

**EVALUATION SUPPORT SCOTLAND  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT AND FINANCIAL STATEMENTS  
For the year ended 31 March 2011**

**Charity no: SC036529  
Company no: SC284843**

## **EVALUATION SUPPORT SCOTLAND**

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## **EVALUATION SUPPORT SCOTLAND**

### **Legal and administrative information**

Evaluation Support Scotland is a charitable company. It was incorporated on 16 May 2005 as a company limited by guarantee. It received recognition as a Scottish Charity on 25 May 2005. It is governed by a Memorandum and Articles of Association.

#### **Registered office**

Thorn House  
5 Rose Street  
Edinburgh  
EH2 2PR

#### **Trustees**

John Arthur – resigned 13 September 2010  
Patrick Boase  
Mary Craig OBE – Convenor  
Emma Crawshaw  
Fraser Falconer – resigned 13 September 2010  
Dr Sam Gardner  
Kirsten Gooday  
Professor Linda McKie  
Rev Barbara O'Donnell  
Dr Nicola Richards  
Robin Sinclair – Treasurer  
Keith Wimbles

The directors of the charitable company, who are its trustees for the purposes of charity law, are collectively referred to throughout this report as trustees.

**Company Secretary and Chief officer:** Steven Marwick  
**(Known as Director)**

#### **Other current staff:**

Jennifer Challinor (Information and Marketing Officer), Cecilia Corcoran (Finance and Administration Officer), Dee Fraser (Policy and Development Officer), Diane Kennedy, (Evaluation Support Officer), Jacqueline McDowell (Evaluation Support Officer), Graeme Reekie (Training and Support Officer), Priyanka Satapathy (Administration Assistant)

#### **Auditors**

Geoghegans  
Chartered Accountants  
6 St Colme Street  
Edinburgh  
EH3 6AD

#### **Bankers**

Bank of Scotland  
38 St Andrew Square  
Edinburgh  
EH2 2YR

## **EVALUATION SUPPORT SCOTLAND**

### **Trustees' annual report for the year ended 31 March 2011**

The trustees of Evaluation Support Scotland (ESS), who are also directors for the purposes of company law, present their report and the audited financial statements for the period from 1 April 2010 to 31 March 2011.

### **Structure, Governance and Management**

#### ***Appointment of trustees***

Two trustees retired this year. No new trustees were appointed. Trustees all have the skills set out in the role description and the board has also ensured that it contains a mix of trustees with experience of funding voluntary organisations, of working in the voluntary sector and of evaluation theory and practice. Trustees are normally appointed for 3 years and can serve a maximum of 6 years. A rota system for retirement is in place.

#### ***Induction and training for Trustees***

New trustees receive an induction pack and induction with the director (who is also the company secretary). The trustee handbook is updated annually. It incorporates good practice guidance from OSCR.

#### ***Operations of the board***

The board operates to terms of reference. The board conducts its business through regular meetings (2 months). The board met 6 times throughout the year. The board currently has two standing committees: Finance and Human Resources. A short life working group of trustees met regularly throughout the year to oversee the writing of the strategic plan 2011-13. The new strategic plan was approved by the board in January 2011. Another short life working group was set up in March 2011 create a plan for reducing costs.

Trustees also follow an agreed policy on conflicts of interest. A register of interest is held and regularly reviewed and specific interests are declared at the start of each board meeting.

#### ***Risk Policy***

The trustees have examined the major governance, operational, financial, reputational, environmental and legal risks which the charity faces and confirm that there are policies, procedures and contingencies in place to manage and reduce these risks. The risk register is reviewed annually and the board receives regular reports on the management of significant risks.

Staff members are aware of the key risks already identified. A project management system including specific risk review is used when embarking on major new projects.

## **EVALUATION SUPPORT SCOTLAND**

### **Trustees' annual report for the year ended 31 March 2011 (continued)**

#### **Objectives and activities**

##### ***Charitable objects***

ESS's charitable objects are as follows:

1. To promote the effectiveness and efficiency of charities and of the voluntary sector by promoting learning about evaluation and the results of evaluation as a process which can be used to improve the delivery of services for the public benefit throughout Scotland; and in support of that object but not otherwise:
  - (i) to encourage life long learning and education through the involvement of service users in the evaluation and improvement of services;
  - (ii) to provide advice and support to charities and other organisations undertaking or funding charitable work about undertaking and learning from evaluation of their activities;
  - (iii) to support charities and other organisations undertaking or funding charitable work in delivering better services to those in need by reason of youth, old age, unemployment, disability, health or social problems or other disadvantage and further including, without prejudice to the generality, those living in disadvantaged neighbourhoods and minority ethnic communities;
  - (iv) to improve the delivery of services for the public benefit by encouraging funders, voluntary organisations and others to work together to reduce bureaucracy and to implement learning about effective service delivery;
  - (v) to encourage Government and other organisations to learn from the results of evaluation and thus make better use of resources for the benefit of the public.
  
- 2 To promote such other purposes, objects or institutions as are charitable in law and in such proportions and manner as the Trustees shall think fit.

The need for ESS was established through research and consultation before we were set up in 2005. We have continued to consult charities and voluntary organisations since then and reviewed more recent research. There remains a significant evaluation skills gap in voluntary organisations, funders and the public sector. There is also a need to capture the learning from voluntary organisations and use it to inform policy and practice for both Government and the voluntary sector.

This year we worked to the final year of our 2008-11 strategic plan which set out our mission, values, outcomes and activities to meet this need. We have an annual work plan for the organisation and for individual staff. We developed a new strategic plan which came into force on 1 April 2011.

## **EVALUATION SUPPORT SCOTLAND**

### **Trustees' annual report for the year ended 31 March 2011 (continued)**

#### ***Mission and values***

ESS works with voluntary organisations and funders so that they can measure their impact, report on the difference they make and improve their services.

We promote self-evaluation. By learning how to evaluate their own activity, organisations discover what works and what doesn't and can make use of that learning. We believe evaluation should be valuable, relevant and proportionate.

What this means is that evaluation should:

- Generate learning to improve policy, practice and service design.
- Tell us what doesn't work as well as what does.
- Be built into the way people and organisations work: evaluation is part of practice and practice is part of evaluation.
- Be for everyone - all sizes and types of organisation can improve their self-evaluation processes.
- Be supported – organisations should have access to training and support to build their skills.

Our operating values are:

- We are accessible. We use plain English. We are friendly. We work in a way that meets people's different needs and abilities.
- We leave organisations with the skills to continue evaluating and learning once ESS support has finished.
- We work in positive partnership with others, sharing our expertise and learning and adding value to the expertise of others.
- Our focus is on outcomes. But we do not promote a single evaluation tool. We use different and creative ways to engage people in evaluation.
- We promote a culture of learning within ESS, including seeking feedback from everyone we work with so we learn from our successes and weaknesses and get better at what we do.

#### ***Outcomes and activities***

The activities we deliver are:

- Training, face to face, phone and email support to build voluntary organisations' evaluation skills and help them build evaluation into day to day work.
- Work with funders so that they can gather evidence about the difference their funds make. This includes evaluation support accounts for funded organisations and direct support to funders through training and advice.
- Strategic programmes on outcomes and self-evaluation in thematic areas.
- Strategic work with Govt and other policy makers to build understanding about and from evaluation, champion the use of evaluation evidence
- General information including our website, newsletters and guides.

## **EVALUATION SUPPORT SCOTLAND**

### **Trustees' annual report for the year ended 31 March 2011 (continued)**

The outcomes these activities should achieve are that voluntary organisations and funders have

- increased skills, knowledge and confidence to evaluate their work
- increased leadership for evaluative learning
- improved understanding of each other
- improved understanding of outcomes & evaluation approaches for different areas

This should lead to ...

- Reflective practice and self evaluation are more embedded in the organisational culture of voluntary organisations and funders.
- Voluntary orgs & funders have improved evaluation processes (integrated, relevant and proportionate)
- Voluntary organisations & funders have increased learning from evaluation (about what they do)

### **Main activities and achievements**

We store information about our work with clients on a database and in paper files. Progress towards the ESS outcomes is measured using before and after assessments and client feedback. We follow up organisations we support to find out whether any changes have been sustained. We undertake a stakeholder survey every 2 years. The latest one was in March 2011.

The following is a summary of our achievements:

#### **What did we do?**

1. We supported 400 organisations, 338 of which were voluntary organisations. Last year we supported 410 organisations of which 357 were voluntary organisations.
2. We worked in all local authority areas except Inverclyde. 25% of organisations were Scotland-wide, 17% were from Edinburgh and 12% from Glasgow.
3. We delivered more workshops than ever before: 93 compared with 60 last year. 958 participants from 273 organisations attended an ESS workshop (last year 577 from 246 organisations). Nearly a third of our workshops were funded by Community Learning and Development 'Upskilling' funding.
4. We delivered 174 sessions of tailored support for 97 organisations (last year 177 sessions for 123 organisations). We provided tailored support to 11 others (funders). More organisations attended workshops and fewer received tailored support than previous years which reflected a change in commissions and contracts.

## EVALUATION SUPPORT SCOTLAND

### Trustees' annual report for the year ended 31 March 2011 (continued)

5. We handled 178 telephone or email enquiries (last year 179).
6. *Harmonising Reporting* was published with Ministerial endorsement. This is a good practice guide on how to make reporting more useful, produced by funders for funders with our facilitation. The Scotland Funders Forum commissioned us to disseminate *Harmonising Reporting* and embed good practice.
7. We worked with a number of funders including Inspiring Scotland Go Play, Lloyds TSB Foundation for Scotland, Scottish Community Foundation, The Robertson Trust, Climate Challenge Fund, Long Term Conditions Alliance Scotland and Scottish Government Drugs Policy Unit. We supported funded organisations to improve their ability to measure and report on their outcomes and supported the funder to improve their systems.
8. We also worked with Inspiring Scotland and the play sector to produce an outcomes framework for play organisations.
9. Our ongoing partnership with Learning Link Scotland continued to share understanding about the outcomes of voluntary adult learning.
10. We worked with Government and other policy makers to promote the value of self-evaluation and help the public sector improve its understanding of the outcomes of voluntary sector work.

### What difference did we make?

11. Very nearly all workshop participants reported improvements in evaluation skills and knowledge after attending our workshops for example to plan their evaluation practically or improve their reporting to funders. For example one participant said '*being involved with your training course has definitely helped me to be able to focus more clearly on how to help staff gain clarity about what an outcome is and how they will be able to evidence that it is being achieved, particularly when we are supporting service users to identify these through the person centred planning process to develop their personal support plans.*' Another said: "*Really enjoyed the course, has helped me reassess how we collect our info and present it to our funders, so as from next week I am looking to implement a new process.*"



## EVALUATION SUPPORT SCOTLAND

### Trustees' annual report for the year ended 31 March 2011 (continued)

12. We have evidence of making a positive difference to just under 90% of organisations that received tailored support. This means organisations have better evaluation systems and tools. We built confidence of staff organisations to take a lead on evaluation and get colleagues on board. Feedback from one organisation we supported: *'As I reflect it would be fair to say that without the support from ESS and the professional "clout" that you brought to the work it would have been very much more difficult and perhaps even impossible to do. [ESS officer]'s contribution was outstanding. She embraced our culture became one of the team while retaining that all important distance when needed.'*
13. Respondents to our stakeholder survey (137 people) told us that thanks to our support they:
  - Can explain better to others the difference they make (79% agree, 2% disagree)
  - Are using evaluation to improve their work or future planning (73% agree, 2% disagree)
14. 98% of respondents to our stakeholder survey agreed that ESS helps fit evaluation into day to day work and that once support is finished they are left with the skills to continue evaluating.
15. Funders tell us that organisations we support are better at reporting to them (5 out of 6 respondents to the stakeholder survey and all the funders we've worked with directly this year). However every organisation that improves its ability to set and measure outcomes does not automatically get better at reporting.
16. ESS benefited in a number of ways from the Lifelong Learning UK 'Upskilling' funding this year. 5 local authorities commissioned ESS workshops and national funding helped us continue *Explaining the Difference* with Learning Link Scotland. We achieved learning and in Edinburgh staff frustrations with existing monitoring and evaluation systems were addressed by senior managers with our support. However the 'Upskilling' programme itself did not take a strategic approach to workforce development which in turn hampered the difference ESS could make. Training fatigue, a failure to engage managers and unrealistic timescales for getting the money spent all got in the way.
17. Training for organisations funded through Long Term Conditions Alliance Scotland (LTCAS) self-management fund "made an enormous difference to the evaluation and reporting capacity of projects – we have seen a very clear difference between organisations who attended sessions and those that didn't". This led to LTCAS having better evidence about working with people with long term conditions. 10 of the 11 organisations featured as case studies in the LTCAS Special reports attended ESS workshops.

## EVALUATION SUPPORT SCOTLAND

### Trustees' annual report for the year ended 31 March 2011 (continued)

18. We delivered different types of support this year including facilitating conferences and running master classes within other events. Some contributions confirmed that it is still difficult for us to make a difference through a short contribution at a larger event. However we did have some successes – most notably through a conference with Voluntary Health Scotland where feedback included the following: *“Participants particularly valued the neat way you have of capturing difficult concepts, answering points clearly and making the whole business of evaluation and impact assessment less of a chore and more manageable”*.
19. Our website continues to get positive feedback. One stakeholder said *“the website resources are excellent and use straightforward language. ESS is really helping to change the culture around evaluation”*.
20. *Harmonising Reporting* is already making a difference to funders. Big Lottery Fund has embedded the good practice in its new main programme and are using the top tips for funded organisations in their application pack. Scottish Community Foundation, Long Term Conditions Alliance, Scottish Government Drugs Policy Unit are some of the funders we have supported to revise their reporting templates and guidance in line with *Harmonising Reporting*. Several local authorities have taken action to simplify language and sort out inconsistencies between application and grant management materials. The Robertson Trust which agreed to start giving feedback on reports to funded organisations received praise for doing so from a funded organisation.
21. A pilot evaluation support account with Lloyds TSB Foundation for Scotland (where the funder pays for some charities to get training and tailored support) was successfully completed and the Foundation renewed our contract. Charities increased their ability to set and measure outcomes. The Foundation said *“There has only been praise for the ESS staff involved in the delivery of the [evaluation support] programme. The benefits of us continuing to fund evaluation support not only means the Foundation receives clearer, better reports which tell us the difference our funding is making, but organisations show be better equipped to apply for funding and to report effectively to other funders”*
22. Our evaluation of evaluation support accounts conducted this year (but including support provided in previous years) shows that about three quarters of charities improved skills to measure outcomes and around half produced good reports on outcomes. We produced a full report of impact and learning.

## EVALUATION SUPPORT SCOTLAND

### Trustees' annual report for the year ended 31 March 2011 (continued)

23. Our support for Inspiring Scotland's Go Play programme resulted in positive improvements in play organisations' ability to set and measure their outcomes. We also created, with the play sector, an outcomes framework which increased understanding amongst play organisations and Government of the impact of play organisations. The framework improved Inspiring Scotland's ability to identify areas of the funding programme where positive change is happening – and where it is not.
24. *Explaining the Difference* – our work with voluntary sector adult learning providers – has helped voluntary organisations and the intermediary better evaluate and explain the difference of voluntary adult learning. For example, the Explaining the Difference logic model was used by Learning Link Scotland to make the case for inclusion of the voluntary sector contribution in the new Adult Literacy Strategy. This experience – and that of Go Play above - has reinforced for us that outcome frameworks and models build by the sector from their practice and self-evaluation evidence are effective in supporting evaluation and explaining impact strategically. They can be used to influence policy. They are even stronger if we set the 'practice based' models alongside published research.
25. We delivered some impactful work with Government including facilitating Health Improvement Division and health intermediaries to develop outcome-focussed funding agreements and create opportunities for intermediaries to influence policy. We also refocused the Third Sector Research Forum which should ensure that the Forum becomes a place where voluntary sector evidence and learning can be effectively shared. However not all of our work with Third Sector Division resulted in positive impact – for example they did not follow through on the evaluation of their funding streams that we thought we had supported them to create. A cut in our funding for 2011/12 while reflecting an overall tougher climate and some internal issues within Government out with our control, could also be seen as a failure by some officials to be convinced of the benefits of ESS work with Government. A review of how to maximise success in influencing Government and policy-makers more widely has informed our new strategic plan and will be taken forward in the coming year's work.

## **EVALUATION SUPPORT SCOTLAND**

### **Trustees' annual report for the year ended 31 March 2011 (continued)**

#### **Financial review**

ESS's total incoming resources amounted to £270,844 in 2010/11 (2009/10 £279,224). This consisted of:

- A core grant of £119,771 from the Scottish Government Third Sector Division.
- A grant from the Department of Work and Pensions of £451
- Income earned from other charitable activities including training, contracts and bank interest totalling £150,622 (2009/10: £148,279).

The trustees warmly thank Deloitte LLP for the gift of a reconditioned laptop received through the company's Computers for Charity Offer.

#### ***Policy on earned income***

- A charge is made for attending workshops to cover the salary of the trainer and administration and venue costs.
- Organisations receiving tailored support are usually charged a daily rate to cover the staff and administration costs of the providing service.
- Services for funders including direct support and the provision of bespoke evaluation support for their funded organisations are charged at a daily rate to cover salaries and administration costs.

For free we provided 30 sessions of face to face tailored support for 28 organisations. We also handled 177 telephone and email enquiries by phone or email and provided free access to resources and guides on our websites.

#### ***Reserves policy***

The Trustees are of the opinion that ESS should hold free reserves (being unrestricted funds excluding fixed assets) of 3 months' running costs. Free reserves were £142,022 at 31 March 2011 (31 March 2010 - £140,917). Funds in reserves held by ESS in excess of 3 months' running costs are available to be drawn upon to support ESS's sustainability if so agreed by Trustees.

## **EVALUATION SUPPORT SCOTLAND**

### **Trustees' annual report for the year ended 31 March 2011 (continued)**

#### **Plans for future periods**

A strategic plan for the period 2011 to 2013 has been approved by the board. The main activities for the coming year 2011/12, which take into account changes in the economic climate and our own capacity, are as follows:

- Increase the evaluation capability of at least 300 voluntary organisations through tailored support and workshops (we expect to deliver training at lower volumes than previously).
- Deliver evaluation support accounts for funders including Lloyds TSB Foundation for Scotland, Wood Family Trust and others to build capability, improve reporting to funders and increase understanding about the impact of funds.
- Continue to work with Scotland Funders' Forum and individual funders to implement Harmonising Reporting including sharing learning about how funders can make reporting more useful and the positive impacts on funded organisations.
- Deliver a programme of work for the Scottish Government's Third Sector Division to help make third sector funding more outcome-focussed, evidence the third sector contribution to Government policies and promote the use of impact measurement tools.
- Support improved understanding about the impact of local voluntary sector infrastructure by continuing to support the evaluation of SCVO's Supporting Voluntary Action programme and working with the new 'interfaces' on developing a reporting framework.
- Identify and deliver new strategic programmes to build understanding about outcomes and measurement in particular fields. We hope this will include a project on including substance misuse diversionary activities and continued work on 'Explaining the Difference' of voluntary sector adult learning.
- Recruit new members and put in place a succession plan for our current convenor.

#### ***Future funding***

ESS has secured a one year grant of £80,000 from the Scottish Government and other smaller evaluation support contracts are in place. A programme of cost-cutting and income generation is underway to ensure that ESS is sustainable for the future.

## **EVALUATION SUPPORT SCOTLAND**

### **Trustees' annual report for the year ended 31 March 2011 (continued)**

#### ***Trustees' responsibilities statement***

The trustees (who are also directors of ESS for the purposes of company law) are responsible for preparing the Trustees' 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 trustees 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 its incoming resources and application of resources, including the income and expenditure of the charitable company, for the year.

In preparing these financial statements, the trustees are required to:

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

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

In so far as the trustees are aware:

- (a) there is no relevant audit information of which the charitable company's auditor is unaware, and;
- (b) the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **EVALUATION SUPPORT SCOTLAND**

**Trustees' annual report for the year ended 31 March 2011 (continued)**

***Trustee's responsibilities statement (continued)***

### **Directors and trustees**

The trustees, who are also directors for the purpose of company law, who served during the period and up to the date of this report are listed on page 1.

Under the terms of the Articles of Association all the trustees were required to retire from office at the first AGM and, being eligible for reappointment, were reappointed by the members. At each subsequent AGM, one third of trustees (the longest serving trustees) must retire from office. Accordingly, Linda McKie and Nicola Richards will stand down at the AGM in 2011. Mary Craig and Keith Wimbles will also stand down at the AGM in 2011 but are eligible for re-election for a further 1 and 3 years respectively.

### **Auditors**

A resolution proposing the re-appointment of Geoghegans, Chartered Accountants, as auditors of the charitable company will be placed at the forthcoming Annual General Meeting.

This report has been prepared in accordance with *the Statement of Recommended Practice – Accounting and Reporting by Charities* (March 2005) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the trustees on 18 July 2011 and signed on their behalf by:

**Mary Craig OBE**

Convenor

## **EVALUATION SUPPORT SCOTLAND**

### **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF EVALUATION SUPPORT SCOTLAND**

We have audited the financial statements of Evaluation Support Scotland for the year ended 31 March 2011 on pages 16 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's members as a body, for our audit work, for this report or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of Evaluation Support Scotland 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.

We have been appointed as auditors 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 responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards of Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non financial information in the Trustees Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



## **EVALUATION SUPPORT SCOTLAND**

### **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF EVALUATION SUPPORT SCOTLAND (Continued)**

#### **Opinion on financial statements**

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 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **Matters on which we are required to report by exception**

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

- the charitable company has not kept proper and adequate accounting records 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 or returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime.

**Michael Crerar** (Senior Statutory Auditor)

3 August 2011

For and on behalf of Geoghegans,  
Chartered Accountants and Statutory Auditor

6 St Colme Street  
Edinburgh, EH3 6AD

## EVALUATION SUPPORT SCOTLAND

### STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) for the year ended 31 March 2011

	Notes	Un- restricted £	Restricted £	Total 2011 £	Total 2010 £
<b>Incoming resources</b>					
<i>Incoming resources from charitable activities:</i>					
Grants	3	119,771	451	120,222	130,945
Training and project income	4	148,883	-	148,883	139,970
Conference income		-	-	-	7,225
Other income		-	-	-	75
<i>Incoming resources from generated funds:</i>					
Bank interest		1,739	-	1,739	1,009
<b>Total incoming resources</b>		<u>270,393</u>	<u>451</u>	<u>270,844</u>	<u>279,224</u>
<b>Resources expended</b>					
Charitable activities	5	261,420	403	261,823	266,506
Governance costs	6	<u>7,868</u>	<u>-</u>	<u>7,868</u>	<u>7,645</u>
<b>Total resources expended</b>		<u>269,288</u>	<u>403</u>	<u>269,691</u>	<u>274,151</u>
<b>Net income for the year and movement in funds</b>		1,105	48	1,153	5,073
<b>Funds brought forward</b>		<u>140,917</u>	<u>-</u>	<u>140,917</u>	<u>135,844</u>
<b>Funds carried forward</b>		<u>142,022</u>	<u>48</u>	<u>142,070</u>	<u>140,917</u>

The statement of financial activities includes all gains and losses in the year.

All incoming resources and resources expended derive from continuing activities.

## EVALUATION SUPPORT SCOTLAND

### BALANCE SHEET At 31 March 2011

	<b>Notes</b>	2011 £	2010 £
<b>Fixed assets</b>	9	<u>-</u>	<u>-</u>
<b>Current assets</b>			
Bank & cash		139,538	142,349
Debtors	10	<u>29,969</u>	<u>32,701</u>
		<u>169,507</u>	<u>175,050</u>
<b>Creditors: Amounts falling due within one year</b>	11	<u>(27,437)</u>	<u>(34,133)</u>
<b>Net current assets</b>		<u>142,070</u>	<u>140,917</u>
<b>Net Assets</b>		<u>142,070</u>	<u>140,917</u>
<b>Unrestricted Funds</b>	12	142,022	140,917
<b>Restricted Funds</b>	12	<u>48</u>	<u>-</u>
<b>Total funds</b>		<u>142,070</u>	<u>140,917</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved and authorised for issue by the Trustees on 18 July 2011 and signed on their behalf by:

**Mary Craig OBE**

Trustee

**Robin Sinclair**

Trustee

**Company Registration No: SC284843**

## **EVALUATION SUPPORT SCOTLAND**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2011**

#### **1. Accounting policies**

##### ***Basis of accounting***

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, Charities Accounts (Scotland) Regulations 2006, the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005 and applicable accounting standards. The principal accounting policies adopted in the preparation of the financial statements are as follows:

##### ***Incoming resources***

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Income is received by way of grants and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance of the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Activities for generating funds include training income and is included in Statement of Financial Activities when receivable.
- Donated services and facilities are included at the value to the charity where this can be quantified.
- Bank interest is included when receivable.

##### ***Resources expended***

Expenditure is recognised on an accruals basis as a liability is incurred. The charity registered for VAT from 1 November 2007 but expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

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

## EVALUATION SUPPORT SCOTLAND

### NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 March 2011

#### 1 *Accounting policies (continued)*

- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis as set out in notes 5 & 6.

#### ***Tangible fixed assets***

Tangible fixed assets are stated at cost less provision for diminution in value. Only assets costing more than £1,000 are capitalised.

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

Computer equipment – over 3 years

Office Furniture – over 3 years

#### ***Fund Accounting***

Funds held by the charity comprise both unrestricted and restricted funds. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for a particular restricted purpose. Unrestricted funds include designated funds where the directors have earmarked funds for a particular purpose.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### ***Pension***

Employees of the charity are entitled to join a defined contribution 'money purchase' pension scheme run by The Pensions Trust. The charge in the financial statements represents the contributions payable by the charitable company for the period.

#### ***Taxation***

As a charity, Evaluation Support Scotland is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charitable company.

## EVALUATION SUPPORT SCOTLAND

### NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 March 2011

#### 2 **Legal status of the charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

	2011	2010
	£	£
<b>3 Grants</b>		
Scottish Government grant – Core funding	119,771	116,850
Big Lottery Fund grant	-	4,095
Big Lottery Fund Database Scoping grant	-	10,000
Access to work grant	451	-
	<u>120,222</u>	<u>130,945</u>

	2011	2010
	£	£
<b>4 Other income from charitable activities</b>		
Training income	24,274	12,636
Income from workshops	5,325	10,924
Income from contracts	94,259	108,048
Support income	25,025	8,362
	<u>148,883</u>	<u>139,970</u>

## EVALUATION SUPPORT SCOTLAND

### NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 March 2011

5 <b>Cost of charitable activities</b>	Basis of Allocation	Core Activities £	Restricted Activities £	2011 £	2010 £
<b>Charitable expenditure</b>					
Staff costs	Staff time	180,867	-	180,867	174,744
Staff pension	Staff time	14,873	-	14,873	16,520
Staff training	Direct	2,579	-	2,579	2,181
External training provision	Direct	3,442	-	3,442	4,351
2010 Conference	Direct	-	-	-	6,524
Support costs (See below)	See below	59,659	403	60,062	62,186
		<u>261,420</u>	<u>403</u>	<u>261,823</u>	<u>266,506</u>
<b>Support costs:</b>					
Staff costs	Staff time	24,619	-	24,619	22,231
Staff pension	Staff time	403	-	403	197
Recruitment	Direct	-	-	-	525
Insurance	Direct	895	-	895	926
Office costs	Direct	24,303	34	24,337	22,380
Phone & internet	Direct	160	-	160	84
Website development	Direct	2,055	369	2,424	1,551
Travel & subsistence	Direct	5,575	-	5,575	5,350
Subscriptions	Direct	870	-	870	908
Professional services	Direct	370	-	370	629
Bookkeeping costs	Direct	300	-	300	264
Database consultancy fees	Direct	-	-	-	6,300
Bank charges	Direct	109	-	109	101
Depreciation	Direct	-	-	-	740
		<u>59,659</u>	<u>403</u>	<u>60,062</u>	<u>62,186</u>
<b>6 Governance</b>					
	Basis of Allocation	Core Activities £	Restricted Activities £	2011 £	2010 £
Staff costs	Staff time	4,379	-	4,379	2,958
Staff pension	Staff time	335	-	335	218
Board expenses	Direct	247	-	247	1,419
Trustee Indemnity					
Insurance	Direct	347	-	347	300
Legal fees	Direct	-	-	-	500
Auditors remuneration					
- Audit	Direct	1,800	-	1,800	1,500
- Accounting	Direct	760	-	760	750
		<u>7,868</u>	<u>-</u>	<u>7,868</u>	<u>7,645</u>

## EVALUATION SUPPORT SCOTLAND

### NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 March 2011

#### 7 Net incoming resources for the year

	2011	2010
This is stated after charging:	£	£
Depreciation	-	740
Auditors remuneration - Audit	1,800	1,500
- Other services	760	750
	<u>760</u>	<u>750</u>

#### 8 Staff costs and trustees' remuneration

	2011	2010
	£	£
Salaries	192,975	189,516
Social security costs	16,686	11,517
Pension costs	<u>15,611</u>	<u>16,935</u>
Total staff costs	225,272	217,968
Administration costs	<u>204</u>	<u>-</u>
	<u>225,476</u>	<u>217,968</u>

No trustee received any remuneration during the period. Four trustees received reimbursement of expenses totalling £161 (2010 - Four trustees totalling £319) for travelling to Board and other meetings during the year.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2010 - None).

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	2011	2010
Chief Officer (Director)	1.0	1.0
Development Officers	4.2	4.2
Administration	1.2	1.2
	<u>6.4</u>	<u>6.4</u>
Total	<u>6.4</u>	<u>6.4</u>

The employees of the charity were members of the charity's pension scheme. £1,982 contributions were outstanding at 31 March 2011 (2010 - £Nil).



## EVALUATION SUPPORT SCOTLAND

### NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 March 2010

9	<b>Tangible Fixed Assets</b>	Computer Equipment £	Office Furniture £	Total £
	<b>Cost</b>			
	At 1 April 2010	10,535	502	11,037
	Additions	-	-	-
	Disposals	-	-	-
		<hr/>	<hr/>	<hr/>
	At 31 March 2011	<u>10,535</u>	<u>502</u>	<u>11,037</u>
	<b>Depreciation</b>			
	At 1 April 2010	10,535	502	11,037
	Charge for year	-	-	-
	Disposals	-	-	-
		<hr/>	<hr/>	<hr/>
	At 31 March 2011	<u>10,535</u>	<u>502</u>	<u>11,037</u>
	<b>Net Book Value at 31 March 2011</b>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	<b>Net Book Value at 31 March 2010</b>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
10	<b>Debtors</b>		2011 £	2010 £
	Trade debtors		29,370	30,841
	Prepayments		599	610
	Accrued Income		-	1,250
			<hr/>	<hr/>
			<u>29,969</u>	<u>32,701</u>
	<p>Accrued income last year comprised the second instalment receivable in relation to the 2010 conference report.</p>			
11	<b>Creditors</b>		2011 £	2010 £
	Taxes and social security costs		17,126	10,847
	Accruals		2,831	8,864
	Deferred income		6,040	12,420
	Other creditors		1,440	2,002
			<hr/>	<hr/>
			<u>27,437</u>	<u>34,133</u>

## EVALUATION SUPPORT SCOTLAND

### NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 March 2011

11 Creditors (continued)	2011 £	2010 £
Movement in deferred income in year		
Brought forward	12,420	6,615
Released in the year	(12,420)	(6,615)
Deferred in the year	<u>6,040</u>	<u>12,420</u>
	<u>6,040</u>	<u>12,420</u>

Deferred income comprises grants and workshop income received in advance. The deferred income released in the year was comprised of similar amounts, in particular a Lloyds TSB Foundation for Scotland contract of which £9,000 was deferred in 2010.

### 12 Funds

	At 31 March 2010 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2011 £
<b>Unrestricted Fund</b>					
General Funds	140,917	270,393	(269,288)	-	142,022
<b>Restricted Funds</b>					
Access to work	-	451	(403)	-	48
	<u>140,917</u>	<u>270,844</u>	<u>(269,691)</u>	<u>-</u>	<u>142,070</u>

#### **General Funds – Third Sector Division**

This three year grant was provided by the Scottish Government to cover the core costs of running Evaluation Support Scotland. Core costs include staff costs, office expenditure, and other costs. 2010/11 is the third year of the current core funding grant award by the Scottish Government.

Under the terms of the funding arrangement the charity may not dispose of any equipment purchased with grant funds within five years of the award without the prior written consent of Scottish Ministers, where the equipment has a minimum value of £1,000.

#### **Access to Work**

This grant was provided by the Department of Work and Pensions to pay for ICT software and hardware in the support of the employment of an employee.