EVALUATION SUPPORT SCOTLAND
(A COMPANY LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2020

Scottish Charity no: SC036529
Company no: SC284843

EVALUATION SUPPORT SCOTLAND

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EVALUATION SUPPORT SCOTLAND
Trustees' Annual Report for the year ending 31 March 2020

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 16 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

Andrew Fleming – Convenor (from 23 September 2019)
Professor Steve Platt – Convenor (retired 23 September 2019)
Dr Kevin Guyan – Deputy Convenor (from 23 September 2019)
Professor Karen McArdle – Deputy Convenor
Janet Morton – Treasurer (from 23 September 2019)
Lindsay Robertson – Treasurer (retired 23 September 2019)
Kerry Allan (appointed 23 September 2019)
Susan Brown (retired 23 July 2019)
Maxine Dinnes (appointed 23 September 2019)
Diarmid Hearns
Alexander Johnston (appointed 23 September 2019)
Jacqueline Killeen
Professor Karen McArdle
Dr Joanne McLean
Linda Rodgers (retired 23 September 2019)
Stephanie Rose (retired 23 September 2019)

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

Steven Marwick

Key Management Personnel

Steven Marwick	Chief Officer (known as Director)
Diane Kennedy	Depute Director

Independent examiner

Emma Marshall CA
Geoghegans
Chartered Accountants
6 St Colme Street
Edinburgh EH3 6AD

Bankers

Bank of Scotland
75 George Street
Edinburgh EH2 3EW

EVALUATION SUPPORT SCOTLAND
Trustees' Annual Report for the year ending 31 March 2020

The trustees of Evaluation Support Scotland (ESS) are pleased to present their annual trustees' report together with the financial statements of the charitable company for the year ending 31 March 2020 which are also prepared to meet the requirements for a directors' report and financial statements for Companies Act purposes.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

Our charitable purpose

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 lifelong 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.

Our mission: ESS works with the third sector and funders so they can measure and report on their impact and use learning to improve practice and influence policy.

Our vision is that people in Scotland's third sector have the knowledge, skills and support to evaluate, reflect and learn from their work.

We promote self-evaluation. By learning how to evaluate their own activities and outcomes, organisations discover what works and what does not and can make use of that learning. Self-evaluation (and evaluation generally) should be valuable, relevant and proportionate.

In order to achieve our outcomes we work in the following way:

1. We are accessible. We use plain English. We are friendly. We work in a way that meets the different needs and abilities of people and organisations.
2. We work collaboratively with organisations, combining their expertise with ours to generate evaluation approaches they can own, develop and run with.
3. We use different and creative ways to engage people in evaluation. We promote a wide range of evaluation tools.
4. We are a centre of expertise on self-evaluation in the third sector and we share what we know.
5. We work in positive partnership with others, sharing our learning and adding value to the expertise of others. We provide effective platforms to share evaluation evidence.
6. We promote a culture of learning within ESS. We seek feedback from everyone we work with so we learn from our successes and weaknesses and get better at what we do.
7. ESS is a good place to work. We support and develop our staff and trustees so they can fulfil their roles and feel valued.

The need for ESS is identified through ongoing consultation, most recently for the development of our strategic plan 2019-23. Many third sector organisations still struggle with confidence, skills and systems to measure and report on the difference they make. Others are looking for help with more complex issues such as what is "good enough" evidence or analysis of evidence. Requirements from funders and others can still get in the way of evaluation for learning and improvement. Funders themselves can face challenges in evaluating their impact. Decision-makers may need support to use third sector evaluation evidence to improve policy and practice and so improve outcomes for people.

Outcomes, activities and plans

The change we intend to make (our outcomes) is that third sector organisations have improved skills to evaluate and put in place appropriate evaluation systems. This leads to organisations being better able to generate evidence about their impact and deliver even better services. They will be better able to share learning with funders and policy-makers leading to better funding or policy decisions to benefit people and communities.

We have six roles:

1. We support the third sector to plan and do evaluation, involve service users and embed evaluation in their organisation.
2. We share good practice and ideas about how to do evaluation and tackle tough problems and barriers.
3. We work with funders to support third sector evaluation and to evaluate their own work.
4. We work with groups of third sector organisations to develop common outcomes, methods or evidence in a particular area.
5. We support the use of third sector evaluation and evidence to improve practice and influence policy.
6. We enable intermediaries to support or train others on evaluation.

We create programmes of support using workshops, tailored support, learning sets, events, forums, publications and our website. Through these programmes we aim to achieve the outcomes above.

2019-20 was the first year of our strategic plan 2019-23 (on our website). We have an annual work plan and plans for individual staff.

How we evaluate

We collect evidence in a range of ways. This includes:

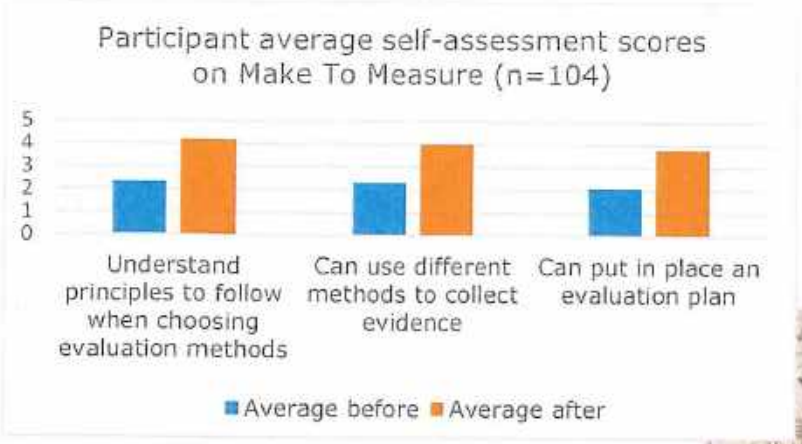
- Self-reported feedback from organisations we work with, in feedback forms, emails and verbal feedback.
- "Physical" evidence such as evaluation plans, methods, reports created as a result of our support.
- Feedback from funders provided to us direct or reported to us about, for example, improvement in reporting or services as a result of our support.
- Feedback from service users reported to us about improvements in service provision as a result of our support.
- A biennial stakeholder survey. Our last one was in 2018.

Achievements and performance in 2019-20

The following section shows our achievements in relation to 5 of our 6 roles. We did not secure funding for activities in relation to our 6th role (train the trainer).

Role 1: Support third sector to plan and do evaluation

Our *Let's Evaluate!* programme of 3 workshops ran 8 times in Glasgow, Edinburgh, Aberdeen, Perth and Dundee for over 300 participants. About 25% of participants pay for their own places and the rest are paid for by their funder. We were commissioned to deliver 27 further workshops. Some stats and stories about our impact below:



"Now I can tell the [project's] story with relevant information"
Disability charity

We provided tailored support to 94 organisations.

"Your thoughtful, considered and knowledgeable approach - critical and expert friend - was exactly the kind of support needed to develop our theory of change and impact approach and I am really happy with the end result."

Our Evaluation Support Accounts are where funders pay for grantholder support

- National Lottery Community Fund (NLCF) (66 grantholders supported)
- The Robertson Trust (29)
- RS Macdonald Charitable Trust (23)
- Corra Foundation (22)

Referred organisations set an evaluation improvement goal and access some or all of workshop places, 1-1 tailored support, workbooks and peer learning.

"We had no formal evaluation processes and as a result of the support we received [from ESS] we ... now collect and set appropriate data and analyse the results for future activities. The support was very easy to understand and was thoroughly enjoyed by the staff"
Community group referred by NLCF

"I'm just in the middle of reworking this report and it is so much better!"

Mental health charity referred by Corra

" it has encouraged us to think about the elements we have both control and influence over. It has increased our confidence about why we evaluate and it has led to a (still evolving) evaluation plan / cycle. We thought the ESS staff and resources were always refreshingly clear" Youth charity referred by The Robertson Trust

EVALUATION SUPPORT SCOTLAND
Trustees' Annual Report for the year ending 31 March 2020

We increased our **online presence** this year. There were 23,235 downloads from our website, a **28%** increase. We created lots of new resources including on analysing evidence and data. Our *evaluation methods and tools* page saw 14,669 downloads. Our **Twitter** account has 2,121 followers – a **34%** increase.

● 12 Blogs ● 12 case studies ● 9 new publications ● 2 new method sheets ● 2 new support guides ● 5 evaluation explained videos ●3 webinars

← This image is one of our simple infographics with top tips drawn from the sector for the sector about how to make evaluation and learning part of the day to day.

We issued **13 newsletters**. On average 20% of our **2,800** mailing list read a newsletter (sector standard) and newsletters generate high traffic to our website.

We saw positive feedback on our resources through the year on social media:

"Evaluation Support Scotland has lots of super resources and offer training too. We have started using the theory of change for our evaluation!" Archaeology Scotland on twitter

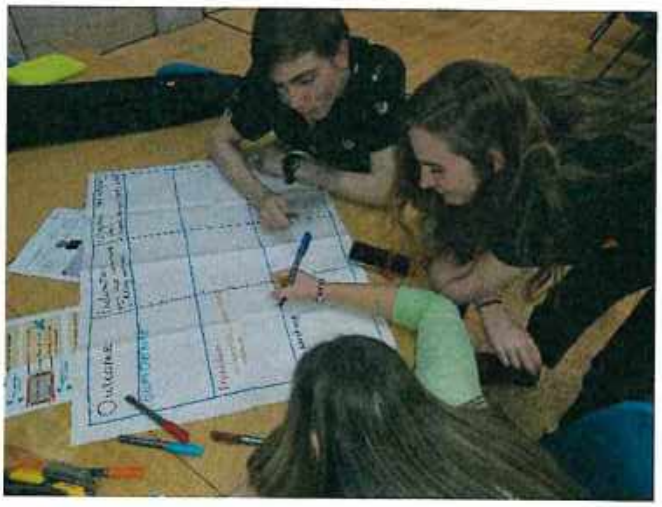
Enquiries service: We provided 137 sessions of short email or telephone support to 122 organisations.

Putting young people in the lead of evaluation

In the second year of this programme (funded by NLCF) to explore how to young people can take a lead on evaluation, we worked with 10 youthwork projects and 6 completed the programme. We have four new case studies to share learning. The projects saw benefits for the organisation and the young people they support.

For example, Beatroute Arts involved young people in developing an evaluation plan for the summer residential (photo):

Rape & Sexual Abuse Centre Perth & Kinross involved young people at all stages of evaluating the service from setting outcomes, to gathering evidence and analysing and reporting. The quotes below are from young people themselves.



It was really good being able to work on a project like this together as a group

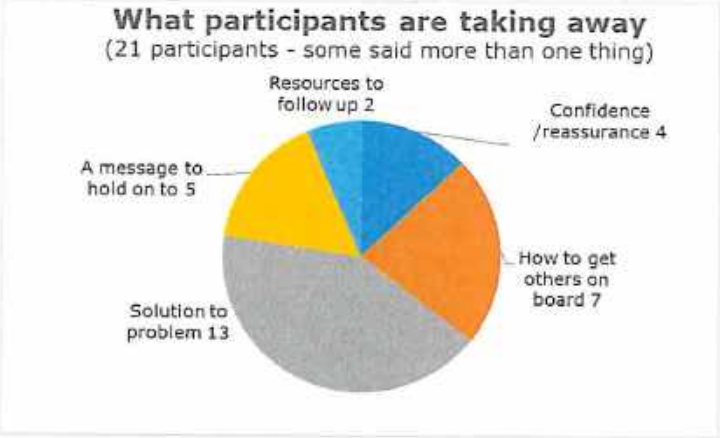
It feels good that we can make recommendations about how the service can be improved

Role 2: Share evaluation good ideas & tackle challenges

Inspiring Impact enables people from third sector and funders to come together to share evaluation ideas and tackle barriers. We planned to run three events year but the third one was postponed due to lockdown.

Participants got concrete ideas and tools to use and reassurance and motivation about evaluation. Quote from summer evaluation and graph from one event:

"I am using the resources to develop a new evaluation with people with lived experience of mental health and visiting support."



Thrive Learning Programme: continuing on from previous work we partnered with Actify to pilot this programme for physical activity or sport organisations. Following the success of the pilot (photo) we were commissioned by Spirit 2012 to roll out the Thrive Learning Programme across Scotland, from January 2020.

"This is essential learning ... If we are to get better at understanding and sharing the impact of sport and physical activity we need to be better equipped." Leisure trust

New resources

We developed resources to address specific **evaluation challenges** in response to sector feedback. *Is the whole greater than the sum of its parts?* focuses on understanding the **impact** of the partnership. We tested a draft with 45 Corra Foundation grantholders before launching it.

Our **Stats & Stories** resource helps organisations blend qualitative and quantitative data in reports. We launched the resource, ran a webinar for 42 people (funded by NLCF) and a workshop at the Scottish Mentoring Network conference. At March 2020, the resource has been downloaded 360 times. We asked a sample of 6 organisations if they'd used it. Four had and two said not yet but would use it to inform future reporting.

Drake Music Scotland @DrakeMusicScot · May 23
Stats & Stories looks very interesting and highly usable. Loads of great tips, like using people's actual words - way more meaningful, linking stories to the stats behind them to show scale, using emotional touchpoints. Great stuff, we will use it #evaluation #support

Our new workshop ***Not Just a Story*** about using service user experiences in evaluation achieved its learning outcomes for participants.

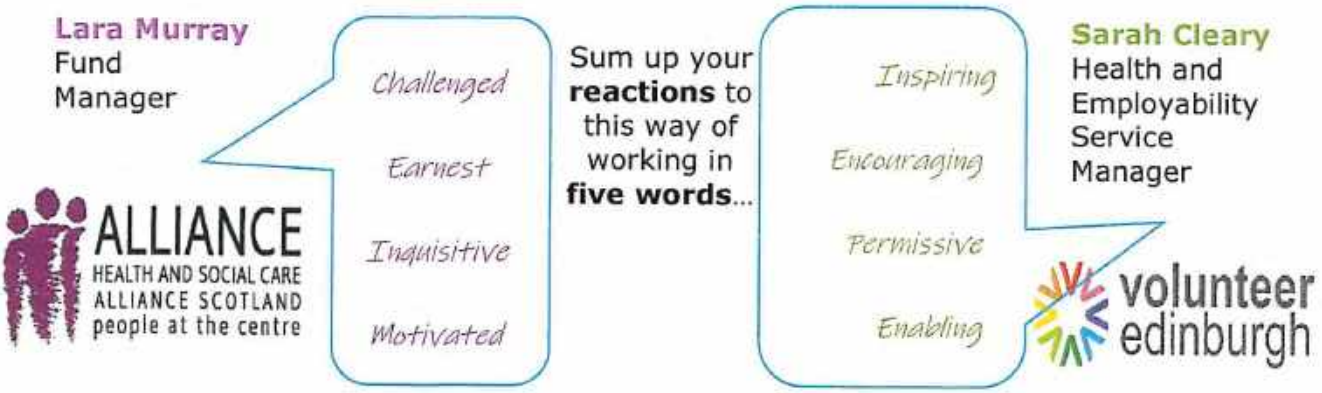
Role 3: Work with funders

Some examples of working with independent funders and funded **to share learning and improve relationships**.

- We are bringing NLCF-funded homelessness projects and NLCF staff to share learning about tackling homelessness
- *"How's it going?"* brought together organisations referred by both NCLF and The Robertson Trust, and the funders themselves to share what organisations had learned about evaluating and to create tips for other grantholders.
- *"Getting My Report Right"* enabled NLCF grantholders to learn from ESS, each other and the funder to make their report more useful for them.

Health and Social Care ALLIANCE'S self-management fund

We ran full day learning events (informed by online questionnaires) for this funder. This largely replaced written reporting. Below is the beginning of a case study on our website giving the perspective of funder (left) and funded (right):



Scottish Government as a funder

Principles for Positive Partnership is guidance (developed last year by a working group) to help Scottish Government (SG) grantholders and grant managers achieve positive funding relationships and tackle any problems. This year we consulted on the draft guidance, revised it and **launched** it in January. There is a longer event report but the tweet is a succinct summary.

'Lots of practical good sense, clearly and briefly articulated.' @Palliative_Scot

"[I will] Introduce it to our funded orgs and discuss with them at next network event" SG grant manager

We ran our **Funding and Relationships workshop** 4 times for 47 SG grant managers. 46 participants increased their skills and knowledge. Many cited actions they would take as a result of the workshop:

"Will be reviewing processes and questioning how to approach funding in the future. Good course – gives enough space to think."

Our workshop for **other funders** "Getting the Best from Your Grantholders" also evaluated well – for example:

"Really found the 'getting the reporting relationship right' handout helpful to use as a basis to improve what I am already delivering. Thank you!"

Role 4: Work with groups of organisations to develop common outcomes and methods

Demonstrating third sector contribution to tackling health inequalities

Funded by NHS Health Scotland, we facilitated a learning set, (6 third sector and 2 commissioners.) to develop a theory of change to show the third sector's contribution to tackling health inequalities. Community Health Exchange (CHEX) and Voluntary Health Scotland were key partners.

We consulted widely and the final resource Recognising our rich tapestry: measuring the contribution of third sector organisations to tackling health inequalities. was launched with our partners at The Gathering 2020 and at CHEX's annual conference. The Gathering workshop was substantially oversubscribed with bookings from 120 people.

Participants at the launch felt the model would support them to show impact on preventing or mitigating the effects of inequalities:

> "The work our organisation does has a considerable impact on health inequalities. However, we need to formalise our evaluation in this respect. The model is an excellent tool to assist us in this"

> "This model can help us justify to funders why we focus on the individual's wider wellbeing, rather than only medical outcomes"

While we received positive feedback about the model, we know from experience that a testing phase is needed support organisations to use it. We consulted participants on options for future support and submitted a proposal to Public Health Scotland.

Third sector interfaces (TSIs)

Last year we facilitated the development of the TSI Outcome Framework with a working group of TSIs and Scottish Government. This year we ran workshops for people from 23 TSIs. In follow up feedback 8 people (30%) said they had shared learning with colleagues and planned evaluation into new projects.

We ran a learning event about linking TSI work to the National Performance Framework. With the working group we updated evaluation guidance. We learned more about how to address the unique evaluation challenges that TSIs face.

Logic model for independent advocacy in Fife

We worked with members of the Fife Advocacy Forum to create a model to demonstrate the impact of different models of independent advocacy and how that impact relates to local and national strategic outcomes. Most participants said creating the model had increased their ability to explain and evidence the impact of advocacy:

> "the sessions are now creating exactly what the orgs need to help them in future with their reporting and funding. Plus people will know much more about advocacy and its role across services." NHS Fife

However, we won't be sure about the sustained impact of this work until the Fife Advocacy Strategy has been reviewed (post Covid-19).

Role 5: Support the use of third sector evidence

The third sector research forum (TSRF)

The TSRF promotes and shares good practice on third sector research. We have 24 members. We convened 4 Forum meetings, published a guide to what to consider when looking for funding for third sector collaborative research', and created a new information to help third sector organisations find an academic for their research. We issued 6 newsletters and have a TSRF twitter account. In our evaluation of the Forum in March members told the Forum helps them collaborate and share good practice.

The TSRF conference: *Collaborating for Impact* was attended by 82 participants and had a waiting list of the same number again. There is a full conference report on our website. Feedback told us that:

- 72% made connections at the conference or gained ideas
- 69% know more about different types of research impact
- 62% know more about the importance of research impact.

National Performance Framework

With Scottish Government National Performance Unit we ran an event for 26 people to explore what the NPF means for the third sector. An event report is on our website and includes event evaluation. The report itself generated wider feedback.

We wrote a blog to share third sector messages and supported three third sector organisations (Befriending Networks, Youth Theatre Arts Scotland and the Scottish SPCA) to create case studies about how they have used the National Performance Framework (NPF) in their work (all published on SG website).

Were we wrong to talk about outcomes?

Our blog "Were we wrong to talk about outcomes" provoked a lot of positive interest and support. We shared learning from the third sector about outcomes as part of an expert panel at Matter of Focus's conference. More work is planned on this after lockdown.

Charity reporting

We continued to work with SCVO and OSCR to promote and support Trustee Annual Reporting including at the Gathering in February.

Our learning

We have 8 learning priorities for 2019-23. An infographic with learning so far is on our website.

We're not perfect - challenges we'll keep working on

We don't reach everyone: Most funder referrals access support enthusiastically but about 5% do not. Getting a steady stream of referrals in the first place from funders is hard and delays have a negative impact on our funding. We learned we need an enthusiastic champion in the funder and we need to show funding officers the benefits of our support. More generally, we offer as much as we can for free but some organisations can't afford the training they need if their funder doesn't pay.

Accessibility: simply asking someone to tell us their access needs may not be enough to ensure we meet those needs. We created our Accessibility Golden Rules and a "what to expect at our workshops" section on our website so participants can know what working with ESS involves. We identified ways to be even more flexible.

We don't always help people apply learning and embed evaluation: about 20% of *Let's Evaluate!* participants want a bit more time to apply learning in the workshop. In follow up feedback, some people have been unable to embed learning. Often this is for reasons outside ESS's control but we need to keep working to ensure everyone can apply what they learn.

Our year in numbers

Number of workshops and learning events	80
Number of workshop/event participants	1,255
Number of unique people attending workshops /events	898
Number organisations receiving 1-1 tailored support	94
Total number of tailored support sessions	112
Number of organisations involved in learning sets	30
Number of organisations involved in forums	59
Overall	
Total organisations we worked with	618
Total third sector organisations we worked with	542

Note: we cancelled 8 workshops / events between 17 and 31 March and 5 tailored support sessions so the above figures would have been higher.

We worked with organisations in **every local authority** in Scotland.

Financial review

ESS's total incoming resources were £395,676 in 2019/20 (2018/19 - £361,523). This consisted of:

- Grants of £130,350 and £1,480 from the Scottish Government Third Sector Unit.
- Grant funding of £19,000 via New Philanthropy Capital for ESS's involvement in *Inspiring Impact.*
- Income earned from other activities including contracts, training and bank interest totalling £244,056 (2018/19: £207,173).

Pricing policy

- Workshops are costed to break even, covering costs for staff salaries, materials, venues and catering.
- Organisations receiving tailored support are charged a daily rate to cover the staff and administration costs of the providing service.
- Other programmes of work are costed to cover the salaries and administration costs of delivering the programme.

Programmes paid for by independent funders and Scottish Government mean that over 75% of third sector organisations we worked with received support they did not have to pay for. Hundreds more benefitted from free online resources, webinars and our grant-funded learning events.

Reserves policy

ESS's funding comes from a range of grants and contracts. These rarely last for more than a year and are often agreed or terminated at short notice. The trustees judge that ESS should hold free reserves (being unrestricted funds excluding fixed assets) of between four and five months' running costs to ensure that in the event of a significant loss of, or drop in funding the charity will be able to continue to operate while consideration is given to finding alternative funding. Unrestricted reserves are £148,188 (31 March 2019: £149,863) and free reserves are £146,618 (2019: £146,722). This is around 4½ months' running costs at current levels. Last year's figure included income received in advance for costs incurred this year.

Designated funds

In 2018 the board designated £7,000 for website and ICT improvements that took place in 2018/19 and further use of this fund was made to pay for the depreciation of the IT equipment. The total funds at 31 March 2020 is £3,858 and these funds will be used to pay for future depreciation costs and contribute toward the cost of future IT replacements.

In March 2019, the board designated a separate fund of £5,000 to pay for a web designer to create a new website.

Future funding

ESS has a confirmed annual core grant of £156,300 from the Scottish Government for 2020/21 and 2021/22 (second year is indicative). Other contracts and grants are in place or anticipated to cover most of our costs in 2020/21. We approved a new income generation strategy in 2019 in line with our strategic plan.

Nevertheless the Covid-19 crisis means that, like all charities, our finances are uncertain for 2020/21 and beyond. We have updated our risk register and as well as regular board reports on finance and income generation, we have put in place actions to take stock of income generation and costs on a monthly basis so we can take early actions to maintain ESS's financial health.

Plans for future periods

Our main priority in 2020/21 is to respond to Covid-19. This includes moving our services online and developing new resources and running relevant web-events about evaluation in the Covid-19 context. We have agreed plans with our funders to repurpose their funds or deliver agreed activities online or postpone face-to-face delivery to later in the year.

We have Evaluation Support Accounts (ESAs) with many major Scotland funders including the National Lottery Community Fund to provide training, 1-1 support, peer learning and other specialist support to grantholders.

We will run other programmes to build evaluation capacity and share learning from evaluation in areas such physical activity, self-management, community safety and health inequalities.

Through those contracts, other grants and self-generated income we run workshops, 1-1 tailored support so that at least 500 third sector organisations and funders can measure and report on the difference they make.

We will capture and share evidence about how beneficiaries benefit from being involved in evaluation, or from having their stories heard through evaluation.

We will launch a new website so the sector has even better access to tools, resources and webinars. We will increase our social media presence and issue newsletters. We will develop new resources on evaluating publications and using evidence.

We will work as part of the UK-wide Inspiring Impact programme to provide opportunities for peer support around evaluation and learning.

We will lead the Scottish Third Sector Research Forum to promote research from and about the third sector, increase the skills of people in the third sector to undertake research. We intend to run a conference in February 2021.

We will work with Scottish Government and other partners to share learning about outcomes and evaluation and help ensure third sector evaluation evidence can influence wider policy and practice.

Structure governance and management

Appointment of trustees

Five trustees retired this year. Three new trustees were appointed 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 the best fit with the skills in the role description. The board ensures that it contains a mix of trustees with experience of funding voluntary organisations, of working in the third sector and of evaluation theory and practice. Trustees are normally appointed for 3 years and can serve a maximum of 6 years. A retirement rota is in place.

Induction and training for Trustees

New trustees receive an induction pack and induction with the Director and other trustees. Each new trustee is allocated a trustee 'buddy'. The trustee handbook is updated annually and incorporates good practice guidance from the Scottish Charity Regulator (OSCR).

Operations of the board

A register of interest is held and regularly reviewed. Interests are declared at the start of each board meeting.

The board conducts our business through meetings every 2 months. The board met 6 times throughout the year. A separate away day for trustees and all staff reviewed our learning from the first year of our strategic plan. The board's two standing committees are Finance and Human Resources. A further subgroup led the recruitment of new trustees.

The board undertook a governance review this year and implemented changes including appointing two deputy Convenors and improving board policies.

Key management personnel

In the opinion of the board the key management personnel are the board, as trustees and directors of the charitable company, and the Director and Depute Director as disclosed in the financial statements.

All members of the Board give their time freely and no trustee received any remuneration in the current or prior year. Details of expenses reimbursed during the period are disclosed in note 8 to the financial statements.

The pay of all staff including the key management personnel is reviewed annually by the human resources subcommittee.

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 consideration of risk is a standing item at each meeting. Staff members are aware of the risks identified. A risk review is undertaken at the start of all major new projects. Our Strategic Plan 2019-23 was developed in line with sector needs and our income generation strategy was updated in 2019.

The most significant risks are financial sustainability, loss of key staff, and maintaining our ability to respond to or stimulate demand. These risks have been heightened during the current pandemic and the board has updated mitigation plans accordingly. All staff are working from home, we providing our services online successfully and we are in regular contact with our funders. Procedures for supporting staff, and managing staff absence if necessary, have been updated.

Trustees' responsibilities statement

The trustees (who are also directors of Evaluation Support Scotland 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The 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.

This report has been prepared in accordance with *the Statement of Recommended Practice – Accounting and Reporting by Charities* (January 2015) applicable to charities preparing their accounts in accordance with FRS 102 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 20 July 2020 and signed on their behalf by:

Janet Morton
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 2020 which are set out on pages 20 to 34.

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 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:

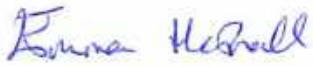
- to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and

- 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

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

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



Emma Marshall CA 20 July 2020
Independent Examiner

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 2020

	Notes	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
Income from:					
Charitable activities:					
Grants	3	131,830	19,000	150,830	154,150
Other charitable activities	4	241,158	-	241,158	204,638
Meeting room lets		770	-	770	808
Donations		790	-	790	17
Investment - Bank interest		2,128	-	2,128	1,910
Total income		376,676	19,000	395,676	361,523
Expenditure on:					
Charitable activities	5	378,351	17,997	396,348	393,774
Total expenditure		378,351	17,997	396,348	393,774
Net (expenditure) /income and net movement in funds	7	(1,675)	1,003	(672)	(32,251)
Funds brought forward		149,863	-	149,863	182,114
Funds carried forward	12	148,188	1,003	149,191	149,863

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

All income and expenditure derive from continuing operation.

EVALUATION SUPPORT SCOTLAND

BALANCE SHEET
At 31 March 2020

	Notes	2020 £	2019 £
Fixed assets	9	1,570	3,141
Current assets			
Debtors	10	10,319	53,166
Bank & cash		190,879	211,466
		201,198	264,632
Creditors: Amounts falling due within one year	11	(53,577)	(117,910)
Net current assets		147,621	146,722
Net Assets		149,191	149,863
Unrestricted Funds			
General Funds	12, 13	139,330	144,434
Designated Funds	12, 13	8,858	5,429
Restricted Funds	12, 13	1,003	-
Total funds		149,191	149,863

For the year ending 31 March 2020 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 Board of trustees on 20 July 2020 and signed on their behalf by:

Janet Morton
Trustee

Company Registration No: SC284843

EVALUATION SUPPORT SCOTLAND

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES for the year ended 31 March 2020

	2020 £	2019 £
Net (expenditure)/income for the year (per SOFA)	(672)	(32,251)
Adjustments for:		
Interest from investments	(2,128)	(1,910)
Depreciation	1,571	1,571
Decrease / (increase) in debtors	42,847	(13,254)
(Decrease) / increase in creditors	(64,333)	55,750
Net cash (used in)/ provided by operating activities	(22,715)	9,906

STATEMENT OF CASH FLOWS for the year ended 31 March 2020

	2020 £	2019 £
Cash flows from operating activities:		
Net cash (used in)/ provided by operating activities	(22,715)	9,906
Cash flows from investing activities:		
Purchase of tangible fixed assets	-	(4,712)
Interest from investments	2,128	1,910
Net cash flow provided by/(used in) investing activities	2,128	(2,802)
Change in cash and cash equivalents in the year	(20,587)	7,104
Cash and cash equivalents at the beginning of the year	211,466	204,362
Cash and cash equivalents at the end of the year	190,879	211,466

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of accounting

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the financial statements. The financial statements are presented in sterling which is the functional currency of the charitable company and rounded to the nearest £.

The financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and UK Generally Accepted Accounting Practice.

Evaluation Support Scotland meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared on a going concern basis.

Income

All income is included in the Statement of Financial Activities when the charitable company has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably. 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 charitable company, are recognised when the charitable company becomes unconditionally entitled to the grant.

- Training income which includes income from room lets is included in Statement of Financial Activities when the rental has taken place and the charitable company is therefore entitled to the income.

1. **Accounting policies (continued)**

- Conference income has been included on receipt as non-refundable in nature.

- Donated services and facilities are included at the value to the charitable company where this can be quantified.

- Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest received by the Bank.

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Expenditure on charitable activities comprises those costs incurred by the charitable company in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs form part of charitable support costs and comprise those costs associated with meeting the constitutional and statutory requirements of the charitable company, include the audit fee and costs linked to the strategic management of the charitable company. Other support costs relate to the administrative cost of running the charitable company.

The charitable company is registered for VAT. Any VAT which cannot be recovered is reported as part of the expenditure to which it relates.

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 and 6.

Pension
Employees of the charitable company 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2020

1. **Accounting policies (continued)**

Tangible fixed assets
Tangible fixed assets are stated at cost less provision for diminution in value. Only assets costing more than £500 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:

Office furniture	Over 3 years
Computer equipment	Over 3 years

Debtors
Trade and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments.

Creditors
Creditors and provisions are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Fund Accounting
Funds held by the charitable company comprise both unrestricted and restricted funds. Restricted funds can only be used for particular restricted purposes within the objects of the charitable company. 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.

Taxation
As a charitable company, 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2020

2. **Legal status**
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.

3. **Grants**

	2020	2019
	£	£
Scottish Government grant – Core funding	130,350	130,350
New Philanthropy Capital – Inspiring Impact grant	19,000	13,500
Knowledge Translation Network	1,480	-
Threading the Needle	-	10,300
	150,830	154,150

Included within grants above is £19,000 (2019 - £23,800) which was restricted in nature.

4. **Other income from charitable activities**

	2020	2019
	£	£
Income from contracts	234,495	195,730
Income from workshops	6,663	8,908
	241,158	204,638

Included in income from charitable activities is £nil (2019 - £nil) which was restricted in nature.

5. **Cost of charitable activities 2019/20**	Basis of Allocation	Core Activities £	Restricted Activities £	2020 £	2019 £
Charitable expenditure					
Staff costs	Staff time	230,442	16,017	246,459	246,190
Staff pension	Staff time	19,554	1,034	20,588	20,498
Staff training	Direct	2,379	402	2,781	4,004
External training provision	Direct	14,773	-	14,773	12,625
Consultancy	Direct	-	-	-	1,800
Support costs		111,203	544	111,747	108,657
		378,351	17,997	396,348	393,774
Support costs:					
Staff costs	Staff time	44,144	-	44,144	40,790
Staff pension	Staff time	3,611	-	3,611	3,339
Payroll charges	Direct	420	-	420	420
Recruitment	Direct	230	-	230	230
Insurance	Direct	724	-	724	721
Office costs	Direct	38,398	460	38,858	37,963
Phone & internet	Direct	103	-	103	71
Website development and IT	Direct	2,691	-	2,691	3,198
Travel & subsistence	Direct	5,889	84	5,973	7,077
Subscriptions	Direct	1,214	-	1,214	1,274
Professional services	Direct	35	-	35	25
Bank charges	Direct	32	-	32	32
Depreciation	Direct	1,571	-	1,571	1,571
Governance costs (note 6)	Direct	12,141	-	12,141	11,946
		111,203	544	111,747	108,657

Charitable expenditure was £396,348 (2019: £393,774) of which £378,351 (2019 - £356,174) was unrestricted in nature and £17,997 (2019 - £37,600) was restricted in nature.

All charitable activities are in relation to supporting charities to measure and report on their impact and use learning to improve practice and inform policy.

5. **Cost of charitable activities 2018/19**

	Basis of Allocation	Core Activities £	Restricted Activities £	2019 £	2018 £
Charitable expenditure					
Staff costs	Staff time	214,223	31,967	246,190	222,467
Staff pension	Staff time	18,336	2,162	20,498	18,403
Staff training	Direct	4,004	-	4,004	4,785
External training provision	Direct	12,310	315	12,625	12,532
Consultancy	Direct	1,800	-	1,800	7,310
Support costs		105,501	3,156	108,657	107,718
		356,174	37,600	393,774	373,215
Support costs:					
Staff costs	Staff time	40,790	-	40,790	41,028
Staff pension	Staff time	3,339	-	3,339	3,357
Payroll charges	Direct	420	-	420	420
Recruitment	Direct	230	-	230	1,350
Insurance	Direct	721	-	721	657
Office costs	Direct	35,054	2,909	37,963	34,611
Phone & internet	Direct	71	-	71	84
Website development and IT	Direct	3,198	-	3,198	8,982
Travel & subsistence	Direct	6,830	247	7,077	4,473
Subscriptions	Direct	1,274	-	1,274	961
Professional services	Direct	25	-	25	35
Bank charges	Direct	32	-	32	34
Depreciation	Direct	1,571	-	1,571	-
Governance costs (Note 6)	Direct	11,946	-	11,946	11,726
		105,501	3,156	108,657	107,718

Charitable expenditure was £393,774 (2018: £373,215) of which £356,174 (2018 - £306,515) was unrestricted in nature and £37,600 (2018 - £66,700) was restricted in nature.

6. **Governance**

	Basis of Allocation	Core Activities £	Restricted Activities £	2020 £	2019 £
Staff costs	Staff time	7,277	-	7,277	7,063
Staff pension	Staff time	589	-	589	571
Board expenses*	Direct	1,480	-	1,480	1,600
Trustee Indemnity Insurance	Direct	310	-	310	309
Company House filing fee	Direct	13	-	13	13
Independent examination	Direct	2,472	-	2,472	2,390
		12,141	-	12,141	11,946

* 2020 board expenses include costs of venue hire and catering for an away day.

7. **Net (expenditure) for the year**

	2020 £	2019 £
This is stated (net) after charging:		
Depreciation	1,571	1,571
Independent examiner's remuneration	2,472	2,390

8. **Staff costs and trustees' remuneration**

	2020 £	2019 £
Gross salaries	274,586	271,150
Social security costs	23,294	22,893
Pension costs	24,788	24,408
Total staff costs	322,668	318,451

No trustees received any remuneration during the current or prior year. No trustees received reimbursement of expenses (2019 - one trustee totalling £68) for travel and subsistence in relation to attending board and other meetings during the year.

8. Staff costs and trustees' remuneration (continued)

The average number of employees during the year was 10 full and part-time staff (2019 – 10). The breakdown, calculated on the basis of full time equivalents, was as follows:

	2020	2019
Chief Officer (Director)	1.0	1.0
Depute Director	1.0	0.8
Development Officers	5.0	5.3
Administration	2.5	1.5
Total	9.5	8.6

The employees of the charitable company were members of the charitable company's pension scheme. Contributions totalling £nil were outstanding at 31 March 2020 (2019 - £5,316).

The key management personnel of the charitable company are the Board of Trustees, the Chief Officer (Director) and Depute Director. The trustees all give of their time without remuneration. Details of trustees' expenses are disclosed above. The Director and Depute Director's aggregate remuneration for the year was £102,824 (2019 - £102,603).

The pay of all staff including the key management personnel is reviewed annually by the Human Resources subcommittee.

9. Tangible Fixed Assets

	Computer Equipment £	Office Furniture £	Total £
Cost			
At 1 April 2019	4,712	502	5,214
Additions	-	-	-
At 31 March 2020	4,712	502	5,214
Depreciation			
At 1 April 2019	1,571	502	2,073
Charge for year	1,571	-	1,571
At 31 March 2020	3,142	502	3,644
Net Book Value at 31 March 2020	1,570	-	1,570
Net Book Value at 31 March 2019	3,141	-	3,141

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2020

10. **Debtors**

	2020	2019
	£	£
Trade debtors	5,341	51,681
Prepayments and accrued income	4,978	1,485
	10,319	53,166

11. **Creditors**

	2020	2019
	£	£
Taxes and social security costs	16,654	36,972
Accruals	2,682	3,017
Holiday pay	2,929	3,752
Deferred income	31,178	73,193
Other creditors	134	976
	53,577	117,910

* Movement in deferred income in year

Brought forward	73,193	32,396
Released in the year	(73,193)	(32,396)
Deferred in the year	31,178	73,193
	31,178	73,193

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

12. Funds

2019/20	At 31 March 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Unrestricted Funds					
General funds	144,434	376,676	(376,780)	(5,000)	139,330
Designated fund – website	-	-	-	5,000	5,000
Designated fund – IT Equipment	5,429	-	(1,571)	-	3,858
	149,863	376,676	(378,348)	-	148,188
Restricted Funds					
Inspiring Impact	-	19,000	(17,997)	-	1,003
	-	19,000	(17,997)	-	1,003
Total Funds	149,863	395,676	(396,348)	-	149,191

2018/19	At 31 March 2018 £	Income £	Expenditure £	Transfers £	At 31 March 2019 £
Unrestricted Funds					
General funds	161,314	337,723	(354,603)	-	144,434
Designated fund – IT Equipment	7,000	-	(1,571)	-	5,429
	168,314	337,723	(356,174)	-	149,863
Restricted Funds					
Threading the Needle	9,300	10,300	(19,600)	-	-
Inspiring Impact	4,500	13,500	(18,000)	-	-
	13,800	23,800	(37,600)	-	-
Total Funds	182,114	361,523	(393,774)	-	149,863

12. **Funds (continued)**

General Fund – Third Sector Unit
This grant of £130,350 was provided by the Scottish Government towards the core costs of running ESS. This included costs for running the third sector research forum conference. Core costs include staff costs, office expenditure, and other costs. Under the terms of the funding arrangement ESS 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 Equipment
In 2018 the board designated £7,000 for website and ICT improvements to take place in 2019/20. In the period 2019/20 the total expense from this fund was £1,517 reflecting the depreciation on assets purchased using this fund. The total remaining designated fund at 31 March 2020 is £3,858. In addition, the Board agreed that in 2020/21 additional funds will be transferred to the designated fund in order to safeguard for future IT replacement expenses and depreciation.

Inspiring Impact
Payments totalling £19,000 were made in 2019/20 by New Philanthropy Capital from grants paid to the Inspiring Impact programme. The grant is restricted to the strand of work Inspiring Impact Scotland and to provide collaborative assistance to the Inspiring Impact programme.

13. **Analysis of Net Assets Between Funds**

	Unrestricted £	Restricted £	Total £
Tangible fixed assets	1,570	-	1,570
Net current assets	146,618	1,003	147,621
Net Assets at 31 March 2020	148,188	1,003	149,191

Analysis of Net Assets Between Funds

	Unrestricted £	Restricted £	Total £
Tangible fixed assets	3,141	-	3,141
Net current assets	146,722	-	146,722
Net Assets at 31 March 2019	149,863	-	149,863

14. Analysis of changes in net funds

	31 March 2019 £	Cashflows £	31 March 2020 £
Cash and cash equivalents	211,466	(20,587)	190,879

	31 March 2018 £	Cashflows £	31 March 2019 £
Cash and cash equivalents	204,362	7,104	211,466

15. Related Party Transactions

No trustees or other person related to the charitable company had any personal interest in any contract or transaction entered into by the charitable company during the year (2019 – None).