

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

**REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2013**

**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	(resigned 10 September 2012)
Kirsten Hogg – Convenor	(Treasurer until September 2012, Convenor from September 2012)
Patrick Boase – Treasurer	(Treasurer from September 2012 to May 2013)
Lindsay Robertson - Treasurer	(appointed 13 May 2013)
Katrin Campbell	(resigned 14 December 2012)
Emma Crawshaw	
Dr. Sam Gardner	
Prof. Gillian Hogg	
Dr. Anita Morrison	
Rev. Barbara O'Donnell	
Jennifer Wallace	(appointed 10 September 2012)
Diana Wilkinson	(appointed 10 September 2012)
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:

Cecilia Corcoran (Finance and Administration Manager), Ruth Johnston (Administration Assistant), Diane Kennedy (Evaluation Support Manager), Martha Lester-Cribb (Evaluation Support Manager), Emma Liddell (Evaluation Support Manager), Patricia Lozano-Casal (Evidence into Policy and Practice Manager), Thomas Scott (Training Officer).

Independent Examiner

Michael 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 2013

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 2012 to 31 March 2013.

Structure, Governance and Management

Appointment of trustees

Two trustees retired this year. Two new trustees were appointed in the year through an open recruitment process. Potential new trustees received an application pack. They completed an application form and were interviewed by a trustee subcommittee. The board appointed those who had 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. A further new trustee was appointed in May 2013 following a targeted recruitment process using the Institute of Chartered Accountants of Scotland. This trustee was appointed to be ESS's Treasurer from that date.

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 September 2011 to June 2012 to run the trustee recruitment process 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.

EVALUATION SUPPORT SCOTLAND

Trustees' annual report for the year ended 31 March 2013 (continued)

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 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.

EVALUATION SUPPORT SCOTLAND

Trustees' annual report for the year ended 31 March 2013 (continued)

Charitable objects (continued)

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. 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.

During the period of this report we were operating under our strategic plan 2011-2013. We also spent the year developing a new strategic plan for 2013-15 which came into force on 1 April 2013. 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 and report on their impact and use learning to improve policy and practice.

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 and engage the people they work with in evaluation.
- Be supported – organisations should have access to training and support to build their skills.

Our operating values are that:

- 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.

EVALUATION SUPPORT SCOTLAND

Trustees' annual report for the year ended 31 March 2013 (continued)

Mission and values(continued)

- Our focus is on outcomes. But we do not promote a single evaluation tool. And 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.

The **activities** we deliver are as follows:

➤ **Information, support and workshops:**

- Workshops on setting, measuring and reporting on outcomes
- Tailored Support - a facilitated meeting for staff in a single organisation to help them embed evaluation, for example by working with them to develop evaluation plans or tools or to analyse evaluation data. We also provide telephone and email advice
- www.evaluationsupportscotland.org.uk including guides and tools

➤ **Support to funders:**

- Evaluation Support Accounts - packages of support to funded organisations
- Direct support to funders and *Harmonising Reporting* (good practice to make reporting more useful and less burdensome)

➤ **Thematic learning programmes:**

- Structured programmes to help voluntary organisations and their stakeholders explain, measure and prove the voluntary sector contribution to a given policy area and how to evaluate that contribution.

➤ **Evidence into policy and practice**

- Champion the use of evaluation evidence for policy and practice - particularly through partnership with Scottish Government.

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.

EVALUATION SUPPORT SCOTLAND

Trustees' annual report for the year ended 31 March 2013 (continued)

Main activities and achievements in 2012-13

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 early 2013.

Information, support and training

What we did

	12/13	11/12
Number of workshops ¹	63	61
Total organisations whose staff came to workshops	247	241
Number of workshop participants ²	665	559
Total participants from voluntary organisations	570	450
Number of <u>people</u> attending workshops (unique)	484	405
Number voluntary orgs receiving tailored support	96	72
Number of funders receiving tailored support	12	11
Total number of tailored support sessions	205	156
Short enquiries answered by phone or email	137	141

- We ran 2 evaluation peer learning sets: Community Sport with The Robertson Trust (4 sessions for 15 people) and Evaluation Exchange in partnership with IRISS for the social care workforce (5 meetings for 11 people).

Our impact

9/10 organisations we supported increased their evaluation skills and confidence and so...

- ✓ Delivered better effective services
- ✓ Understood what doesn't work – and did something about it
- ✓ Got more funding – because funders are convinced by their evidence
- ✓ Engaged and motivated staff and service users

"evaluation has helped us to look afresh at how we are supporting our clients." Feedback to stakeholder survey

¹ Workshop numbers previously included learning sets - this year ⁶ reported separately

² Some people attend more than one workshop

EVALUATION SUPPORT SCOTLAND

Trustees' annual report for the year ended 31 March 2013 (continued)

Information, support and training (continued)

95% of stakeholder survey respondents (of 95) said our support leaves them with skills to keep evaluating

"My workshops were close to three years ago now, but I still ask SO WHAT? and I've passed along some of the basic learning to colleagues in my old and new jobs!" Feedback to our stakeholder survey

Support for funders

What we did

- We ran **9 Evaluation Support Accounts** (funder pays for funded organisations to get evaluation support) with Lloyds TSB Foundation for Scotland, Climate Challenge Fund, Community Food and Health Scotland, Paths for All, Health and Social Care Alliance, Shared Care Scotland, Inspiring Scotland Early Years Early Action Fund, the Robertson Trust and Voluntary Action Fund.
- 23 people from funders attended funder learning seminars.
- More funders adopted Harmonising Reporting including programmes within Scottish Government and Creative Scotland.
- We supported funders to measure their own impact.

Our impact

- ✓ Funders say our support leads to better reports and better understanding of the impact of funding.
- ✓ Some voluntary organisations pay for evaluation support (a third workshop places and a quarter of tailored support) but most need their funder to pay so support accounts help voluntary organisations learn and improve.
- ✓ We've helped funded organisations improve their reports by working with funders to give feedback (for example Inspiring Scotland Early Years Fund)
"we advise [charities] to use ESS and that makes our work easier" stakeholder survey feedback

Thematic learning programmes

What we did

- We ran 7 thematic learning programmes to explain and measure the contribution of the third sector to particularly policy areas:
 - *Reversing the Trend* (youth work and substance misuse)
 - *Support in the Right Direction* (self-directed support),
 - Go Play (play)
 - *A Stitch in Time* (older people)

EVALUATION SUPPORT SCOTLAND

Trustees' annual report for the year ended 31 March 2013 (continued)

Thematic learning programmes (continued)

- Short Breaks for Carers Think Tank
- A small programme for third sector interfaces
- 30 people were involved in learning sets. We ran 15 learning set sessions.
- We delivered the *Stitch in Time* launch event for 45 people, we undertook 17 other scoping meetings, we ran 2 events for *Support in the Right Direction*, we undertook consultation on *Reversing the Trend*
- There were also reference groups, literature reviews and 3 pieces of scoping research.

Our impact

"ESS has listened to the organisations ... and are very good at collating and producing the reports in an easy to understand form." Stakeholder survey

- ✓ *Reversing the Trend* built the skills of participants to report on preventive work. The wider youth work sector said our pack would help them explain the contribution of youth work to preventing problem substance misuse.
- ✓ In *Support in the Right Direction* we built the capacity of independent support organisations to explain and evaluate their work – and feel valued as a new sector. The Scottish Government has adopted the outcome framework.
- ✓ In *Go Play* the outcomes framework continues enabled an extension of funding for play organisations, fed into a Play Strategy for Scotland and will be part of a revised SVQ for play and other workers.

Evidence into Policy and Practice

What we did

- We chaired and were the co-secretariat with The Robertson Trust of Third Sector Research Forum which gathers evidence from the third sector to showcase their contribution to different policy areas.
- We led a Knowledge Translation Network to assist in short-circuiting the path that evidence travels from those who produce it to those who use it.
- We led *Inspiring Impact* in Scotland, a UK programme to promote impact measurement including running an event, writing case studies of good practice and sharing Scotland learning about evaluation with the UK.
- We shared learning with Scottish Government and others about evaluation and from evaluation - particularly from thematic learning programmes.

EVALUATION SUPPORT SCOTLAND

Trustees' annual report for the year ended 31 March 2013 (continued)

Evidence into Policy and Practice (continued)

Our impact

"people trust your advice, you have an independence and credibility that is strongly valued. Relationship building is another key strength, and a key part of your success." Stakeholder survey feedback

- Scottish Government has trusted ESS to take a lead role facilitating the sharing of learning about prevention through the Third Sector Prevention Roundtable and the Government Advisory Group on Prevention. We played a role in ensuring a stronger third sector voice in planning and evidencing prevention.
- Our support helped The Robertson Trust and Reach for Sky Basketball, give written and oral evidence to the Scottish Parliament's Health and Sport Committee on the impact of community sport.
- Scottish Government officials say they trust our advice and they seek our input about how self-evaluation evidence can feed into policy making.

"Remains grounded and accessible to all but also manages to address structural challenges to evaluation/learning such as relationships between funders and local projects/services. The newsletter is always interesting to read and I have recommended the website to colleagues." Stakeholder survey feedback

Overall we worked with 394 organisations of which 342 were voluntary organisations and the rest were funders and public sector (last year 363 organisations, 308 of which were voluntary sector)

Financial review

ESS's total incoming resources were £296,059 in 2012/13 (2011/12 - £218,009). This consisted of:

- A grant of £80,000 from the Scottish Government Third Sector Division.
- Funding of £59,784 from the Scottish Government for "A Stitch in Time" to explain and evaluate the contribution of the voluntary sector to care for older people.
- Funding of £20,688 from the Scottish Government for "Support in the Right Direction" to explain and evaluate the contribution of independent support organisations.
- A grant of £20,000 from New Philanthropy Capital for ESS's involvement in the UK-wide Inspiring Impact programme.

EVALUATION SUPPORT SCOTLAND

Trustees' annual report for the year ended 31 March 2013 (continued)

Financial review (continued)

- Income earned from other activities including training, contracts and bank interest totalling £136,275 (2011/12 – £137,729)

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.

We provided free support to just over 123 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 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. Free reserves (being general unrestricted funds not invested in fixed assets) were £119,401 at 31 March 2013 (31 March 2012 – £113,711). This represents around 4 months' running costs at current expenditure levels. The trustees believe holding this level of unrestricted reserves is prudent in the current uncertain economic climate.

Designated funds

The board has designated £16,000 for development projects to improve our understanding of our own longer term impact and to scope the future needs from voluntary organisations and funders for evaluation support

EVALUATION SUPPORT SCOTLAND

Trustees' annual report for the year ended 31 March 2013 (continued)

Plans for future periods

A strategic plan is in place for 2013-15. The main activities for 2013/14 are:

1. Increase the ability of at least 300 voluntary organisations to measure and report on the outcomes of their work through tailored support and workshops.
2. Enable funders to improve their impact and share learning through a programme of funder seminars and also workshops and publications.
3. Continue to develop flexible ways to deliver Evaluation Support Accounts (ESAs) to improve reporting to funders and enable voluntary organisation to increase their capacity to measure and report on their impact.
4. Continue to work with funders to make reporting to funders more useful and less burdensome. This will include a 'harmonising reporting' brand.
5. Complete and disseminate in 2013 the following thematic learning programmes to share learning about how to explain, measure and prove the voluntary sector's impact:
 - *Reversing the Trend*: youth work organisations' contribution to prevention of problem substance abuse (at dissemination stage)
 - Shared care: a toolkit for evaluating short breaks in the carers sector
6. Deliver 3 further thematic learning programmes putting strong focus on learning about evidence for policy and practice:
 - *Support in the Right Direction*: evaluation of independent support
 - *A Stitch in Time*: the contribution of the third sector to reshaping care for older people
 - *Violence Against Women* outcomes framework
7. Lead Inspiring Impact in Scotland, which includes sharing learning about impact measurement and ensuring the UK wide Inspiring Impact products are accessible and appropriate for Scottish organisations.
8. Deliver on our work programme for Scottish Government. This includes facilitating the secretariat for the Third Sector Research Forum, contributing to working groups on prevention and supporting the Scottish Government's to embed evaluation good practice in its role as a funder.
9. Develop a new income generation strategy for the period after 2015. Test out new and 'safe' ways to expand our capacity including using associates. Undertake development projects that will help us better understand how to reach more organisations and make more impact ourselves.
10. Recruit new trustees and continue to ensure good governance.

EVALUATION SUPPORT SCOTLAND

Trustees' annual report for the year ended 31 March 2013 (continued)

Future funding

ESS has a three year grant of £80,000 per year from the Scottish Government for the period 2012-2015. Other evaluation support contracts and grants are in place to cover our costs in 2013/14. The majority of the income we require for 2014/15 is also in place and our current income generation strategy is fit for purpose and will bring in the remainder. We will review and revise our income generation strategy to focus on the period after March 2015 during the coming year.

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.

EVALUATION SUPPORT SCOTLAND

Trustees' annual report for the year ended 31 March 2013 (continued)

Trustees' responsibilities statement (continued)

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.

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 Board of trustees on 15 July 2013 and signed on their behalf by:

Lindsay Robertson
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 2013 which are set out on pages 16 to 25.

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 (as amended). 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 2006 Accounts Regulations. 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

15 July 2013

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 2013

	Notes	Un- restricted £	Restricted £	Total 2013 £	Total 2012 £
Incoming resources					
<i>Incoming resources from generated funds:</i>					
Donations		616	-	616	626
Bank interest		2,075	-	2,075	1,667
Meeting room lets		400	-	400	-
<i>Incoming resources from charitable activities:</i>					
Grants	3	80,000	20,000	100,000	80,280
Training and project income	4	133,184	59,784	192,968	135,436
Total incoming resources		216,275	79,784	296,059	218,009
Resources expended					
Charitable activities	5	200,097	72,989	273,086	220,692
Governance costs	6	10,488	-	10,488	9,676
Total resources expended		210,585	72,989	283,574	230,368
Net income/(expenditure) for the year		5,690	6,795	12,485	(12,359)
Funds brought forward		129,711	-	129,711	142,070
Funds carried forward		135,401	6,795	142,196	129,711

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 2013

	Notes	2013 £	2012 £
Fixed assets	9	-	-
Current assets			
Bank & cash		201,659	195,513
Debtors	10	41,008	17,342
		242,667	212,855
Creditors: Amounts falling due within one year	11	(100,471)	(83,144)
Net current assets		142,196	129,711
Net Assets		142,196	129,711
Unrestricted Funds			
General Funds	12	119,401	113,711
Designated Funds	12	16,000	16,000
Restricted Funds	12	6,795	-
Total funds		142,196	129,711

For the year ending 31 March 2013 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 15 July 2013 and signed on their behalf by:

Kirsten Hogg
Trustee

Lindsay Robertson
Trustee

Company Registration No: SC284843

EVALUATION SUPPORT SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2013

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 (as amended), 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 2013

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 2013

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.

	2013	2012
	£	£
3 Grants		
Scottish Government grant – Core funding	80,000	80,000
Skills Development grant	-	250
Access to work grant	-	30
New Philanthropy Capital – Inspiring Impact grant	20,000	-
	100,000	<u>80,280</u>

	2013	2012
	£	£
4 Other income from charitable activities		
Training income	11,252	8,150
Income from workshops	5,070	6,775
Income from contracts	105,912	101,876
Income from contracts – Stitch in Time	59,784	-
Support income	10,950	<u>18,635</u>
	192,968	<u>135,436</u>

EVALUATION SUPPORT SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2013

5	Cost of charitable activities	Basis of Allocation	Core Activities	Restricted Activities	2013	2012
			£	£	£	£
	Charitable expenditure					
	Staff costs	Staff time	102,433	39,243	141,676	146,199
	Staff pension	Staff time	10,777	-	10,777	10,343
	Staff training	Direct	1,286	-	1,286	3,312
	External training provision	Direct	4,886	2,704	7,590	4,586
	Consultancy	Direct	2,450	29,000	31,450	-
	Bad debts	Direct	-	-	-	55
	Support costs (See below)	See below	78,265	2,042	80,307	56,197
			200,097	72,989	273,086	220,692
	Support costs:					
	Staff costs	Staff time	27,729	-	27,729	23,625
	Staff pension	Staff time	372	-	372	373
	Recruitment	Direct	1,218	-	1,218	642
	Insurance	Direct	698	-	698	671
	Office costs	Direct	27,884	498	28,382	23,238
	Phone & internet	Direct	148	-	148	168
	Website development	Direct	14,674	1,369	16,043	874
	Travel & subsistence	Direct	3,543	175	3,718	3,949
	Subscriptions	Direct	710	-	710	774
	Professional services	Direct	1,289	-	1,289	1,369
	Bookkeeping costs	Direct	-	-	-	400
	Bank charges	Direct	-	-	-	114
			78,265	2,042	80,307	56,197
6	Governance	Basis of Allocation	Core Activities	Restricted Activities	2013	2012
			£	£	£	£
	Staff costs	Staff time	6,434	-	6,434	6,446
	Staff pension	Staff time	508	-	508	450
	Board expenses	Direct	1,078	-	1,078	390
	Trustee Indemnity					
	Insurance	Direct	318	-	318	350
	Independent examination	Direct	1,150	-	1,150	1,100
	Auditors remuneration					
	– Audit (prior year)	Direct	-	-	-	90
	Accounting and consultancy fees	Direct	1,000	-	1,000	850
			10,488	-	10,488	9,676

EVALUATION SUPPORT SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2013

7 Net incoming resources for the year

	2013	2012
This is stated after charging:	£	£
Independent examiner's remuneration – Independent examination	1,150	1,100
– Other services	1,000	<u>850</u>

8 Staff costs and trustees' remuneration

	2013	2012
	£	£
Gross salaries	159,799	145,807
Redundancies	-	18,619
Social security costs	16,040	11,810
Pension costs	11,657	<u>11,166</u>
Total staff costs	187,496	187,402
Administration costs	-	<u>34</u>
	187,496	<u>187,436</u>

No trustee received any remuneration during the period. Five trustees received reimbursement of expenses totalling £316 (2012 - Five trustees totalling £276) for travel and subsistence in relation 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 (2012 – None).

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

	2013	2012
Chief Officer (Director)	1.0	1.0
Development Officers	3.4	3.0
Administration	<u>0.9</u>	<u>0.8</u>
Total	<u>5.3</u>	<u>4.8</u>

The employees of the charity were members of the charity's pension scheme. Contributions totalling £5,523 were outstanding at 31 March 2013 (2012 - £1,506).

EVALUATION SUPPORT SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2013

9	Tangible Fixed Assets	Computer Equipment £	Office Furniture £	Total £
	Cost			
	At 1 April 2012	9,124	502	9,626
	Additions	-	-	-
	Disposals	-	-	-
	At 31 March 2013	9,124	502	<u>9,626</u>
	Depreciation			
	At 1 April 2012	9,124	502	9,626
	Charge for year	-	-	-
	Disposals	-	-	-
	At 31 March 2013	9,124	502	<u>9,626</u>
	Net Book Value at 31 March 2013	-	-	<u>-</u>
	Net Book Value at 31 March 2012	-	-	<u>-</u>
10	Debtors		2013 £	2012 £
	Trade debtors		40,443	16,620
	Prepayments and accrued income		565	<u>722</u>
			<u>41,008</u>	<u>17,342</u>
11	Creditors		2013 £	2012 £
	Taxes and social security costs		25,138	23,137
	Accruals		26,450	2,457
	Deferred income		40,739	56,642
	Other creditors		<u>8,144</u>	<u>908</u>
			<u>100,471</u>	<u>83,144</u>

EVALUATION SUPPORT SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2013

11 Creditors (continued)	2013	2012
	£	£
Movement in deferred income in year		
Brought forward	56,642	6,040
Released in the year	(39,330)	(6,040)
Deferred in the year	23,427	656,642
	<u>40,739</u>	<u>56,642</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 2012 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2013 £
Unrestricted Funds					
General funds	113,711	216,275	(195,911)	(14,674)	119,401
Designated fund - IT	16,000	-	(14,674)	(1,326)	-
Designated fund - Development	-	-	-	16,000	16,000
Restricted Funds					
Inspiring Impact	-	20,000	(13,205)	-	6,795
Stitch in Time	-	44,784	(44,784)	-	-
Stitch in Time - Flexible funding	-	15,000	(15,000)	-	-
	<u>129,711</u>	<u>296,059</u>	<u>(283,574)</u>	<u>-</u>	<u>142,196</u>

Analysis of Net Assets Between Funds

	General £	Designated £	Restricted £	Total £
Restricted Funds				
Tangible fixed assets	-	-	-	-
Net current assets	119,401	16,000	6,795	142,196
Net Assets at 31 March 2013	<u>119,401</u>	<u>16,000</u>	<u>6,795</u>	<u>142,196</u>

NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 31 March 2013

12 Funds (continued)

General Fund – Third Sector Division

This grant of £80,000 is the first year of a three year grant agreement 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 Fund – IT

The Board designated a brought forward fund of £16,000 for investment in a new website and IT equipment. £14,674 of this was spent in the year with the remainder being transferred back to General funds.

Designated Fund – Development

The Board has designated a fund of £16,000 for development projects to improve their understanding of their longer term impact and to scope the future needs of voluntary organisations and funders for evaluation support.

Inspiring Impact

A payment of £20,000 was made in 2012/13 by New Philanthropy Capital from grants paid to the Inspiring Impact programme. ESS expended £13,205 in 2012/13. The grant is restricted to the strand of work Inspiring Impact Scotland and to provide collaborative assistance to the Inspiring Impact programme.

Reshaping Care for Older People Demonstration project “A Stitch in Time?” – Scottish Government

This is the first year of a three year funding agreement provided by the Scottish Government. The funding for 2012/13 claimed was £73,000 inclusive of VAT. Of this £15,000 was flexible spend to enable ESS, in consultation with an advisory group, to bring in other third sector partner's expertise and knowledge. The remainder is for ESS costs required to deliver the specified programme of work. Under the terms of the funding arrangement the charity may not dispose of any equipment purchased with 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.

13 Control

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