Safe Families for Children
SCOTLAND

Safe Families for Children Scotland

(A Company Limited by Guarantee)

Unaudited Financial Statements

For the year ended 31 March 2018

Charity registration number SC045295

Company registration number SC491973

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Safe Families for Children Scotland

Unaudited Financial Statements

For the year ended 31 March 2018

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SAFE FAMILIES FOR CHILDREN SCOTLAND

DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2018

Registered Name	**Safe Families for Children Scotland**
Registered Office	63/65 Shandwick Place Edinburgh EH2 4SD
Registered Company Number	**SC 491973**
Email:	**scotland@safefamiliesforchildren.com**
Website:	**https://www.safefamiliesforchildren.com/regions/scotland**
Trustees and Directors	Sir Peter Vardy (Chairman) (appointed 1st November 2017) Mr Keith Danby (Vice Chairman) (appointed 26th October 2017) Mr Robin Hay Mrs R Tooth Mr I Gordon (resigned 21st March 2018) Mr R Gordon (resigned 21st March 2018) Mr R Vardy (resigned 28th June 2017)
Company Secretary	Mr I Maith
Banker	Bank of Scotland 1st Floor, New Uberior House 11 Earl Grey Street Edinburgh
Independent Examiner	Steve Ellum & Associates Limited Adulam House Glan Yr Afon Llanelli
Solicitors	Balfour & Manson LLP 54-66 Frederick Street Edinburgh EH2 1LS

DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2018

The Directors have pleasure in presenting their report for the year ended 31 March 2018. The financial statements have been prepared in accordance with the accounting policies set out in Note 3 of the accounts and comply with the charitable company's constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities; Statement of Recommended Practice as 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) and the Companies Act 2006.

Objectives and activities

PRINCIPAL ACTIVITIES

Safe Families for Children Scotland is a Christian Charity working closely with churches and community groups where volunteers offer peer to peer support to children and families experiencing challenging circumstances.

POLICIES AND OBJECTIVES

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by The Charity Commission relating to public benefit.

Mission

Our mission is to improve the outcomes for children and families going through a crisis.

Vision

Our vision is to reduce the number of children being 'looked after' by at least 10 per cent by recruiting, training and mobilising thousands of volunteers in communities across Scotland by 2025.

Core Values

We value:

- the health, wellbeing and safety of children and families
- the provision of compassion and hospitality
- community belonging and togetherness
- the strength of partnerships
- equality and diversity in all its forms

SAFE FAMILIES FOR CHILDREN SCOTLAND

DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2018

Equality and diversity policy

Safe Families for Children Scotland is a charity with Christian values at its heart. It is committed to promoting fairness, equality and diversity in all its activities. This includes the recruitment, training and development of a diverse group of volunteers able to support a diverse range of families in crisis. Safe Families is a learning organisation which welcomes the opportunity to work with people from all kinds of social, economic and cultural backgrounds. We will never knowingly discriminate against any person on the grounds of age, gender, sexual orientation, race, ethnicity, nationality, disability, religion, belief system, marital status, pregnancy or maternity. Safe Families actively seeks feedback from its volunteers, the agencies referring families for support, and the children and families themselves, in order to continually improve the quality of the support provided and to ensure that all families are able to receive the most appropriate help in the best way possible. All Safe Families policies and procedures are reviewed regularly.

STRATEGIES FOR ACHIEVING OBJECTIVES

The Safe Families programme is fully embedded within communities with volunteers from one postcode district offering peer to peer help and support to people in need from their own community. There are principally three types of volunteer:

- Host Families who offer short term overnight respite care to children, usually 12 years and younger for a couple of nights to a couple of weeks. On advice from the Department for Education, we operate under the legal framework of section 17 of the Childrens Act 1989.
- Family Friends who come alongside placing parents/carers offering peer to peer support and mentoring. This relationship can be short term or long term depending on the family needs.
- Resource Friends who offer goods and services either to the placing parents/carers, such as meals, clothes, toys, beds, buggies etc. These are all free of charge.

All volunteers undertake a seven-step safeguarding training and accreditation process before they are approved. Thereafter, volunteers meet regularly with paid staff for feedback and ongoing training.

ACTIVITIES FOR ACHIEVING OBJECTIVES

Safe Families for Children provides a community-based solution to a community-based problem with people helping people at the heart of its support. Safe Families builds neighbourliness in communities getting one family to help another. Safe Families supports families with children facing significant challenges by connecting them to three types of volunteer; Host Families, Family Friends and Resource Friends, as mentioned above.

Our work is unique in 2 ways. Firstly, some organisations provide one of these types of support but not all three. Secondly, we are not a foster care agency but provide an alternative to expensive public system interventions of foster care.

We are a volunteer movement that:

- seeks to keep the family together by pushing the boundaries that determine what a volunteer can and cannot do by offering early interventions to stop emerging problems escalating out of control. Referrals come from local authority's children's services who are often resource stretched themselves and need to concentrate on the more complex cases.
- has been able to overcome the challenge of volunteer supply, having recruited almost 200 volunteers, who have supported 146 families, benefitting 311 children with 158 bed nights by 31st March 2018.

SAFE FAMILIES FOR CHILDREN SCOTLAND

DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2018

MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR PUBLIC BENEFIT

The Scottish Government through the implementation of the Children and Young People Scotland Act (2014) has outlined outcomes that they wish for all children in Scotland, that all children should aspire to be confident individuals, effective contributors, responsible citizens and successful learners. Safe Families' aims of stabilising families at times of crisis, reducing the impact of neglect and abuse and reducing the numbers of children coming into care is in line with these desired outcomes for Scotland's children.

All of the charity's activities in the year have been in line with these objectives and are undertaken to further the charity's charitable purposes for the public benefit.

Achievements and performance

The reporting period 2017-18 was Safe Families' third full year of operation. The charity has expanded to work with West Lothian Council as well as continuing to work with Edinburgh City Council, and Midlothian Council. Furthermore, the Charity has been successful in winning a bid for a second contract with Edinburgh City Council, which starts in July 2018, supporting a further 120 families each year, for a minimum period of 3 years. At the end of the three-year period, there is an option to extend for a further two years, and so a potential 5-year agreement is in place. This represents the largest contract awarded across the Safe Families network. As well as this, management continue to explore other partnership opportunities in other areas of Scotland to expand the Charity's reach into new regions of the country.

In terms of family support, this year has been one of stabilisation following the previous two years where the number of family supports has increased significantly. In 2017-18 Safe Families supported 66 families with 144 children benefitting. (2016-17: 67 families, 134 children). With the new Edinburgh City contract, the budgeted number for 2018-19 is to support 172 families with over 400 children benefitting, enabling the charity to have significant impact in Scotland giving many families much needed support. The organisation has worked hard on increasing its profile with a strong emphasis on social media and regular talks to churches and other community groups. This has led to a steady increase in volunteers with a further 51 volunteers recruited in 2017-18

During the year the Trustees have been considering the long-term strategy and on 21st March a resolution was passed to merge Safe Families for Children in England (Company Reg. No. 08134971, Charity No. 1150405) with the Scottish entity effective from 1st April 2018.

Key performance indicators

Safe Families' KPI's include; number of families worked with, number of overnight and day hosting's, number of volunteers recruited and number of referrals. In 2017-18 Safe Families has worked with 66 families, providing benefit to 144 children. This included 158 bed nights of overnight hosting.

Financial review and reserves policy

The Charity recorded a net surplus for 17-18 of £96,057, compared to a deficit of £85,223 in 2016-17. Income increased by £73,972 in 2017-18. This was mainly due to the increased value of contracts with Local Authorities rising from £33,750 in 2016-17 to £121,000. This was offset slightly by a reduction in donations received of £17,898. This reduction was mainly due to a large proportion of donations received in 2016-17 being from one one-off source, STV, who had donated £157,140. The current year donations figure includes £84,112 received for the purpose of clearing debt owed to Bethany Christian Trust. Half of this was via a donation from The Vardy Foundation, with the balance being in the form of a debt write off by Bethany Christian Trust.

DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2018

Reserves Statement and Policy

Restricted funds are to be used for the specified purposes as laid down, implicitly or explicitly, by the donor. Expenditure, which meets these criteria, is identified to the fund, together with a fair allocation of overheads.

Unrestricted funds can be used in accordance with the charitable objectives of SFFC Scotland at the discretion of the Trustees. These reserves are reviewed on a regular basis to ensure the ongoing financial stability and operation of the charity.

The company holds free reserves at 31 March 2018 of £14,185, compared to unrestricted net liabilities of £86,652 in 2016-17. Following the decision to merge the operational activities from April 2018, it was agreed to jointly settle the Bethany Christian Trust loan. The Vardy Foundation contributed a donation of 50% of the settlement and Bethany Christian Trust wrote off the remaining 50% of the debt.

Principle funding sources

Income from all sources was £295,433 for the year ended 31 March 2018 (2017: £221,461), an increase of 33.4% on the previous year. The charity is extremely grateful to all our supporters and donors for their continuing generosity.

Total income from donations decreased by 9.5% from £187,711 in 16-17 to £169,813 in 17-18. Donations are mainly income received from trusts, supported by individual giving. Trust income of £81,000 was received from 4 different donors: The Sir Tom Farmer Foundation, The Mitchell Trust, The Kelly Family Trust and The Wood Foundation.

Investment performance and diversification

The charity does not hold investments.

Risk Management

Safeguarding – Safe Families takes the safeguarding of children very seriously. Volunteers are recruited carefully through a seven stage process which includes: application, PVG, 3 references, training, assessment, approval panel and volunteer agreement. All Family Support Staff are professionally trained and supervised. Ongoing training is offered to both staff and volunteers on a wide range of issues from child development, safeguarding and poverty. A Significant Events Review is held at least yearly to look at safeguarding issues. All volunteers summarise their work through online cases notes and any safeguarding issues are indicated which immediately alerts Safe Families staff.

Inability to fulfil contractual arrangements - There are regular meetings with partner Local Authorities with referrals and outcomes all being reviewed regularly. A 'Lead Person' is appointed to review progress in each local authority with challenges being flagged at an early stage.

Reputational Damage - The Board, which meets quarterly, seek to protect the reputation of Safe Families. They do this by reviewing all progress and metrics and by investing in high quality leadership. Regular Board Updates are provided by the Programme Director outside regular Board Meetings. The Safe Families Programme Director has access to all training and development in Bethany Christian Trust and is supported by the Chief Executive of Bethany Christian Trust. All social media and external communication is carefully managed to avoid reputational damage.

Future Plans

Work in Edinburgh has consolidated over the last 3 years, but the winning of a large secondary contract will substantially increase the Charity's profile in Scotland. Over 2018/19 Safe Families are committed to working with over 170 families from 3 local authorities: City of Edinburgh, Midlothian and West Lothian. Other opportunities will be pursued as and when they arise.

At the Trustee Board meeting on 21st March, it was agreed that Safe Families for Children Scotland, its activities and staff would be transferred to one of its founder members Safe Families for Children, in England. The other founder member, Bethany Christian Trust, and its representation on the Board resigned with effect from 31st March 2018.

Structure, governance and management

Governing document

SFFC Scotland is a charitable company limited by guarantee governed by its Memorandum and Articles of Association dated 25 November 2014.

Directors and trustees

The following directors held office since 1 April 2017:

Iain Crichton Gordon	Resigned 21st March 2018.
Robert Smith Benzie Gordon	Resigned 21st March 2018.
Richard Angus Reginald Vardy	Resigned 28th June 2017.
Rachel Jane Tootill	
Robin David Hay	
Charles Brinley Keith Danby	Appointed 26th October 2017.
Sir Peter Vardy	Appointed 1st November 2017.

Trustee appointment and training

There is no formal induction and training process for Trustees. When there is a vacancy, the board seeks to further enhance the team's mix of skills, experiences, gifts and abilities that it requires to manage and control the organisation. All Trustees are made aware of their duties and responsibilities as Charity Trustees under the Charities and Trustee Investment (Scotland) Act and are provided with guidance materials issued by OSCR.

Related Parties

Bethany Christian Trust (Charity No. SC003783) is one of two founder members of Safer Families for Children (Scotland), and Iain Gordon, in his capacity as Chief Executive and Robert Gordon as a Trustee and Chairman of Bethany Christian Trust, are both directors and members of Safe Families for Children (Scotland).

SAFE FAMILIES FOR CHILDREN SCOTLAND

DIRECTORS' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2018

Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the 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 Trust and of the profit or loss of the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to the independent examiner

So far as the trustees are aware, there is no relevant information of which the independent examiner is unaware. Additionally, the trustees have taken all necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant information and to establish that the independent examiner is aware of that information.

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

This report was approved by the board on 21st February 2019 and signed on its behalf by:

Charles Brinley Keith Danby

Director

21st February 2019

SAFE FAMILIES FOR CHILDREN SCOTLAND

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SAFE FAMILIES FOR CHILDREN SCOTLAND

I report on the accounts of Safe Families for Children Scotland for the year ended 31 March 2018, which are set out on pages 1 to 21.

Respective responsibilities of Directors and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
   - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations (as amended); and
   - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended);

   have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Steve Ellum & Associates Ltd
Chartered Accountants
Adulum House
Glan Yr Afon
Llanelli
SA15 3QB

21st February 2019

SAFE FAMILIES FOR CHILDREN SCOTLAND

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SAFE FAMILIES FOR CHILDREN SCOTLAND

I report on the accounts of Safe Families for Children Scotland for the year ended 31 March 2018, which are set out on pages 1 to 21.

Respective responsibilities of Directors and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

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Independent examiner's statement

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   - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations (as amended); and
   - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended);

   have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Steve Ellum & Associates Ltd
Chartered Accountants
Adulum House
Glan Yr Afon
Llanelli
SA15 3QB

22nd February 2019

SAFE FAMILIES FOR CHILDREN SCOTLAND

Statement of Financial Activities
(including income and expenditure account)
For the Year Ending 31 March 2018

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Income from:					
Donations	6	169,813	-	169,813	187,711
Charitable activities	7	125,620	-	125,620	33,750
Total Income		295,433	-	295,433	221,461
Expenditure on:					
Raising funds	8	-	-	-	16,413
Charitable activities	9	194,396	4,980	199,376	290,271
Total Expenditure		194,396	4,980	199,376	306,684
Net movement in funds		101,037	(4,980)	96,057	(85,223)
Reconciliation in funds					
Total funds brought forward		(86,852)	4,980	(81,872)	3,351
Total funds carried forward		14,185	-	14,185	(81,872)

The notes on pages 11 to 21 form part of these financial statements

SAFE FAMILIES FOR CHILDREN SCOTLAND

BALANCE SHEET AT 31 MARCH 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	13		-		944
Current assets					
Debtors	14	15,000		2,000	
Cash at bank and in hand		5,880		40,181	
		20,880		42,181	
Creditors					
Amounts falling due within one year	15	(6,695)		(124,997)	
Net current assets / (liabilities)			14,185		(82,816)
Total assets less current liabilities			14,185		(81,872)
Net assets			14,185		(81,872)
Funds					
Unrestricted funds – general reserve			14,185		(86,852)
Restricted funds	16		-		4,980
Total funds			14,185		(81,872)

The charity is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the financial year ended 31 March 2018. The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2018 in accordance with Section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibility for:

(a) ensuring that the charity keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006; and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its surplus for the financial period in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charity.

Charles Brinley Keith Danby,
Director
Company Registration No: SC 425012
21st February 2019

The notes on pages 11 to 21 form part of these financial statements.

SAFE FAMILIES FOR CHILDREN SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1. General information

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charity's transactions are denominated. They comprise the financial statements of the charity drawn up for the year ended 31 March 2018.

The continuing activity of the charity is the prevention or relief of poverty, the advancement of citizenship or community development and the relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.

Safe Families for Children Scotland is a charitable company limited by guarantee registered in Scotland, registration number SC045295.

The address of the charity's registered office is 63/65 Shandwick Place, Edinburgh, EH2 4SD.

2. Statement of compliance

The financial statements are prepared in accordance with the Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' issued by the Financial Reporting Council and the Companies Act 2006.

3. Accounting Policies

Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard 102, as issued by the Financial Reporting Council (effective 1 January 2015), the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)".

Safe Families for Children Scotland 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.

The charitable company is deemed to be a small entity and as such has taken advantage of the exemption to prepare a cash flow statement as provided by the charities SORP (FRS 102).

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires trustees to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

Going concern

The Trustees reached agreement with Safe Families for Children, in England, to merge the two charities into a single operating unit effective from 1st April 2018. The charity Safe Families for Children (Scotland) Ltd will remain, registered as a non-trading Charity.

Recognition and allocation of income

Income is recognised when the charitable company has legal entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Where practicable, income is related to the operating activities of the charitable company. Where there are terms placed on income that limit the charitable company's discretion over how the income can be used that income is shown as restricted income in the accounts.

Donations and bequests

Where there are performance conditions attached to any donations, income is recognised when the conditions have been met or when meeting the conditions are within the company's control and there is sufficient evidence that they have been met or will be met. Where donor imposed conditions require that the resource is expended in a future accounting period, income is recorded as deferred income at the Balance Sheet date.

Local authority contract income

Incoming resources from local authority contracts, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance. Any amount received in advance of the provision of a service is treated as deferred income.

Expenditure recognition and allocation

Expenditure is recognised on an accruals basis when the charitable company has entered into a legal or constructive obligation where possible expenditure is attributed directly to the function to which it relates. The allocation of support costs is shown in note 10. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Trust and include costs linked to the strategic management of the Trust.

Raising Funds

Raising funds comprises those costs, which are associated with the generation of income from sources other than from undertaking charitable activities, and includes investment management fees and property maintenance costs.

Restricted funds

Restricted funds are to be used for specified purposes as laid down, implicitly or explicitly by the donor. Expenditure, which meets these criteria is identified to the fund, together with a fair allocation of overhead and support cost.

Unrestricted funds

Unrestricted funds compromise donations and other income resources received or generated for charitable purposes.

Fixed assets and depreciation

Fixed assets are included on the balance sheet at cost less accumulated depreciation. The rates of depreciation are calculated so as to write off each asset over its expected useful life as follows: IT equipment - straight line basis over 3 years.

Debtors

Debtors are amounts due from members for membership services and sponsorship and are recognised at the undiscounted amount of cash receivable, which is normally the invoiced amount, less any allowance for doubtful debts.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances with banks which are readily convertible, being those with maturities of three months or fewer from inception and are measured at amortised cost.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired. Accounts payable are classified as creditors falling due within one year if payment is due within one year or less. If not, they are presented as creditors falling due after one year. Trade creditors are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

Financial assets and financial liabilities

Financial instruments are recognised in the statements of financial activities when the charity becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price. Subsequent to initial recognition, they are accounted for as set out below. Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS102. At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective rate method.

Financial asset are derecognised when the contractual rights to the cash flows from asset to expire, or when the charity has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

Pension costs

The company makes payments to employees' personal pension schemes. These are charged as they fall due.

Taxation

The charity is recognised as a charity and accordingly is not liable for tax under Sections 521 to 536 of the Income Tax Act 2007.

Irrecoverable VAT

The Trust is not registered for VAT and, accordingly, irrecoverable VAT relating to fixed assets is treated as part of the cost of those assets. Irrecoverable VAT on other expenditure is charged to the appropriate activity to which it relates.

4. *Critical estimates and judgements*

In preparing the financial statements trustees make estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Critical judgements are made in the application of income recognition accounting policies, and the timing of the recognition of income in accordance with the Charities SORP (FRS 102).

Depreciation is provided on all fixed assets in the year in which the fixed assets are purchased. Only items costing £2,500 and over are capitalised. The rates of depreciation are calculated so as to write off each asset over its expected useful life as follows:

IT equipment	straight line basis over 3 years

5. Statement of financial activities for the year ended 31 March 2017

	Unrestricted Funds General £	Restricted Funds £	2017 Total £
Income from:			
Donations	30,571	157,140	187,711
Charitable activities	33,750	-	33,750
Total Income	64,321	157,140	221,461
Expenditure on:			
Raising funds	16,413	-	16,413
Charitable activities	135,979	154,292	290,271
Total Expenditure	152,392	154,292	306,684
Net movement in funds	(88,071)	2,848	(85,223)
Reconciliation in funds:			
Total funds brought forward	1,219	2,132	3,351
Total funds carried forward	(86,852)	4,980	(81,872)

6. Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Donations	169,813	-	169,813	187,711
	169,813	-	169,813	187,711

Included in the above is the write-off of £84,112 (2017: £nil) owed to Bethany Christian Trust (see note 21).

7. Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Local Authority Contracts	121,000	-	121,000	33,750
Student Social Workers	4,620	-	4,620	-
	125,620	-	125,620	33,750

8. Cost of raising funds

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Direct costs of Fundraising	-	-	-	16,413
	-	-	-	16,413

9. Expenditure on charitable activities

	Staff costs £	Other costs £	Total 2018 £	Total 2017 £
STV Children's Appeal	1,230	3,750	4,980	154,292
Families Work	153,790	40,607	194,396	135,979
	155,020	44,357	199,376	290,271

Other costs are as follows:

	Direct costs £	Support costs £	Total 2018 £	Total 2017 £
STV Children's Appeal	-	3,750	3,750	42,699
Families Work	38,809	1,798	40,607	64,190
	38,809	5,548	44,357	106,889

Support costs represent the charge for fundraising and management services provided by Bethany Christian Trust. They were allocated to the STV Children's Appeal Project on the basis of an agreed budget with the balance allocated to general families work. Included in Support Costs are Governance costs of £1,797 (2017: £2,543).

10. Net (expenditure) / income

	2018 £	2017 £
Depreciation of tangible fixed assets	944	1,014
Independent examiner's remuneration	990	1,532

11. Employee numbers and costs

Directors' expenses

During the period ended 31 March 2018, £Nil (2017: £Nil) of total travel expenses was reimbursed to the Directors. No directors received emoluments in either year.

Staff

Included within costs of activities to further the charity objectives are salaries of £155,019 (2017: £183,482). The average monthly number of employees during the year was 6 (2017: 7). No employees had emoluments in excess of £60,000 (2017: Nil).

12. Key Management Personnel

The following personnel provide Safe Family for Children (Scotland) with senior management for the day to day running of the trust.

A Murray, Program Director
I Gordon, Company Secretary
CBK Danby, Chief Executive, Safe Families for Children UK.

The total remuneration paid to the Key Personnel in 2017-18 was £48,356 (2016-17: £43,303).

13. Fixed Assets

	IT Equipment	Total
	£	£
Original Cost		
As at 1 April 2017	3,042	3,042
Additions this year	-	-
As at 31 March 2018	3,042	3,042
Aggregate depreciation		
As at 1 April 2017	2,098	2,098
Charge this year	944	944
As at 31 March 2018	3,042	3,042
Net Book Value		
As at 31 March 2018	-	-
As at 31 March 2017	944	944

14. Debtors

	Total 2018 £	Total 2017 £
Trade Debtors	15,000	-
Other Debtors	-	2,000
	15,000	2,000

15. Creditors: amounts falling due within one year

	Total 2018 £	Total 2017 £
Trade Creditors	1,213	96,023
Other creditors	992	1,352
Deferred Income	-	23,000
Taxes and social security	3,499	2,926
Accruals	990	1,696
	6,695	124,997

16. Restricted Funds Reserves

	Balance at 01 April 17 £	Income £	Expenditure £	Balance at 31 March 18 £
STV Chjldren's Appeal	4,980	-	4,980	-

The STV Children's Appeal Fund was awarded to deliver a community-based short-stay care solution (up to 28 days) for children in Edinburgh who would otherwise be placed into local authority foster care.

17. Analysis of net assets between funds

	General Funds £	Restricted funds £	2018 Total £	2017 Total £
Fixed assets	-	-	-	944
Net current assets / (liabilities)	14,215	-	14,215	(82,816)
	14,215	4,980	14,215	(81,872)

18. Related Parties

Bethany Christian Trust (Charity No. SC003783) is one of two founder members of Safe Families for Children (Scotland), and Iain Gordon, in his capacity as Chief Executive of Bethany Christian Trust, was one of the directors and members. Robert Gordon, one of the Trustees of Bethany Christian Trust, is also one of the Trustees of Safe Families for Children (Scotland).

Bethany Christian Trust received on its behalf monies totalling £20,000 (2017: £133,232), paid expenses on its behalf totalling £10,405 (2017: £188,151), and invoiced management charges to SFFC Scotland totalling £3,750 (2017: £83,098). Included within trade creditors at 31 March 2018 is an amount of £1,213 (2017: £83,098) owed by SFFC Scotland to Bethany Christian Trust. Included within trade debtors is an amount of NIL (2017: £2,000) owed by Bethany Christian Trust to SFFC Scotland.

19. Post Balance Sheet Events

During the year the Trustees have been considering the long-term strategy and reached agreement with one of its founder members, Safe Families for Children, in England (Company Reg. No. 08134971, Charity No. 1150405) to merge the two charities into a single operating unit effective from 1st April 2018. The other founder member, Bethany Christian Trust, and its representation on the Board resigned with effect from 31st March 2018.

The charity Safe Families for Children (Scotland) Ltd will remain, registered as a non-trading Charity.

SAFE FAMILIES FOR CHILDREN SCOTLAND

ANALYSIS OF THE RESOURCES EXPENDED FOR THE YEAR ENDED 31 MARCH 2018

Resources Expended

Resources : Generating Funds	**2018**	**2017**
	£	**£**
Support Charges : Fundraising	-	16,413

Resources to further the Charity objectives	**2018**	**2017**
	£	**£**
Salaries	155,020	183,482
Recruitment, Conferences and Training	2,221	3,407
Travel and Subsistence	7,302	7,019
Insurance	971	1,719
Property Rent, Electricity and Maintenance	6,972	15,436
Client Services	2,494	2,435
Administration, Hardware and Software	4,089	7,490
Printing, publicity and advertising	2,009	1,415
Support Charges	3,750	36,299
Depreciation	944	1,014
Bank Charges	159	116
Professional Fees	1,275	14,154
Subscriptions and licences	10,072	12,521
Other Expenditure	302	1,221
Legal Fees	559	1,011
Audit and Accountancy	1,238	1,532
	199,376	**290,271**