

Governance, Risk and Best Value Committee

10.00am, Thursday, 6 March 2014

SANDS Lothian Funding Support Update

Item number	8.2
Report number	
Wards	

Links

Coalition pledges	
Council outcomes	CO11
Single Outcome Agreement	SO2

Mark Turley

Director of Services for Communities

Contact: Susan Mooney, Head of Service

E-mail: susan.mooney@edinburgh.gov.uk | Tel: 0131 529 7587

Executive summary

SANDS Lothian Funding Support Update

Summary

Stillbirth and Neonatal Death Society (SANDS) Lothian are a voluntary organisation who offer support to bereaved parents who have experienced the death of a baby through miscarriage, stillbirth or soon after birth.

At the Governance, Risk and Best Value Committee on 7 March 2013 it was agreed that SANDS Lothian were to be:

- Awarded £10,000 of emergency funds; and
- A report was to be made after 6 months to the Committee to provide a financial update.

Recommendations

- 1 It is recommended that Committee note the content of this report.

Measures of success

SANDS Lothian along with other agencies will continue to work together to support parents and families affected pending the outcome of the Mortonhall Crematorium Investigation.

Financial impact

There are no financial implications arising from this report.

Equalities impact

The funding contributes to the delivery of the Equality Act 2010 general duties of fostering good relations.

Sustainability impact

No sustainability issues have been identified as a result of this report.

Consultation and engagement

Ongoing communication continues with SANDS and parents and families affected as required by the Mortonhall Crematorium Investigation.

Background reading / external references

- [Governance, Risk and Best Value Committee 24 January 2013 – Item 8.1 Mortonhall Crematorium Investigation: Initial Findings](#)
- [Governance, Risk and Best Value Committee 7 March 2013 – Item 8.1 Mortonhall Crematorium: SANDS Lothian Funding Support](#)

SANDS Lothian Funding Support Update

1. Background

- 1.1 SANDS Lothian are a voluntary organisation who offer support to bereaved parents who have experienced the death of a baby through miscarriage, stillbirth or soon after birth.
- 1.2 At the Governance, Risk and Best Value Committee on 7 March 2013 it was agreed that SANDS Lothian were to be:
 - awarded £10,000 of emergency funds; and
 - a report was to be made after 6 months to the Committee to provide a financial update.

2. Main report

- 2.1 The payment of funds was made in March 2013. It was agreed that this would cover the cost of rent for the years 2013 and 2014 for the premises occupied by SANDS Lothian staff at Craiglockhart, Edinburgh. SANDS Lothian have confirmed that they have committed £9,600 for two financial years rent and used the remaining £400 on postage on behalf of the Council for parents who chose to communicate via SANDS. It is envisaged that the remainder of the funds will also be spent on postage as they continue to communicate with parents throughout the investigation.
- 2.2 Discussions with SANDS Lothian have taken place and they have advised that they were required to take the decision to utilise the funds in this way as they suspended two large fund raising events scheduled for December 2012, which would have raised the funds required for rent. The reason for suspending the events was due to the additional pressures on staff both at a personal level and the requirement for them to be available to support parents at this crucial time.
- 2.3 SANDS Lothian have also had additional expenditure attributable to a security breach which happened earlier in the year and as such they had to expand their office space which meant they had a 50 percent increase in rental costs from £200 to £400 per month. They also had to fund structural changes to the office space to separate their meeting rooms to comply with data protection requirements.
- 2.4 SANDS Lothian have provided further information on the impact on their fundraising levels this financial year and the increased demand made on the service following the events leading to the Mortonhall Investigation. This information is attached at Appendix 1.

- 2.5 SANDS Lothian have provided a copy of their accounts for the last financial year and are happy to do the same at the end of this financial year. Those accounts are attached at Appendix 2.

3. Recommendations

- 3.1 It is recommended that Committee note the content of this report.

Mark Turley

Director of Services for Communities

Links

Coalition pledges

Council outcomes CO11 - Preventative and personalised support in place

Single Outcome Agreement SO2 – Edinburgh’s citizens experience improved health and wellbeing, with reduced inequalities in health

Appendices Appendix 1- Supporting Information Provided by SANDS Lothian
Appendix 2 – SANDS Lothian Accounts for last financial year

APPENDIX 1

Supporting Information Provided by SANDS Lothian

Reduced Opportunities for Fund Raising

Sands Lothian have advised that they would normally have had two main fund raising events in December 2012 the first being a can collection at Tesco which would normally raise around £2000 and the other would have been a disco with auction and raffle, in the past this has raised around £4000.

SANDS Lothian have further advised they were given £800 from an individual doner who had a fund raising event on their behalf

A further doner has provided £100 towards salary costs in 2014/15.

Case Load

Due to the increased case load for Sands Lothian staff they have since, late in 2012, increased working hours for their Manager from 16 to 30 hours per week and for a support member of staff from 10 to 20 hours per week.

Befrienders have also been required to support an increased number of parents and expenditure and expenses have therefore increased.

The table below is a summary of increased activity within Sands:

Activity	Advice & Information	Befriending Tel/Text/Email/Facebook
April 2011 – March 2012	56 cases(Average per month = 5)	338 cases (Monthly average = 28)
April 2012 – March 2013	214 cases (Average per month=18)	509 cases (Monthly average = 43)
April 2013 – 31 December 2013	132 cases (Average per month = 15)	946 cases (Monthly average = 105)

In addition to the above, regular meetings have been held with parents which had high attendance levels. Four public meetings have also been held with approximately 50 -70 attendees at these.

Extended Use of Premises and Increased Rent

- Following the theft of a laptop from the Sands office around the time of the investigation commencing staff were required to separate office and meeting space, this was also to protect individual's right to confidentiality.
- Costs incurred included building stud partition wall
- Painting and decorating
- New additional furniture for befriending room
- New Blinds

COMPANY REGISTRATION NUMBER: SC374997
CHARITY NUMBER SC024375

STILLBIRTH AND NEONATAL DEATH SOCIETY LoTHIANS
(A Charitable Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

STILLBIRTH AND NEONATAL DEATH SOCIETY LOTHIAN

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

	Page
Company Information	1
Report of the Directors	2
Chartered Accountant's Report	8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Financial Statements	11

STILLBIRTH AND NEONATAL DEATH SOCIETY LOTHIANS

REFERENCE AND ADMINISTRATIVE INFORMATION

Directors

Terry Dickson
Anna Stamp
Iris Quar

Operations Manager

Dorothy Maitland

Business Advisor

Yuill Irvine

Counsellor

Ruth Wilson

Counsellor (West Lothian)

Jennifer Winton

West Lothian Co-ordinator

Nicola Welsh

Administrator /Cashier

Christine Mackay

Grant Application Assistant/Fundraiser

Helen Henderson

Management Committee

Anna Stamp
Iris Quar (Acting Chair)
Terry Dickson
Evelyn Faulkner
Jacqui Irvine
Dr Normala Mary
Gillian Bell
Ros Lowrie

Salaries Committee

David Henderson
Yuill Irvine

Premises

Craiglockhart Centre
Tournament Building
177 Colinton Road
Edinburgh
EH14 1BZ

SANDS Lothians Charity Shop

92 South Clerk Street
EH8 9PT
0131 668 1300

Solicitors

Lindsays
Caledonian Exchange
19A Canning Street
Edinburgh
EH3 8HE

Bankers

The Co-operative Bank plc
PO Box 101
1 Balloon Street
Manchester
M60 4EP

Independent Examiner

Neil C Andrew
Chartered Accountant
2 Murieston Road
Edinburgh
EH11 2JH

Bank of Scotland

51 South Clerk Street
Edinburgh
EH8 9PP

STILLBIRTH AND NEONATAL DEATH SOCIETY LoTHIANS

MANAGEMENT COMMITTEE'S AND DIRECTORS' REPORT

The Management Committee presents its report and financial statements for the year ended 31 March 2013.

SANDS Lothians is an abbreviation for Stillbirth and Neonatal Death Society Lothians.

REFERENCE AND ADMINISTRATIVE INFORMATION

Details of reference and administrative information are included on page 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The company which is a registered Scottish Charity is limited by guarantee and is governed by a Memorandum and Articles of Association. The company was incorporated on 17 March 2010. Before that date the activities of the company were carried out by SANDS Lothians, an unincorporated charitable body, which ceased activities and transferred all of its assets and liabilities to the company on 1 April 2010.

Recruitment & appointment, induction and training of the management committee

Only full members of the association shall be eligible to serve as honorary officers or members of the Management Committee and in the case of the Salaries Committee only full members who are not employees of the association shall be eligible to serve. Nomination for honorary officers or members of the Management Committee and Salaries Committee must be made by full members of the association in writing and must be in the hands of the secretary at least fourteen full days before the annual general meeting. A member may not nominate himself or herself. Should nominations exceed vacancies, election shall be by ballot. A person who has been nominated to serve on a committee will be asked along to a meeting where it will be explained what their commitment to the association will be and it will be discussed how they can honour this.

The directors are appointed as set out by the company's Articles and Memorandum of Association. A summary of the directors who served during the period is included within page 1 of this report.

Organisational structure and how decisions are made

Management of the affairs of the association shall be directed by the Management Committee which shall meet not less than four times a year and shall consist of not less than five members. The members of the Management Committee shall be elected at the AGM. The Salaries Committee whose number shall not exceed seven shall be elected at the AGM. The Salaries Committee shall appoint and fix the remuneration of all staff employed by the association. No employee who is a member of the association shall be available for election to the Salaries Committee. Unless otherwise specified in the constitution, all questions arising at any meeting shall be decided by a simple majority of the votes cast. In the case of an equality of votes, the person taking the chair at the meeting shall have a second or casting vote.

Risk management

The Management Committee is fully aware of the risks to which the Charity is exposed.

The major external risk is the continued lack of dependable core funding. To mitigate this risk the Management Committee continues to explore fundraising opportunities.

OBJECTIVES AND AIMS

Aims

SANDS Lothians is committed to assisting individuals and families affected by the death of a baby, giving them hope to face the future. We continually strive to promote awareness in society of the needs of bereaved individuals and families through the dissemination of information and through co-operation in education and training with the relevant health professionals.

STILLBIRTH AND NEONATAL DEATH SOCIETY LoTHIANS

MANAGEMENT COMMITTEE'S AND DIRECTORS' REPORT (continued)

Objectives

The society's objectives are:

- a. to provide relief to those who have suffered bereavement following a stillbirth or neonatal death, to their relatives and other carers;
- b. to advance knowledge of and expertise in dealing with the effects of stillbirth and neonatal death on parents, relatives and other carers by education, teaching and training in co-operation with the appropriate governing authorities of the professions of medicine and nursing and by any other charitable means; and
- c. to advance education generally concerning stillbirth and neonatal death by the dissemination of information to all interested parties.

Main objectives for the period

- To staff the office for 36 hours per week enabling us to be open and be available to parents for befriending and counselling throughout each week;
- To hold 11 meetings for each of the following groups: Befriending for bereaved parents and their family and friends and Next Pregnancy Support Group;
- To hold 10 meetings for mothers (who have suffered the loss of a baby and have gone on to have a successful pregnancy) and babies to allow them to share their experiences; and
- To participate in 6 tutorials with fourth year medical students from the University of Edinburgh.
- To offer a work placement to at least one Napier University student midwife.

Strategies to achieve the charity's objectives

- Ensure that we have sufficient funding to provide the service by applying to the relevant grant making trusts and by our own fundraising and our members fundraising;
- Ensure that all interested parties receive our information and continue to raise awareness of SANDS Lothians and the needs of bereaved parents and their families and those caring for them;
- Liaise with the relevant health professionals delivering education and care in the new Royal Infirmary and St John's Hospital, West Lothian.

Principal activities

The core services by SANDS Lothians are as follows:-

Befriending Service

To provide opportunities where families who experience the death of a baby at or around the time of birth can reduce their isolation by speaking to or meeting with other individuals or families who have had a similar experience thus enabling them to move on in their own time.

Information and Advice Service

To ensure our potential client group is aware of their rights and responsibilities and of the support services available to them.

Next Pregnancy Support Service

To provide support to parents in a subsequent pregnancy after the loss of a baby due to miscarriage, stillbirth or neonatal death.

Counselling Service

To provide an alternative to medical support. To provide a service to supplement our befriending service for those who require additional help to learn to live with the death of their baby which will enable them to move on in their own time.

Training and Education Service

To assist in the training of health professionals (hospital or community based) so that they are better able to provide support and guidance to bereaved parents and families.

STILLBIRTH AND NEONATAL DEATH SOCIETY LOTHIAN

MANAGEMENT COMMITTEE'S AND DIRECTORS' REPORT (continued)

Long Ago Bereaved Service

To provide support to parents who experienced the death of a baby over 10 years ago. To obtain birth, death or stillbirth certificates and as much information as possible about the burial of the baby if not known.

Memorial Service

To provide at least one special service per annum where parents can join together to remember their babies and to pay tribute to each and every baby who has died due to stillbirth or neonatal death.

STILLBIRTH AND NEONATAL DEATH SOCIETY LoTHIANS

MANAGEMENT COMMITTEE'S AND DIRECTORS' REPORT ACHIEVEMENTS AND PERFORMANCE

Review of 2012/2013 activities and future developments

The start of the financial year saw us half way through Forget Me Not Month which starts on Mothering Sunday with a sponsored walk and balloon release and also preparing for the Edinburgh Marathon to be run in May 2012. As always these two fundraising events bring in large amounts of sponsorship and also raised our profile. The events are also very therapeutic for bereaved parents and their families.

We also reached the final of the Daily Record 'Our Heroes Award' and on the 11th May 2012 at an awards ceremony we were voted first in the community category. Nicola, Jeni and I attended this event in Glasgow which was a wonderful evening and again wonderful publicity for our organisation.

Throughout the year we have increased our services and have introduced a lunchtime drop in group every Monday in the Edinburgh Office and one to one befriending six days each week. We also have our monthly befriending meeting at which we hope to improve numbers as they have fallen over the last year or two. Facebook and e mail has become a very popular method of support. We have eight new volunteer befrienders who have successfully completed the SANDS UK befriending training programme. This has enabled us to offer almost round the clock support.

Due to the hard work of our West Lothian Co-ordinator our services in West Lothian are second to none. We now have secured premises in Craigsfarm in Livingston where regular befriending, pregnancy support and counselling and mother and baby groups are now up and running. They have excellent relationships with St Johns and have been involved in lots of education programmes to Health Professionals. They have regular fundraising events too which helps us maintain these services. A great achievement.

The GP project is now complete and we are confident every GP in Edinburgh and the Lothians have been contacted re our services

We also traced several graves of babies who died some 40 to 50 years ago. This has brought great comfort to many.

The SANDS Lothians book has been very therapeutic for parents. The writer who transcribed the stories has now finished her work and the artist has completed a lot of her work too. We are confident the book will be published in October 2013. We want this to reach a large audience in the hope it will help many parents.

The Mortonhall Scandal hit the headlines in November 2012. This came from a conversation with the Operations Manager of SANDS Lothians and the new Manager at Mortonhall. The Operations Manger had asked the writer of the SANDS book to have a look at other crematoria in Edinburgh and find out how they can recover ashes from babies. When she reported back to the Operations Manager it was decided she would ask Mortonhall why they insist there are no ashes. The new Manager had actually changed procedures and now recovers ashes. Through further investigation it became apparent that parents had been lied to over the years and this has led to an independent investigation by Dame Elish Angiolini. A parliamentary commission is also being done by Lord Bonomy.

Due to all the press coverage the SANDS Lothians Office has been inundated with enquiries. It has stirred up a lot of grief again and the staff is dealing well with the pressure. Staff hours and staffing has been increased to meet the demand. There have been many meetings with the Scottish Government and Edinburgh Council.

The Scottish Government have given us £30,000 to help support the parents for the foreseeable future and Edinburgh Council have given us two years funding for rent and postage.

Due to individuals coming into our office when we are not here we have taken advice from the Police. We have incurred costs by increasing security but feel confident we are much more secure. We have also had Data Protection training and computers have been encrypted. Some new equipment has been purchased to enable easier access to e mails etc when working from home during the tennis tournament when we have to vacate the premises.

It has been a challenging year with many changes for the good to help bereaved parents and their families through one of the saddest events they will ever have to deal with.

STILLBIRTH AND NEONATAL DEATH SOCIETY LoTHIANS

MANAGEMENT COMMITTEE'S AND DIRECTORS' REPORT FINANCIAL REVIEW

Financial activities and results for the period

Incoming resources for the period amounted to £133,181. The Society's main sources of funding continue to be public voluntary donations and fundraising activities.

Total resources expended amounted to £127,639. Direct charitable costs of £89,788 were incurred providing support and counselling for individuals and families affected by the death of a baby. Fund raising expenditure and shop expenditure totalling £36,891 was incurred in the period.

Overall the Society had a surplus in the period of £5,542.

Investment powers and policy

The Society's constitution defines the Society's investment powers in section 3.16 as follows:

"to invest the funds of the Society not immediately required for the objects in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions as at the time may be imposed or required by law."

In practical terms any funds not immediately required for the objects have been placed in an appropriate interest bearing bank account.

Reserves policy

As indicated in the activities and future developments for the period, the Management Committee continue to actively promote the activities of the Society in an effort to attract core funding to allow the Committee to develop future plans.

Taxation

The Society is a charity and is recognised as such by H M Revenue and Customs for taxation purposes. As a result no liability to taxation is anticipated on any of its income.

Statement of Directors' responsibilities

The directors (who are also directors of SANDS Lothians for the purposes of company law) are responsible for preparing the Management Committee's and Directors' 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 directors 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 the incoming resources and application of resources, including the net income and expenditure, of the charitable company for the year. In preparing the financial statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The directors are responsible for keeping adequate accounting records, that disclose with reasonable accuracy at any time the financial position of the charitable company and 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). The applicable law also sets out the directors' responsibilities for the preparation and content of the Management Committee's and Directors' Report.

The directors 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.

**MANAGEMENT COMMITTEE'S AND DIRECTORS' REPORT
FINANCIAL REVIEW (continued)**

Small Company Provisions

The directors have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standards for Smaller Entities (effective April 2008).

Approved by the directors and Management Committee and signed on their behalf by.

Iris Quar
Director and Chair (Acting)

Date :

**INDEPENDENT EXAMINER'S REPORT TO THE MANAGEMENT COMMITTEE
OF STILLBIRTH AND NEONATAL DEATH SOCIETY LOTHIAN**

I report on the financial statements of SANDS Lothian for the year to 31 March 2013 which are set out on pages 11 to 16.

This report is made to the Management Committee, as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to report my opinion as set out below and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Management Committee, as a body, for my work or for this report.

Respective responsibilities of Management Committee and independent examiner

The responsibilities of the Management Committee for preparing the Management Committees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Management Committee's Responsibilities.

The Management Committee consider that the audit requirement of Regulation 10(1)(a) to (c) of the Charities Accounts (Scotland) Regulations 2006 (as amended) (the Regulations) does not apply.

It is my responsibility to examine the accounts as required under section 44(1)(c) of the Charities and Trustee Investment Act 2005 (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 Regulations. An examination includes a review of the accounting records kept by the charity 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 Management Committee 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:

(a) 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 Act and Regulation 4 of the Regulations, and
- to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the Regulations

have not been met; or

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

Neil C Andrew
Chartered Accountant
2 Murieston Road
Edinburgh
EH11 2JH

Date :

STILLBIRTH AND NEONATAL DEATH SOCIETY LOTHIAN

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2013

	Notes	Unrestricted £	Restricted £	Total £	2012 £
Incoming resources					
Incoming resources from generated funds					
Voluntary Income :					
Donations	2	75,249		75,249	38,371
Grants	3	1,750	32,715	34,465	27,770
Membership subscriptions		2,303		2,303	2,239
Activities for generating funds :					
Fundraising activities		5,663		5,663	14,988
Sale of donated goods - shop		15,466		15,466	12,508
Investment income - bank interest		36		36	48
Incoming resources from charitable activities					
Counselling income		-		-	40
Total Incoming resources		100,466	32,715	133,181	95,964
Resources Expended					
Costs of generating funds					
Costs of generating voluntary income	6	28,836		28,836	23,345
Fundraising trading : costs of goods sold and other costs	7	8,055		8,055	8,184
Charitable activities	8	59,698	30,090	89,788	57,333
Governance Costs	9	960		960	960
Total Resources Expended		97,659	30,090	127,639	89,821
Net outgoing resources for the period		2,917	2,625	5,542	6,143
Funds at 01 April 2012		28,272	7,375	35,647	29,504
Funds at 31 March 2013		31,189	10,000	41,189	35,647

All activities are continuing

STILLBIRTH AND NEONATAL DEATH SOCIETY LOTHIAN

**BALANCE SHEET
AS AT 31 MARCH 2013**

	Notes	2012 £	£	2011 £	£
FIXED ASSETS	10		2,322		2,566
CURRENT ASSETS					
Debtors		64		7,505	
Prepayments		324		792	
Cash at bank and on hand		<u>214,967</u>		<u>30,382</u>	
		<u>215,355</u>		<u>38,679</u>	
CREDITORS : amounts falling due within one year					
Accruals		960		3,742	
Deferred income	3	171,092		-	
Tax and Social Security		<u>4,436</u>		<u>1,856</u>	
		<u>176,488</u>		<u>5,598</u>	
NET CURRENT ASSETS			<u>38,867</u>		<u>33,081</u>
NET ASSETS			<u>41,189</u>		<u>35,647</u>
FUNDS					
Unrestricted funds	12		31,189		28,272
Restricted funds	11		<u>10,000</u>		<u>7,375</u>
			<u>41,189</u>		<u>35,647</u>

Audit exemption statement

For the period ended 31 March 2013, the company was entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006.

No notice has been deposited with the company under section 476 of the Companies Act 2006 requiring an audit to be carried out.

The directors acknowledge their responsibility for:

- ensuring that the company keeps accounting records in accordance with sections 386 and 387 of the Companies Act 2006; and
- preparing statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its surplus for that financial period in accordance with the requirements of sections 394 and 395 of the Companies Act 2006.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Management Committee on

and signed on its behalf by:

Iris Quar, Director and Chair (Acting)

Company No. SC374997

The notes on pages 11 to 16 form part of these financial statements

STILLBIRTH AND NEONATAL DEATH SOCIETY LOTHIANS

NOTES to the FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

1. Accounting policies

Financial statements convention

The Society is recognised as a Scottish Charity (No: SC024375).

The financial statements are prepared under the historical cost convention and comply in every material respect with applicable accounting standards, the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (amended) and the Statement of Recommended Practice (2005) - Accounting and Reporting by Charities and the Financial Reporting Standard for Smaller Entities (effective April 2008).

Funds structure

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. Details of the restricted funds can be found in note 11.

Unrestricted funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects.

Donations and grant income

Donations are recorded on an accruals basis. They are recognised when the Society has entitlement to the resources, it is certain that the resources will be received and the monetary value can be measured with sufficient reliability.

Fundraising income

Fundraising income is accounted for in the period to which it relates.

Resources expended

Resources expended are included on the accruals basis and are classified under headings that aggregate all costs related to the category. Liabilities are recognised as soon as there is a legal or constructive obligation committing the Society to the expenditure. The wages costs of the Society have been allocated between restricted and unrestricted expenditure on the basis of an estimate of the time spent by staff on relevant duties. All other expenses are allocated based upon the project to which they relate where such an allocation is possible.

Allocation of overhead and support costs

Overhead and support costs have been allocated between charitable activities. Overhead and support costs, including staff costs, relating to charitable activities have been apportioned on the basis of the time spent by staff on each activity.

Costs of generating voluntary income

Fundraising trading: costs of goods sold and other costs comprise direct overhead costs of the charity shop and direct fundraising expenses.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

VAT

The Society is not registered for VAT and, accordingly, expenditure includes VAT where appropriate.

STILLBIRTH AND NEONATAL DEATH SOCIETY LOTHIANS

NOTES to the FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2013

Depreciation

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

Computer equipment

Office equipment

- 33%

- 25%

Items below the value of £250 are not capitalised.

2. Donations Received

	2013 £	2012 £
Scottish Government	30,000	-
Other donations individually less than £5,000	45,249	38,371
	<u>75,249</u>	<u>38,371</u>

3. Grants Receivable

	2013 £	2012 £
Edinburgh Voluntary Organisations Trust (EVOT)	-	2,000
Cruden Foundation	750	-
Lloyds TSB Foundation for Scotland	5,715	6,020
Nancy Massey Trust	2,000	-
The Mickel Fund	-	1,000
Comic Relief via Scottish Community Foundation	25,000	14,750
Scottish Community Foundation	-	2,000
The Souter Charitable Trust	1,000	2,000
	<u>34,465</u>	<u>27,770</u>

4. Staff Costs

	2013 £	2012 £
Wages and salaries	68,673	47,579
Social security costs	4,605	2,754
	<u>64,068</u>	<u>50,333</u>

The average monthly number of employees during the year was 6.

Full members of the Management Committee received no remuneration during the period. Expenditure of £Nil was re-imbursed to members of the Management Committee.

No employee received more than £60,000.

STILLBIRTH AND NEONATAL DEATH SOCIETY LOTHIAN

**NOTES to the FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2013**

5. Allocation of support costs and overheads

The breakdown of support costs and how these were allocated is shown in the table below :

Support Cost	Befriending & Counselling £	Teaching & Info £	Fund- raising £	Total £	2012 £
Rent	1,216	1,216	608	3,040	2,640
Depreciation	749	749	374	1,872	1,381
Insurance	174	174	87	434	478
Telephone	1,200	1,200	600	3,001	2,662
Postage	294	294	147	735	819
Stationery & Office Expenses	790	790	395	1,975	3,033
Repairs	510	510	255	1,275	-
Miscellaneous	895	895	447	2,237	2,307
Accountancy	136	136	68	340	180
Bank Charges	148	148	74	371	417
Website	715	715	358	1,788	3,119
Franking machine leasing	1,741	1,741	870	4,352	2,260
	8,568	8,568	4,284	21,421	19,297

6. Costs of generating funds

	2013 £	2012 £
Costs of generating voluntary income		
Staff Costs	14,519	9,963
Fundraising expenses	9,259	8,750
Travel	514	257
Subscriptions and advertising	<u>260</u>	<u>516</u>
	24,552	19,486
Support costs of fundraising activities (note 5)	<u>4,284</u>	<u>3,859</u>
	<u>28,836</u>	<u>23,345</u>

7. Costs of generating funds

	2013 £	2012 £
Fundraising trading : cost of goods sold and other costs		
Rent and expenses	7,371	7,661
Wages	<u>684</u>	<u>523</u>
	<u>8,055</u>	<u>8,184</u>

STILLBIRTH AND NEONATAL DEATH SOCIETY LOTHIAN

**NOTES to the FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2013**

8. Charitable activities

	Befriending & Counselling £	Teaching & Info £	Total £	2012 £
Staff Costs	29,038	29,038	58,075	39,849
Travel	1,029	1,029	2,058	1,028
Donations	1,768	1,768	3,536	-
Subscriptions and advertising	4,491	4,491	8,982	1,019
	<u>36,326</u>	<u>36,326</u>	<u>72,651</u>	<u>41,896</u>
Support Costs (Note 5)	8,568	8,568	17,136	15,437
	<u>44,894</u>	<u>44,894</u>	<u>89,788</u>	<u>57,333</u>

9. Governance Costs

	2013 £	2012 £
Independent Examination fee	<u>960</u>	<u>960</u>

10. Tangible fixed assets

	Office Equipment £	Computer Equipment £	Totals £
COST/VALUATION			
At 1 April 2012	678	10,707	11,385
Additions	<u>-</u>	<u>1,629</u>	<u>1,629</u>
At 31 March 2013	<u>678</u>	<u>12,336</u>	<u>13,014</u>
DEPRECIATION			
At 1 April 2012	678	8,141	8,819
Charge for year	<u>-</u>	<u>1,873</u>	<u>1,873</u>
At 31 March 2013	<u>678</u>	<u>10,014</u>	<u>10,692</u>
NET BOOK VALUE			
At 31 March 2013	<u>-</u>	<u>2,322</u>	<u>2,322</u>
At 1 April 2012	<u>-</u>	<u>2,566</u>	<u>2,566</u>

STILLBIRTH AND NEONATAL DEATH SOCIETY LOTHIANS

NOTES to the FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2013

11. Restricted funds

	Balance at 1 April 2012 £	Incoming Resources £	Outgoing Resources £	Balance at 31 March 2013 £
Lloyds TSB Foundation	0	5,715	(5,715)	0
The Scottish Community Foundation Comic Relief Fund	7,375	25,000	(32,375)	0
Nancie Massey Trust	0	2,000	(2,000)	0
Edinburgh Council	0	10,000	0	10,000
	<u>7,375</u>	<u>42,715</u>	<u>(40,090)</u>	<u>10,000</u>

The Lloyds TSB Foundation grant of £5,715 was to be used towards the Administrator's salary.
The Scottish Community Foundation Comic Relief Fund grant was to be used to support the salary costs of the Operation Manager and the Senior Befriender.

The Nancie Massey Trust grant was to be used towards the costs of the Outreach Programme.

The Edinburgh Council grant of £10,000 is to be used towards rent and postage costs for the 2 year commencing 01.04.13.

12. Unrestricted funds

	Balance at 1 April 2012 £	Incoming Resources £	Outgoing Resources £	Balance at 31 March 2013 £
General Fund	28,272	100,466	(97,549)	31,189

13. Analysis of net assets between funds

	Tangible Fixed Assets £	Net Current Assets £	Total £
Restricted	-	10,000	10,000
Unrestricted	2,322	28,867	31,189
	<u>2,322</u>	<u>38,367</u>	<u>41,189</u>

STILLBIRTH AND NEONATAL DEATH SOCIETY LOTHIAN

**NOTES to the FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2013**

14. Going Concern

The Society depends upon grants and fundraising in order for it to meet its day to day working commitments. The financial statements have been prepared on the going concern basis which assumes that adequate donations, grants and fundraising income will be received.