

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

**REPORT AND FINANCIAL STATEMENTS  
For the year ended 31 March 2012**

**Scottish 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 and Principal Address**

Thorn House  
5 Rose Street  
Edinburgh  
EH2 2PR

### **Trustees**

Mary Craig OBE – Convenor  
Kirsten Hogg (previously Gooday) – Treasurer  
Robin Sinclair – Treasurer – Until January 2012  
Patrick Boase  
Katrin Campbell – appointed 12 September 2011  
Emma Crawshaw  
Dr. Sam Gardner  
Prof. Gillian Hogg – appointed 16 January 2012  
Prof. Linda McKie – resigned 12 September 2011  
Dr. Anita Morrison – appointed 12 September 2011  
Rev. Barbara O'Donnell  
Dr. Nicola Richards – resigned 12 September 2011  
Keith Wimbles

The Trustees noted with sadness the passing of Robin Sinclair in January 2012.

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:**

Cecilia Corcoran (Finance and Administration Manager), Diane Kennedy (Evaluation Support Manager), Graeme Reekie (Evaluation Support Manager), Patty Lozano-Casal (Policy and Development Manager)

### **Independent Examiner**

Mike Crerar CA  
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 2012**

The trustees of Evaluation Support Scotland (ESS), who are also directors for the purposes of company law, present their report and the financial statements for the period from 1 April 2011 to 31 March 2012.

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

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

Two trustees retired this year and the trustees noted with sadness the passing of Robin Sinclair in January 2012. Three new trustees were appointed. It is normal ESS policy to undertake open recruitment for new trustees but, due to the need to save costs, a targeted recruitment was undertaken this year. New trustees completed an application form and have the skills set out in the role description. The board ensures 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. Open recruitment for a new Convenor, Treasurer and further Trustee will take place in the first quarter of 2012/13.

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

New trustees receive an induction pack and induction with the director and other trustees. 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 and also had an away day. The board's two standing committees are Finance and Human Resources. A short life working group ran from March to May 2011 to create a plan for reducing costs. A short life working group was set up in September for Trustee recruitment in 2012 as referred to above.

Trustees follow a conflicts of interest policy. A register of interest is held and regularly reviewed. 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.

## **EVALUATION SUPPORT SCOTLAND**

### **Trustees' annual report for the year ended 31 March 2012 (continued)**

#### ***Risk Policy (continued)***

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

#### **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 have incorporated learning from other recent research. There remains a significant evaluation skills gap in voluntary organisations, funders and the public sector.

## **EVALUATION SUPPORT SCOTLAND**

### **Trustees' annual report for the year ended 31 March 2012 (continued)**

#### ***Charitable objects (continued)***

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.

A new strategic plan came into force on 1 April 2012. We have an annual work plan for the organisation and for individual staff.

#### ***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.

## EVALUATION SUPPORT SCOTLAND

### Trustees' annual report for the year ended 31 March 2012 (continued)

The activities we deliver are as follows:

- **Training and tailored support:** workshops, face to face, phone and email support on setting and measuring and reporting on outcomes. Our website ([www.evaluationsupportscotland.org.uk](http://www.evaluationsupportscotland.org.uk)) includes ESS support guides, evaluation tools and toolkits.
- **Evaluation Support Accounts** with funders (packages of evaluation support so funded organisations can evaluate and report on their outcomes).
- **Support for funders:** direct support to funders to 'harmonise' reporting to make it more useful and less burdensome; and helping funders to share learning.
- **Strategic programmes** to create understanding of outcomes and evaluation methods in particular subject areas and understanding about the voluntary sector contribution.
- **Knowledge translation:** work to champion the use of evaluation evidence in policy and practice and promote self-evaluation.
- A cross-cutting work stream is our partnership with Scottish Government **Third Sector Division** which supports Government as a **funder** and shares learning about third sector evidence and self-evaluation for policy-making (**translation**).

Our **outcomes** are that voluntary organisations, funders and policy makers ...

1. Have better skills, knowledge and confidence on (self) evaluation
2. Have better systems for evaluation
3. Have better evidence for reporting and learning
4. Act on learning from evaluation to do things better
5. Meet needs more effectively or improve services

### 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 last one was March 2011.

## EVALUATION SUPPORT SCOTLAND

### Trustees' annual report for the year ended 31 March 2012 (continued)

#### Main activities and achievements (continued)

HM Inspectorate of Education undertook a review of ESS in May 2011. The report of the review is on the Education Scotland website. The review said ESS has clarity of purpose to ensure continued focus on building voluntary sector capacity for effective self-evaluation. The impact of our work to improve evaluation practice in the voluntary sector is strong. They felt we offer high quality support, advice and engagement and have positive and purposeful relationships with stakeholders. The Inspectors made a few recommendations and suggestions around our planning processes which we addressed through the year.

The overall markings are below.

Improvements in performance	good
Impact on the community	excellent
Impact on paid and voluntary staff	very good
Inclusion, equality and fairness	very good
Participation of service users and stakeholders	good
Operational planning	good
Leadership and direction	very good

The following is a summary of our achievements:

#### What did we do?

1. We supported 363 organisations of which 308 were voluntary organisations. Last year we supported 400 organisations of which 338 were voluntary organisations. This was a reduction of 9%. Our staffing resource reduced from July by 25%.
2. We worked with organisations in 30 local authority areas. The exceptions were East Renfrewshire and South Ayrshire. Last year we covered all but Inverclyde.
3. We delivered 61 workshops. Last year we ran 93 workshops of which 30 workshops were funded by Community Learning and Development 'Upskilling' funding (a fund which no longer continues). 559 participants from 241 organisations attended an ESS workshop (last year 958 from 273 organisations).

## **EVALUATION SUPPORT SCOTLAND**

### **Trustees' annual report for the year ended 31 March 2012 (continued)**

#### **What did we do? (continued)**

4. We piloted 4 new workshops this year and, after minor tweaks in response to evaluation, the workshops have been added to the workshop suite. Two workshops were developed for Inspiring Scotland and extend our ability to support voluntary organisations to share methods and tools and to analyse data. Our reporting for funders workshop "Making Sense of Reports", was developed to help implement *Harmonising Reporting* and means we now have a pair of workshops specifically for funders. Our own investment allowed us to develop "Involving Service Users in Evaluation" and learning from this workshop will be embedded in new strategic programmes in 2012.
5. We delivered 156 sessions of 1-1 tailored support for 72 voluntary organisations (last year 174 sessions for 97 voluntary organisations). We also provided tailored support to 11 funders.
6. We answered 141 telephone or email help enquiries (last year 178).
7. We delivered 11 Evaluation Support Accounts with Lloyds TSB Foundation for Scotland, Climate Challenge Fund, Community Food and Health Scotland, Paths for All, Long Term Conditions Alliance Scotland, Shared Care Scotland, Wood Family Trust, Inspiring Scotland Early Years Early Action Fund, Scottish Community Foundation, the Robertson Trust and Voluntary Action Fund. An Evaluation Support Account (ESA) is a package of training and/or tailored support to an organisation funded by a particular funder. Wherever appropriate an ESA also involves supporting funders to develop their own reporting. This increases the funded organisation's ability to measure and report on the outcomes of their work and the funder has a better understanding of the impact of funded work.
8. We worked on a number of strategic programmes. A strategic programme aims to help voluntary organisations and their stakeholders to understand better the contribution of the voluntary sector to a given policy area and how they can evaluate that contribution. With Inspiring Scotland and Scottish Government's Go Play programme we were involved in publishing and disseminating the Go Play Outcomes and Evaluation Framework developed last year with Play organisations.
9. With Explaining the Difference of Voluntary Sector Adult Learning we developed supported organisations to show their contribution to the Adult Literacies Strategy.

## **EVALUATION SUPPORT SCOTLAND**

### **Trustees' annual report for the year ended 31 March 2012 (continued)**

#### **What did we do? (continued)**

10. In our work with Scottish Government Drugs Policy Unit and funded organisations we helped show the link between voluntary organisations' outcomes and the *Road to Recovery* strategy. Also in substance misuse we began a programme called Reversing the Trend to improve understanding about how to measure diversionary work for young people.
11. Our work with Scottish Government Third Sector Division enabled us to undertake activities designed to
  - Make voluntary sector funding more outcome-focussed
  - Explain the third sector's contribution to local and national outcomes
  - Promote effective impact measurement
12. We began a series of events to enable funders to share learning, set up a knowledge translation network and contributed to national conferences and events to share learning about voluntary sector outcomes and measurement.

#### **What difference did we make?**

1. As with previous years, over 9/10 people and organisations reported improvements in evaluation skills and knowledge after attending our workshops or receiving tailored support. For example one organisations said they were *"now taking evaluation much more seriously and outcomes and outputs now feature in many of our documents largely due to the support we received"*
2. We most commonly helped organisations:
  - Get to grips with the language and idea of outcomes
  - Develop new methods and integrate evaluation into day to day work
  - Report on outcomes to their funder or other stakeholders
  - Sometimes secure more funding
3. One workshop participant said: *"I drew on the first and second workshops in a recent funding application and I am sure that it strengthened the proposal which has resulted in £30,000 of funding to develop one of our intergenerational projects."*

## EVALUATION SUPPORT SCOTLAND

### Trustees' annual report for the year ended 31 March 2012 (continued)

#### What difference did we make? (continued)

4. Evaluation Support Accounts with funders are continuing to ensure that voluntary organisations have access to support they could not otherwise afford. We made a difference to:
  - Voluntary organisations' ability to measure and report on their outcomes to their funder
  - Funders' ability to learn and to report to others (including Government)
5. Another funder said: *"Projects are now setting clearer and more measurable outcomes and targets. They are building evaluation into sports programmes and asking themselves 'why are we doing this?' before they start. So far end of grant year reports are not dramatically improved but I think that will come. We are starting to get a better understanding of the impact of community sport and why it matters."*
6. We have evidence that attending a learning account paid for by one funder helps organisations with other funders' applications and report. This gives us an opportunity in 2012/13 to explore ways to bring funders' ESAs together and ensure that when we encounter organisations more than once they don't experience 'ESS fatigue' but can build on their learning.
7. More funders are adopting the recommendations and principles of *Harmonising Reporting* – and this is making reporting more useful and less burdensome for them and their funded organisations. A case study report will be published in May.
8. One example is Reshaping Care and Mental Health Division (Scottish Government) which developed a new outcomes template and guidance notes for reporting. The Scottish Huntington's Association reported that this significantly improved their reporting experience.
9. Another funder said: *"We have arrived at a good system for getting the information we need back from the projects we work with, while making it simpler and more useful for them. We already have more useful information coming back in from them which we are able to feedback to the Government so it has been a very worthwhile process. I don't think we would have been able to do it anywhere near as effectively without your support."*
10. Strategic programmes are helping voluntary organisations explain and evaluate their work **and** build understanding of Scottish Government and other decision-makers about voluntary sector outcomes.

## **EVALUATION SUPPORT SCOTLAND**

### **Trustees' annual report for the year ended 31 March 2012 (continued)**

#### **What difference did we make? (continued)**

11. For example play organisations are using the Outcomes and Evaluation framework to explain their work to funders and stakeholders. Scottish Government is using the pack to embed an understanding of play within policies across Government. Our work with Scottish Government Drugs Policy Unit helped increase organisations' understanding of their collective contributions to Road to Recovery strategy and built understanding of funder and funded on how to work together to share understanding about outcomes.
12. Through our work with Scottish Government we contributed to the Third Sector Research Forum work on pulling together evidence about voluntary sector impact. We contributed to and shaped a paper on voluntary sector contribution to health and social care which was used in the development of the NHS quality strategy. We worked with officials who are responsible for funding voluntary organisations and built understanding about outcome funding and reporting.

#### **Financial review**

ESS's total incoming resources amounted to £218,009 in 2011/12 (2010/11 – £270,844). This consisted of:

- A grant of £80,000 from the Scottish Government Third Sector Division.
- A grant of £30 from the Department of Work and Pensions and a grant from Skills Development Scotland of £250, both of which paid for IT training.
- Income earned from other activities including training, contracts, donations and bank interest totalling £137,729 (2010/11 – £150,622).

Unfortunately, ESS had a reduction in income this year. In the first quarter of 2011/12 we undertook a restructuring and reduced our team from 8 to 5 staff. We were sad to lose 3 excellent members of staff. Overall our deficit for the year was £12,359 but since July 2011 our income has exceeded expenditure.

#### ***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 providing the service.

## **EVALUATION SUPPORT SCOTLAND**

### **Trustees' annual report for the year ended 31 March 2012 (continued)**

#### ***Policy on earned income (continued)***

- 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.

We provided free support to just over 150 organisations, mainly through phone and email, and provided free access to resources and guides on our websites.

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

The trustees are of the opinion that Evaluation Support Scotland (ESS) should hold free reserves (being unrestricted funds excluding fixed assets) of 3 months' running costs. Funds in reserve 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 the trustees. Free reserves were £113,711 at 31 March 2012 (31 March 2011 - £142,022). This represents just over 5 months' running costs at current expenditure levels. The trustees believe holding this level of unrestricted reserves is prudent in the current uncertain economic climate.

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

A strategic plan for the period 2011 to 2013 is in place and will be reviewed and updated during 2012.

- Increase the ability of at least 300 voluntary organisations to measure and report on the outcomes of their work 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, Paths for All, the Robertson Trust, Long Term Conditions Alliance Scotland and others to improve reporting to funders and increase understanding about the impact of funds.
- Continue to work with Scotland Funders' Forum and individual funders to make reporting to funders more useful and less burdensome. This will include sharing examples of success.
- Deliver a programme of seminars to enable funders to share learning with each other.
- 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.

## **EVALUATION SUPPORT SCOTLAND**

### **Trustees' annual report for the year ended 31 March 2012 (continued)**

#### **Plans for future periods (continued)**

- Deliver the first year of a programme to build understanding of the outcomes of independent support for people making choices and commissioning personal services for independent living.
- Deliver the first year of a strategic programme to understanding the contribution of third sector-delivered interventions to the outcomes of the Scottish Government policy on Reshaping Care for Older People.
- Continue to deliver a programme to build understanding about the contribution of voluntary youth work to preventing substance misuse.
- Recruit new trustees including a new Treasurer and put in place a succession plan for our current convenor.
- Develop a new website to improve access by voluntary organisations and funders to learning about and from evaluation.

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

ESS has secured a three year grant of £80,000 per year from the Scottish Government from April 2012. Other evaluation support contracts are in place to cover our costs in 2012/13. An income generation strategy is in place and is regularly reviewed to ensure financial sustainability.

## **EVALUATION SUPPORT SCOTLAND**

### **Trustees' annual report for the year ended 31 March 2012 (continued)**

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make 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 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 (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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company'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 2012 (continued)**

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

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 16 July 2012 and signed on their behalf by:

Kirsten Hogg  
Treasurer

## **EVALUATION SUPPORT SCOTLAND**

### **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EVALUATION SUPPORT SCOTLAND**

I report on the financial statements of the charitable company for the year ended 31 March 2012 which are set out on pages 17 to 26.

#### **Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the financial statements 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 Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charitable company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 financial statements.

#### **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; and
  - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;

have not been met; or

**EVALUATION SUPPORT SCOTLAND**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES  
OF EVALUATION SUPPORT SCOTLAND (CONTINUED)**

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

**Michael Crerar CA**  
Independent Examiner

16 July 2012

Geoghegans  
Chartered Accountants  
6 St Colme Street  
Edinburgh EH3 6AD

## EVALUATION SUPPORT SCOTLAND

### STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) for the year ended 31 March 2012

	Notes	Un- restricted £	Restricted £	Total 2012 £	Total 2011 £
<b>Incoming resources</b>					
<i>Incoming resources from generated funds:</i>					
Donations		626	-	626	-
Bank interest		1,667	-	1,667	1,739
<i>Incoming resources from charitable activities:</i>					
Grants	3	80,000	280	80,280	120,222
Training and project income	4	135,436	-	135,436	148,883
<b>Total incoming resources</b>		<u>217,729</u>	<u>280</u>	<u>218,009</u>	<u>270,844</u>
<b>Resources expended</b>					
Charitable activities	5	220,442	250	220,692	261,823
Governance costs	6	<u>9,676</u>	<u>-</u>	<u>9,676</u>	<u>7,868</u>
<b>Total resources expended</b>		<u>230,118</u>	<u>250</u>	<u>230,368</u>	<u>269,691</u>
<b>Net (outgoing)/incoming resources before transfers</b>		(12,389)	30	(12,359)	1,153
Transfers between funds		<u>78</u>	<u>(78)</u>	<u>-</u>	<u>-</u>
<b>Net (expenditure)/income for the year</b>		(12,311)	(48)	(12,359)	1,153
<b>Funds brought forward</b>		<u>142,022</u>	<u>48</u>	<u>142,070</u>	<u>140,917</u>
<b>Funds carried forward</b>		<u>129,711</u>	<u>-</u>	<u>129,711</u>	<u>142,070</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 2012

	Notes	2012 £	2011 £
<b>Fixed assets</b>	9	<u>-</u>	<u>-</u>
<b>Current assets</b>			
Bank & cash		195,513	139,538
Debtors	10	<u>17,342</u>	<u>29,969</u>
		212,855	169,507
<b>Creditors: Amounts falling due within one year</b>	11	<u>(83,144)</u>	<u>(27,437)</u>
<b>Net current assets</b>		<u>129,711</u>	<u>142,070</u>
<b>Net Assets</b>		<u>129,711</u>	<u>142,070</u>
<b>Unrestricted Funds</b>	12	113,711	142,022
<b>Designated Funds</b>	12	16,000	-
<b>Restricted Funds</b>	12	<u>-</u>	<u>48</u>
<b>Total funds</b>		<u>129,711</u>	<u>142,070</u>

For the year ending 31 March 2012 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been 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 16 July 2012 and signed on their behalf by:

**Kirsten Hogg**  
Trustee

**Katrin Campbell**  
Trustee

**Company Registration No: SC284843**

## **EVALUATION SUPPORT SCOTLAND**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2012**

#### **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 which 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 2012

#### 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 2012

#### 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.

	2012	2011
	£	£
<b>3 Grants</b>		
Scottish Government grant – Core funding	80,000	119,771
Skills Development grant	250	-
Access to work grant	30	451
	<u>80,280</u>	<u>120,222</u>

	2012	2011
	£	£
<b>4 Other income from charitable activities</b>		
Training income	8,150	24,274
Income from workshops	6,775	5,325
Income from contracts	101,876	94,259
Support income	18,635	25,025
	<u>135,436</u>	<u>148,883</u>

## EVALUATION SUPPORT SCOTLAND

### NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 March 2012

5	<b>Cost of charitable activities</b>	Basis of Allocation	Core Activities £	Restricted Activities £	2012 £	2011 £
	<b>Charitable expenditure</b>					
	Staff costs	Staff time	146,199	-	146,199	180,867
	Staff pension	Staff time	10,343	-	10,343	14,873
	Staff training	Direct	3,062	250	3,312	2,579
	External training provision	Direct	4,586	-	4,586	3,442
	Bad debts	Direct	55	-	55	-
	Support costs (See below)	See below	56,197	-	56,197	60,062
			<u>220,442</u>	<u>250</u>	<u>220,692</u>	<u>261,823</u>
	<b>Support costs:</b>					
	Staff costs	Staff time	23,625	-	23,625	24,619
	Staff pension	Staff time	373	-	373	403
	Recruitment	Direct	642	-	642	-
	Insurance	Direct	671	-	671	895
	Office costs	Direct	23,238	-	23,238	24,337
	Phone & internet	Direct	168	-	168	160
	Website development	Direct	874	-	874	2,424
	Travel & subsistence	Direct	3,949	-	3,949	5,575
	Subscriptions	Direct	774	-	774	870
	Professional services	Direct	1,369	-	1,369	370
	Bookkeeping costs	Direct	400	-	400	300
	Bank charges	Direct	114	-	114	109
	Depreciation	Direct	-	-	-	-
			<u>56,197</u>	<u>-</u>	<u>56,197</u>	<u>60,062</u>
6	<b>Governance</b>	Basis of Allocation	Core Activities £	Restricted Activities £	2012 £	2011 £
	Staff costs	Staff time	6,446	-	6,446	4,379
	Staff pension	Staff time	450	-	450	335
	Board expenses	Direct	390	-	390	247
	Trustee Indemnity					
	Insurance	Direct	350	-	350	347
	Independent examination	Direct	1,100	-	1,100	-
	Auditors remuneration					
	- Audit (current year)	Direct	-	-	-	1,800
	- Audit (prior year)	Direct	90	-	90	-
	Accounting fees	Direct	850	-	850	760
			<u>9,676</u>	<u>-</u>	<u>9,676</u>	<u>7,868</u>

## EVALUATION SUPPORT SCOTLAND

### NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 March 2012

#### 7 Net incoming resources for the year

	2012	2011
This is stated after charging:	£	£
Auditors remuneration - Audit	-	1,800
- Other services	850	760
Independent examiner's fees	<u>1,100</u>	<u>-</u>

#### 8 Staff costs and trustees' remuneration

	2012	2011
	£	£
Gross salaries	145,807	192,975
Redundancies	18,619	-
Social security costs	11,810	16,686
Pension costs	<u>11,166</u>	<u>15,611</u>
Total staff costs	187,402	225,272
Administration costs	<u>34</u>	<u>204</u>
	<u>187,436</u>	<u>225,476</u>

No trustee received any remuneration during the period. Five trustees received reimbursement of expenses totalling £276 (2011 - Four trustees totalling £161) 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 (2011 - None).

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

	2012	2011
Chief Officer (Director)	1.0	1.0
Development Officers	3.0	4.2
Administration	<u>0.8</u>	<u>1.2</u>
Total	<u>4.8</u>	<u>6.4</u>

The employees of the charity were members of the charity's pension scheme. Contributions totalling £1,506 were outstanding at 31 March 2012 (2011 - £1,982).

## EVALUATION SUPPORT SCOTLAND

### NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 March 2012

9	<b>Tangible Fixed Assets</b>	Computer Equipment £	Office Furniture £	Total £
	<b>Cost</b>			
	At 1 April 2011	10,535	502	11,037
	Additions	-	-	-
	Disposals	(1,411)	-	(1,411)
	At 31 March 2012	<u>9,124</u>	<u>502</u>	<u>9,626</u>
	<b>Depreciation</b>			
	At 1 April 2011	10,535	502	11,037
	Charge for year	-	-	-
	Disposals	(1,411)	-	(1,411)
	At 31 March 2012	<u>9,124</u>	<u>502</u>	<u>9,626</u>
	<b>Net Book Value at 31 March 2012</b>	<u>-</u>	<u>-</u>	<u>-</u>
	<b>Net Book Value at 31 March 2011</b>	<u>-</u>	<u>-</u>	<u>-</u>
10	<b>Debtors</b>		2012 £	2011 £
	Trade debtors		16,620	29,370
	Prepayments and Accrued Income		<u>722</u>	<u>599</u>
			<u>17,342</u>	<u>29,969</u>
11	<b>Creditors</b>		2012 £	2011 £
	Taxes and social security costs		23,137	17,126
	Accruals		2,457	2,831
	Deferred income		56,642	6,040
	Other creditors		<u>908</u>	<u>1,440</u>
			<u>83,144</u>	<u>27,437</u>

## EVALUATION SUPPORT SCOTLAND

### NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 March 2012

<b>11 Creditors (continued)</b>	2012	2011
	£	£
Movement in deferred income in year		
Brought forward	6,040	12,420
Released in the year	(6,040)	(12,420)
Deferred in the year	<u>56,642</u>	<u>6,040</u>
	<u>56,642</u>	<u>6,040</u>

Deferred income comprises grants and workshop income received in advance. The deferred income released in the year was comprised of similar amounts.

### 12 Funds

	At 31 March 2011 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2012 £
<b>Unrestricted Funds</b>					
General funds	142,022	217,729	(230,118)	(15,922)	113,711
Designated funds	-	-	-	16,000	16,000
<b>Restricted Funds</b>					
Access to work	48	30	-	(78)	-
Skills development	<u>-</u>	<u>250</u>	<u>(250)</u>	<u>-</u>	<u>-</u>
	<u>142,070</u>	<u>218,009</u>	<u>(230,368)</u>	<u>-</u>	<u>129,711</u>

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

Included within General funds is this one year grant of £80,000 which was provided by the Scottish Government towards the core costs of running Evaluation Support Scotland. Core costs include staff costs, office expenditure, and other costs.

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 at the time of disposal.

#### **Designated Funds**

The board has designated a fund of £16,000 for investment in a new website and IT equipment.

## **EVALUATION SUPPORT SCOTLAND**

### **NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 March 2012**

#### **12 Funds (continued)**

##### **Access to Work**

This grant was received from the Department of Work and Pensions to pay for ICT software, hardware and training.

##### **Skills Development**

A grant of £250 was provided by Skills Development Scotland from the Flexible Training Opportunities scheme. This contributed towards the cost of excel training for members of the ESS staff team.

#### **13 Control**

In the opinion of the trustees there is no ultimate controlling party.