b>94,745</b>

**CHILDREN IN SCOTLAND LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

## **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 Rosebery House, 9 Haymarket Terrace, Edinburgh, EH12 5EZ. 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 impact of Covid-19 operations. 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**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**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.

**CHILDREN IN SCOTLAND LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**2. Accounting policies (continued)**

**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.

**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.



**CHILDREN IN SCOTLAND LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**2. Accounting policies (continued)**

**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.

**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.

**CHILDREN IN SCOTLAND LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**5. Staff costs and numbers**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,152,300	1,258,863
Social security	99,158	104,294
Pension	127,744	135,437
	<b><u>1,379,202</u></b>	<b><u>1,498,594</u></b>

The average number of employees during the year was 43.81 (2020:49.35).

Directors' remuneration: fee £0 (2020: £0). No director received reimbursement of travel costs in the year (2020: £57). The director's liability insurance for the year was £476 (2020: £476).

During the year there were no employee's emoluments which were between £60,000 and £69,999 (2020: 0).

The key management personnel are defined as the Directors, the Chief Executive and the five Heads of Service. See above for details on Director remuneration and reimbursement of expenditure. The remuneration of the Chief Executive and the five Heads of Service, was £286,608 (2020: £290,485) including employer pension contributions of £38,900 (2020: £41,587).

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

**6. Surplus for the year**

This is stated after (crediting)/charging:	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank interest receivable	(272)	(1,058)
Foreign exchange (gain)/loss	1,850	(1,374)
Auditors' remuneration	5,544	5,544
Other operating leases – property rental	54,132	59,088
Depreciation	<u>9,857</u>	<u>11,037</u>

**CHILDREN IN SCOTLAND LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**7. Incoming resources from charitable activities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Grants (See note 8)	3,087,344	2,138,904
Advertising	8,180	15,994
Fees	337,491	272,446
Membership	100,649	105,359
Events	143,664	329,079
Publications	241	1,024
Sponsorship	3,785	15,925
Specific projects	95,230	94,233
Other income	10,222	70
	<b>3,786,806</b>	<b>2,973,034</b>

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

		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
Scottish Government	Access to Childcare Fund	950,756	-
Scottish Government	Early Learning and Childcare Inclusion Fund	712,946	458,852
Scottish Government via Corra Foundation	Children and Young People Early Intervention Fund – Children in Scotland	375,000	375,000
	Children and Young People Early Intervention Fund – Parenting across Scotland	100,000	100,000
Scottish Government	Enquire	280,000	280,000
	National Third Sector GIRFEC	80,000	163,811
Scottish Government	National Parent Forum of Scotland	133,220	133,220
Big Lottery Fund	Investing in Communities	92,117	125,046
UK Government	Coronavirus Job Retention Scheme	78,426	-
Scottish Government via Firstport	Third Sector Resilience Fund	73,665	-
Scottish Government	Food, Families, Futures	-	119,748
Various	Other project work	211,214	383,227
		<b>3,087,344</b>	<b>2,138,904</b>

**CHILDREN IN SCOTLAND LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**9. Expenditure on Charitable Activities**

	<b>Restricted funded project £</b>	<b>Unrestricted funded projects £</b>	<b>2021 Total £</b>	<b>2020 Total £</b>
Salaries	1,332,314	46,888	1,379,202	1,498,595
Fees and payments	128,516	110,921	239,437	440,798
Event expenditure	2,475	52,227	54,702	212,681
Establishment	9,725	124,293	134,018	170,036
Staff and volunteer expenses	7,635	4,842	12,477	30,573
Printing, design and publications	18,845	126	18,971	58,794
Purchase of equipment	29,580	47,780	77,360	47,226
Professional expenses	600	8,528	9,128	24,892
Depreciation	-	9,855	9,855	11,037
Advertising and marketing	855	-	855	9,008
Finance costs	86	2,396	2,482	4,718
Pension finance costs	-	-	-	-
Grant awards	1,520,217	-	1,520,217	751,550
	<b>3,050,848</b>	<b>407,856</b>	<b>3,458,704</b>	<b>3,259,908</b>

**CHILDREN IN SCOTLAND LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

<b>10. Fixed Assets</b>	<b>Computer equipment £</b>	<b>Other £</b>	<b>Total £</b>
<i>Cost</i>			
At 1 April 2020	19,286	65,975	85,261
Additions	-	-	-
Disposals	-	-	-
At 31 March 2021	<b>19,286</b>	<b>65,975</b>	<b>85,261</b>
<i>Depreciation</i>			
At 1 April 2020	16,319	55,801	72,120
Charge in the year	2,226	7,631	9,857
Disposals	-	-	-
At 31 March 2021	<b>18,545</b>	<b>63,432</b>	<b>81,977</b>
<b>Net book value</b>			
At 31 March 2021	<b>741</b>	<b>2,543</b>	<b>3,284</b>
At 31 March 2020	2,967	10,174	13,141

**11. Debtors**

	<b>2021 £</b>	<b>2020 £</b>
Grants	33,898	145,100
Other debtors	80,448	73,730
Accrued income	2,889	43,899
Prepayments	11,719	31,296
	<b>128,954</b>	<b>294,025</b>

**12. Creditors**

	<b>2021 £</b>	<b>2020 £</b>
Operating creditors	133,977	51,838
Other tax and social security	29,598	28,160
Accruals	42,602	100,569
VAT liability	17,555	15,152
Pension liability	15,958	16,874
Provision for doubtful debts	6,125	8,793
	<b>245,815</b>	<b>221,386</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**13. Deferred income**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Grants in advance	-	60,125
Memberships in advance	32,251	28,276
Event income in advance	89,499	94,298
Specific Project income in advance	5,125	11,823
Magazine income in advance	-	-
	<b>126,875</b>	<b>194,522</b>

**14. Reserves**

	<b>Restricted Funds</b>	<b>Unrestricted General Fund</b>	<b>Unrestricted Pension Fund</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2020	146,216	376,247	(313,103)	209,360
Surplus for year	262,688	29,030	25,986	317,704
At 31 March 2021	<b>408,904</b>	<b>405,277</b>	<b>(287,117)</b>	<b>527,064</b>

**15. Operating leases and financial commitments**

Lease rental payments charged to the statement of financial activities in the year totalled £54,132 (2020: £59,088). At 31 March 2021 the company had total future minimum commitments under non-cancellable operating leases as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Leases expiring:		
Within one year	18,044	-
Between one and five years	-	126,308
After five years	-	-
	<b>18,044</b>	<b>126,308</b>

**16. Governance costs**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Audit fee	5,544	5,544
	<b>5,544</b>	<b>5,544</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

## 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	131,437	10,872
The Pensions Trust Scottish Voluntary Sector Pension Scheme ('SVSPS')	35,523	2,999
The Pensions Trust Growth Scheme	15,979	1,335
Scottish Widows Scheme	9,384	752
<b>Total</b>	<b>192,323</b>	<b>15,958</b>

### 17.1 Current pension schemes

CiS operates a defined contribution scheme, opened on 1 October 2013 to meet the requirements of auto-enrolment. This scheme is available to all eligible staff and is provided by Aegon. Staff who transferred to Children in Scotland under TUPE regulations in April 2016 also participate in a defined contribution pension scheme which is provided by Scottish Widows.

### 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.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**17.2 Closed schemes (continued)**

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 £35,523 into the Scottish Voluntary Sector Pension Scheme and £15,979 into the Growth Plan for the year ended 31 March 2021. The Pension Trust have advised that the amounts payable in the year ending 31 March 2022 will be £37,063 into the Scottish Voluntary Sector Pension Scheme and £16,498 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.

**18. Pension liabilities**

	<b>2021</b>	<b>2020</b>
	<b>£000s</b>	<b>£000s</b>
<b>Reconciliation of opening and closing provisions:</b>		
Provision at beginning of the year	313	366
Unwinding of the discount factor (interest expense)	7	5
Deficit contribution paid	(47)	(46)
Remeasurements - impact of any change in assumptions	14	6
Remeasurements - amendments to the contributions schedule	-	(18)
	-----	-----
<b>Provision at end of the year</b>	<b>287</b>	<b>313</b>
<b>Income and expenditure impact:</b>		
Interest expense	7	5
Remeasurements - impact of any change in assumptions	14	6
Remeasurements - amendments to the contributions schedule	-	(18)
	-----	-----
Costs recognised in income and expenditure account	<b>21</b>	<b>(7)</b>



**CHILDREN IN SCOTLAND LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**18. Pension liabilities (continued)**

**GP scheme**

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. 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 2016 to	£11,243,000 per annum
31 January 2025:	(payable monthly and increasing by 3% each on 1st April)

**SVPS scheme**

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £120.0m, liabilities of £145.9m and a deficit of £25.9m. 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 2019 to	£1,404,638 per annum
31 September 2026:	(payable monthly and increasing by 3% each on 1st April)
From 1 April 2019 to	£136,701 per annum
31 September 2027:	(payable monthly and increasing by 3% each on 1st April)

The contributions to 30 September 2027 are in respect of those employers that have agreed concessions (both past and present) with the Trustee.

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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**19. Note of analysis of movements on restricted reserves**

	At 01/04/20 £	Income £	Expenditure £	At 31/03/21 £
Enquire	1,141	280,000	281,166	(25)
National Parent Forum of Scotland	462	138,720	110,084	29,098
Food , Families, Futures - ASDA Foundation	1,879	-	1,879	-
CYPEIF - Children in Scotland	-	375,000	375,000	-
Sustainable Childcare - BLF	9,856	92,117	101,973	-
International School Meals Day	-	6,000	6,000	-
Enquire - Children's Service	2,562	38,500	40,872	190
Early Learning & Childcare Inclusion Fund	13,143	712,946	703,421	22,669
Access to Childcare Fund	-	950,756	816,797	133,959
Children's Engagement Service	8,444	73,268	65,863	15,849
Supporting the Third Sector	-	80,000	68,185	11,815
Children and Young People's Panel on Europe	7,562	10,354	17,916	-
Open Kindergarten Stage 2	-	6,481	6,481	-
Food, families, future - Scottish Government	16,040	-	16,040	-
Supporting positive communications	18,436	7,098	9,450	16,084
Inclusion Ambassadors	4,296	15,000	10,488	8,808
Health Inequalities - Wellcome Trust	12,927	8	5,662	7,273
Home & Belonging - Life Changes Trust	19,527	18,516	28,474	9,569
Mental Health Policy Work - HFD Charitable	1,300	-	1,300	-
Museums and YP working in partnership - HLF	36,171	-	22,376	13,795
Parenting across Scotland	(7,530)	107,529	105,390	(5,391)
Coronavirus Job Retention Scheme	-	78,426	78,426	-
Third Sector Resilience Fund	-	73,665	18,311	55,354
ELC Inclusion Fund - administration	-	72,500	48,311	24,189
Access to Childcare Fund – administration	-	84,415	57,994	26,422
Museums and YP working in partnership – Hollywood Trust	-	2,400	-	2,400
Children's Wellbeing & the Scottish Budget (Cattanach)	-	10,000	10,000	-
Children's Wellbeing and the Scottish Budget (Carnegie UK)	-	10,000	10,000	-
UNCRC support	-	2,150	2,150	-
Diversity in Teaching	-	15,533	10,357	5,177
Education Recovery Youth Panel	-	6,000	2,471	3,529
Nurturing Talent Fund: New Routes	-	29,880	1,737	28,143
Co-production of grant making project (Cattanach)	-	8,835	8,835	-
#morethanacondition Youth Panel (MHF)	-	500	500	-
Wellbeing Fund	-	6,940	6,940	-
	<b>146,216</b>	<b>3,313,536</b>	<b>3,050,848</b>	<b>408,904</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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

<b>Enquire</b>	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.
<b>National Parent Forum of Scotland</b>	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.
<b>Food , Families, Futures - ASDA Foundation</b>	A restricted donation to be spent specifically on the Irvine food, families, futures (FFF) programme.
<b>CYPEIF - Children in Scotland - Corra Foundation</b>	Infrastructure funding awarded from the Children, Young People & Families Early Intervention Fund and Adult Learning & Empowering Communities Fund.
<b>Sustainable Childcare – Big Lottery Fund</b>	Grant funding for the project 'A sustainable Childcare Model for Calton and Shettleston Children, Families and Communities' which will through a partnership approach increase the provision of high quality childcare.
<b>International School Meals Day</b>	Funding towards the update and maintenance of the ISMD website, and promotion of ISMD through social media, ahead of Scotland's participation in ISMD on 11 March 2021.
<b>Enquire - Children's Service</b>	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.
<b>Early Learning &amp; Childcare Inclusion Fund</b>	Grant funding awarded via Scottish Government's Early Learning & Childcare Inclusion Fund.
<b>Access to Childcare Fund</b>	Grant funding awarded via Scottish Government's Access to Childcare Fund.
<b>Children's Engagement Service</b>	Funding to provide a demand led service for the engagement with children to seek their views on educational aspects.

**CHILDREN IN SCOTLAND LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. Note of analysis of movements on restricted reserves (continued)**

<b>Supporting the Third Sector</b>	Grant funding awarded to support the Supporting the Third Sector project work.
<b>Children and Young People's Panel on Europe</b>	Grant funding awarded to establish a children and young people's panel on Europe and create resources for children and young people to understand the Brexit process and its impact on them and their families in a way that helps improve their wellbeing.
<b>Open Kindergarten Stage 2</b>	Grant funding awarded to pilot and tailor an Open Kindergarten approach (derived from a Nordic model) to enable families from disadvantaged communities to access support and advice.
<b>Food, families, future - Scottish Government</b>	A grant to support Children in Scotland's food, families, futures (FFF) programme.
<b>Supporting positive communications</b>	Funding to develop online resources on communication with families.
<b>Inclusion Ambassadors</b>	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.
<b>Health Inequalities - Wellcome Trust</b>	Funding to carry out a participative research project with children and young people aged 10-18 living in areas of high deprivation in Glasgow and Dundee.
<b>Home &amp; Belonging - Life Changes Trust</b>	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.
<b>Mental Health Policy Work - HFD Charitable</b>	Funding to support the work of our Policy, Projects and Participation Department to influence change at a national level.
<b>Museums and YP working in partnership</b>	Funding to engage with young people to explore their ideas around heritage and museums, what topics and issues are important to them and what they would like to see reflected within museums.
<b>Parenting across Scotland</b>	This restricted fund is administered by Children in Scotland on behalf of Parenting across Scotland.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. Note of analysis of movements on restricted reserves (continued)**

<b>Coronavirus Job Retention Scheme</b>	Grant funding to cover a portion of monthly wage costs for parts of the organisation whose operations have been affected by coronavirus (COVID-19).
<b>Third Sector Resilience Fund</b>	Grant funding to stabilise and manage cash flows during the coronavirus (COVID-19) pandemic.
<b>ELC Inclusion Fund - administration</b>	Funding awarded to administer the Scottish Government's Early Learning & Childcare Inclusion Fund.
<b>Access to Childcare Fund – administration</b>	Funding awarded to administer the Scottish Government's Access to Childcare Fund.
<b>Museums and YP working in partnership – Hollywood Trust</b>	Grant towards the 'Living Museums' project.
<b>Children's Wellbeing &amp; the Scottish Budget (Cattanach)</b>	Funding to raise awareness of what a robust child wellbeing approach to the Scottish budget would involve.
<b>Children's Wellbeing and the Scottish Budget (Carnegie UK)</b>	Funding to raise awareness of what a robust child wellbeing approach to the Scottish budget would involve.
<b>UNCRC support</b>	Funding to support implementation/embedding the UNCRC.
<b>Diversity in Teaching</b>	Funding to gather and report on children and young people's views on diversity in education in Scotland.
<b>Education Recovery Youth Panel</b>	Funding to facilitate children and young people's participation in the Education Recovery Youth Panel.
<b>Nurturing Talent Fund: New Routes</b>	Funding from Creative Scotland to deliver a new arts fund that will support disabled children and young people, and young people with additional support needs to access creative opportunities.
<b>Co-production of grant making project (Cattanach)</b>	Funding to help Cattanach inform and develop coproduced funding criteria.
<b>#morethanacondition Youth Panel (MHF)</b>	Funding for participation in the #morethanacondition Youth Panel.
<b>Wellbeing Fund (Hunter Foundation/Inspiring Scotland)</b>	Funding for work delivered under the Wellbeing Fund.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**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	631,205	423,428	-	1,054,633
	631,205	423,428	-	1,054,633
Loans falling due within one year	-	-	-	-
Loans falling due after more than one year	-	-	-	-
Total	631,205	423,428	-	1,054,633

