



**One Parent
Families Scotland**

changing lives, challenging poverty



**One Parent Families Scotland
(a company limited by guarantee)**

**Company number: SC094860
Scottish Charity number: SC006403**

**Financial Statements
for the year ended 31 March 2018**

ONE PARENT FAMILIES SCOTLAND
(a company limited by guarantee)
Year ended 31 March 2018

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ONE PARENT FAMILIES SCOTLAND

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Year ended 31 March 2018

Report of the Directors

Reference and administrative details

Company number	SC094860
Registered charity number	SC006403
Registered Office	13 Gayfield Square Edinburgh EH1 3NX
Company Secretary	Kenneth Mill
Bankers	Royal Bank of Scotland 36 St Andrew Square EDINBURGH Bank of Scotland Station Road FALKIRK
Solicitors	Turcan Connell Princes Exchange 1 Earl Grey Street EDINBURGH
Auditor	BDO LLP Citypoint 65 Haymarket Terrace EDINBURGH

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Report of the Directors (continued)

One Parent Families Scotland (OPFS) is Scotland's leading single parent organisation. Building on over seventy years of advocacy and service-delivery expertise, OPFS provides expert information, advice and support for one parent families, along with training activities, work preparation programmes and flexible childcare across Scotland. OPFS' model of transformational change has co-production at its heart through the active involvement of single parents as volunteers, peer mentors and as members of the board. Our approach enables single parents, the majority of whom are women, to build their self-esteem, confidence and skills, increasing parent's access to employment, training and education.

The OPFS approach is tailored to single parent families' unique challenges, it is life changing and has a long-lasting impact on families and communities in the following ways:

- enables families to improve their well-being through barrier removal and building their capacity to achieve their potential
- strengthens families and communities, supporting parents and children from different family backgrounds to access learning, fun activities, peer mentoring and group support
- develops models that create stepping stones for single parents to increase their chances of sustainable employment.

Background:

Currently in Scotland, 1 in 4 families are headed by a single parent. There are 170,000 single parents in Scotland with over 281,000 dependent children; 92 per cent (156,000) are female.¹ By 2037 households containing one adult with children are projected to increase by 27 per cent, to 196,300 households.²

The Scottish Poverty and Inequality Commission say that 37% of all children in poverty live in a single parent family and 94% of these single parents are women.³ The latest DWP statistics reinforce this showing that 49% of children in single parent families live below the poverty line.⁴

Poverty Increase:

By 2021 single parents and their children will lose 20% of their income due to welfare reform - an average of £5,250 a year. This is the biggest predicted loss among different household types. The consequences are stark, with the poverty rate for children in lone-parent households projected to rise sharply to over 62% highlighting the ever-increasing need for policies targeted at single parent families.⁵

Our strategic priorities and actions set out to achieve our vision and support one parent families in this environment of increasing poverty and hardship because of austerity measures leading to reduced resources available for public services and welfare cuts leaving families with even less money to live on.

In 2017/18, we continued to provide high quality services at a national and local level and worked with the families we supported to influence the development of one parent family friendly policies and services. The experiences of

¹ www.scotlandscensus.gov.uk/2011-householdsandfamilies

² <http://www.nrscotland.gov.uk/files/statistics/household-projections/2012-based/2012-house-proj-publication.pdf>

³ <https://povertyinequality.scot/wp-content/uploads/2018/02/Child-Poverty-Delivery-Plan-advice-Final-Version-23-February-2018.pdf> p41 table 2

⁴ <https://www.gov.uk/government/statistics/households-below-average-income-199495-to-201617>

⁵ <https://www.equalityhumanrights.com/sites/default/files/cumulative-impact-assessment-report.pdf> p153

the families we work with informed our evidence to the Scottish Parliament, our responses to local and national consultations and the development of our own services to minimise the impacts of deepening poverty and inequality.

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Report of the Directors (continued)

We have continued to develop and deliver quality flexible childcare services at a price that is affordable for the families we work with. At a time when childcare is high on the political agenda and the demand for flexible and high quality childcare to support parents to work flexibly and meet the conditionality placed on them by welfare reform, we have worked in partnership with funders to ensure we can provide this much needed service without the costs being unaffordable for families or a strain on OPFS' reserves.

The funding landscape continues to change. In 2017/18 we saw some further reductions in funding and have needed to re-organise and restructure services in some areas resulting in some staff redundancies.

There has been an impact on our service delivery, with the ending of specific employability programmes and the refocusing of childcare services but we have still supported almost 6,000 parents, children and young people during the year.

One Parent Families Scotland's principal activities in the current year were:

- Awareness, policy and research: raising the issues affecting lone parent families in Scotland and influencing appropriate policy and service development.
- Services: providing and developing our national and local services - childcare, family support, employability support, welfare rights and debt advice, information and advice services, delivered by telephone, publications, our web site, one-to-one and group-based support and through linking with other agencies.
- Training: delivering information to other agencies and to lone parents through training, seminars and meetings.

Key Aims of OPFS

- Awareness of need, Policy and Research: Maintaining an overview of the needs of lone parent families and ensuring that relevant policies are tailored to meet these needs.
- Service Development: Directly delivering services to meet the needs of lone parent families and their children and other families and children with similar needs and supporting other agencies to deliver relevant services.
- Training and lone parent engagement in service development: Increasing the knowledge and skills of other agencies dealing with lone parents through provision of specialist knowledge and feedback from lone parents on their needs and the design of services to best meet those needs

Annual Review 2017/18

It has been another very busy year for service delivery, policy and research hampered at times by the constraints of funding cuts but OPFS has maintained a level of service delivery similar to previous years with families who are feeling even more sharply the impacts of austerity, welfare reform and local service cuts. We have continued to see an increase in the number of families requiring crisis support as the cost of living has increased and wages/benefits have reduced in real terms.

Policy and research

Our dedicated policy and research function has resulted in OPFS responding to and helping shape a range of local and national policy areas. The benefits of having a policy function embedded in local service delivery and therefore

able to evidence trends and needs as they emerge can be seen in the invitations for OPFS to input into policy and strategy.

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Report of the Directors (continued)

OPFS contributed to the policy agenda through using its contact with parents & capturing their experiences to respond to consultations & to campaign for positive policies.

OPFS has been involved in developments around newly **devolved social security benefits** and the new Scottish Social Security Agency. This includes: membership of the Scotgov Social Security Agency Strategic Comms & Engagement Partnership Group; being consulted by Scotgov officials on ensuring the new Scottish social security agency is a child friendly agency; workshops on problems with the existing benefits system involving up to 15-20 single parents with diverse backgrounds. OPFS co-chairs the Scottish Campaign on Welfare Reform which has acted as a forum to co-ordinate responses to the **Social Security Bill** including amendments to the Bill.

Positive engagement by OPFS ensured an amendment was made to **The Child Poverty (Scotland) Act** which included single parents as a key target group. OPFS carried out a consultation with single parents on the Scottish Governments delivery plans

OPFS gave written and oral evidence to several Scottish Parliament committees on issues such as the 'poverty related educational attainment gap' and the impact of newly devolved social security powers on passported benefits. OPFS also briefed the new Scottish Poverty & Inequality Commission on the issues around poverty and single parent families which then informed their advice to Scottish Government on the development of their child poverty delivery plans

Benefit Cap reduction to £20,000: We know from parents contacting our services that the Benefit cap has caused huge financial problems, particularly in Edinburgh and Glasgow. In some cases, causing homelessness and near destitution

OPFS responded by working with Child Poverty Action Group (CPAG) to produce a report on the impact of the cap using parent's experiences from across local authority areas is being circulated to MSP's:

http://www.opfs.org.uk/wp-content/uploads/CPAG_OPFS_Benefit_Cap_Report_Feb18.pdf

School Clothing Grants: Feedback through our services highlighted that some parents didn't claim their entitlement to school clothing grants and that the levels across Scotland showed wide disparities

To highlight issues around school clothing grants OPFS has been working with the Poverty Truth Commission (PTC) and CPAG to raise awareness of the disparity in grant levels across Scottish local authorities. A consultation with parents was done and a briefing was published:

http://www.opfs.org.uk/wp-content/uploads/SchoolClothingGrant_-Briefing_April-17.pdf

Meetings with the Depute First Minister ensured his support for an increase in the school clothing grant and support for the same level being set for the whole of Scotland ensuring this commitment was included in 'Every Child, Every Chance Delivery Plan'.

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Report of the Directors (continued)

Single Parents Feedback & Participation

Involving parent's means our service delivery and policy input is based on parents' every day experiences. We aim to ensure OPFS services meets the needs of single parents and that single parent 'Experts through Experience' views feed into Scottish Government policy processes. We do this in 3 ways:

1. The Single Parent 'Policy Impact Monitoring System' (PIMS)

We are developing a model which aims to track and communicate the impact of policy developments on single parents through feedback from OPFS service delivery teams. There are four components:

- **Impact knowledge:** Data is systematically collected and analysed from OPFS services
- **Monitoring and Emerging Issues:** Systems are in place to monitor policy impacts and provide prompt warning of emerging issues affecting single parents.
- **Dissemination and communication:** Impact information and emerging issues messages communicated to key influencers.
- **Policy Response / Advocacy Capability:** Systems are in place for an OPFS policy response to identify trends which is shared with the OPFS policy unit to prepare for future challenges and for use as case studies when raising understanding of single parent issues

2. Single Parent Policy Advisory Groups

OPFS is rolling out a model of LP involvement across all projects. This involves the setting up of single parent advisory groups who will feed into and shape policy and services.

3. On-line Surveys and Focus Groups

Using survey monkey to consult single parents more widely on a range of policy issues enable us to both monitor the user experience of our service and have our users involved in shaping the delivery more routinely

Information and Advice

We have continued to deliver high quality, holistic information and advice for single parents through our national information and advice service; we have refined and delivered training on the issues affecting single parents.

Local service delivery

During this past year we have provided one-to-one support, group-based activities, and outreach activities for single parents. For example:

Lone Parents have taken part in a range of parenting and family support activities. These groups were aimed at enabling parents to feel better equipped to enable their children to have good fun learning opportunities to minimise disadvantage and the impact of poverty.

Lone Parents have been provided with one to one family support in their own home, which includes life skills, family wellbeing and positive relationships. Home visiting and meeting parents in a variety of community resources provides parents and carers with the opportunity to benefit from more sustained and in-depth work to minimise and resolve any issues or problems identified by the family or other professionals. This can be done on a single agency basis or as part of partnership and multi-agency working to promote the needs and safety of children.

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Report of the Directors (continued)

Lone Parents were involved in a money management programme; the aims were to improve the knowledge, confidence, skills and financial wellbeing of the parents to help manage their money better.

We have delivered a range of opportunities to allow single parents opportunity to enhance their standard of living, including one-to-one support, group-based activities, hubs, personal development training, and financial inclusion advice and information.

Our finance and reporting functions have been further improved to support effective local delivery ensuring resources are used in the most efficient manner maximising support to the families we work with.

Volunteers

OPFS uses volunteers to help with parts of our work, including some work in local projects and some of our awareness-raising with other agencies. We have parents who do one off pieces of work, such as helping with events. Regular volunteers are the board members and the counsellor in Edinburgh.

Measurement of performance

OPFS sets out to achieve the following outcomes through its work:

1. Parents, especially single parents, will have the capacity and resilience to deal with the complex issues they face.
2. We will have maximised the well-being of individuals in single parent and other vulnerable families in order that they can develop sustainable, healthy, and happy relationships.
3. Parents, especially single parents, are better equipped to ensure that their children have healthy, stable, and supportive home environments, and can make informed choices about enhancing their life chances.
4. Single parents have the disposable income required to ensure a good standard of living and the opportunity to achieve their aspirations/ambitions.
5. Flexible, affordable, high quality childcare is available for single parents and other families to support them into training, education, and employment.
6. Partner organisations, local and Scottish governments have increased understanding of issues affecting one parent families (resulting in the development of more effective services).
7. Single parents are more confident and involved in decision-making in families, communities, and wider society.
8. OPFS is a resilient and responsive organisation recognised as delivering high quality services.

All services and functions are aligned to the outcomes in the plan and reporting against these is done on a qualitative and quantitative basis – looking at the number of families we support and the impact of the support:

- In 2017/18, OPFS supported almost 6,000 parents, children and young people.
- Directly supported 1,439 parents through face-to-face one-to-one support to deal with the issues they face and feel better equipped to support themselves and their families.
- Directly supported 844 parents through group support, reducing isolation, creating local peer and support networks and providing training and support to enable parents to enhance their life chances.

- Directly supported 832 children (other than childcare).

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Report of the Directors (continued)

- Supported 180 children with additional support needs, reducing isolation and providing children with activities to support their social and emotional development.
- Provided flexible childcare to 300 families enabling parents to take part in group-based support, training, education or employment and providing children with experiences to support their development.
- Provided welfare rights and money advice support to over 1,104 families resulting in financial gains of over £211,000;
- Engaged 261 people in specific employability programmes and enabling them to progress on to further education training or employment.
- Trained 319 professionals raising awareness of the issues affecting one parent families.
- Dealt with 4,296 helpline enquiries, providing information, advice and support on a range of issues affecting one parent families.
- 41,668 publications downloaded, providing practical information about the issues affecting one parent families.
- Had over 3.4 million hits on our website, with almost 196,000 website page visits.

Impact of services

To see if our services are effective, staff employ several tools to gather feedback from families and other stakeholders.

Feedback is collected from parents: as part of the inspections of childcare services carried out by the care Inspectorate; as part of a helpline user survey; through evaluation forms for parents who participate in groups; through evaluation of family support work from participants' assessments of their progress in areas such as confidence, isolation and awareness of other services, progress onto training/education/employment. Feedback we have had from parents in relation to the activities outlined in the section above includes:

- Parents have reported increased knowledge around the developmental needs of their children which enhances their parenting capabilities.
- Parents have reported being able to attend groups in their local communities has decreased their social isolation and enabled them to access peer and worker support.
- Parents have reported they feel more confident in understanding their role and responsibilities in terms of being a parent.
- Parents have reported they are more knowledgeable and skilled in being able to provide opportunities for their children to be involved in activities. This is both in the home and their wider communities.
- Parents have told us that they appreciate the service being in the heart of the community; they enjoy being a part of the service and some are very proud to tell other people about what we do.
- Single Parents have gained help, advice & information to provide them with the awareness and knowledge needed to sustain realistic and manageable fuel efficiency measures to alleviate and prevent the effects and impact of fuel poverty.
- Being able to participate in activities at their own pace, parents report, is very beneficial in terms of them increasing their confidence and identifying what they want to do and be in the future.
- Parents say that the groups and other activities have demonstrated to themselves that they have got ability and potential and that they believe in themselves a lot more.
- Parents feel that they have been able to resolve financial issues and other issues impacting on their family life which has enhanced their quality of living.
- The support they have received has enabled parents to identify possible life paths that they previously hadn't considered, or thought were out of their reach.

- The support has enabled parents to enter formal education or secure jobs.

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Report of the Directors (continued)

Local services have databases to measure the impact of our work and demonstrate the outcomes for families, progress against OPFS' own outcomes as well as the Scottish Government's wellbeing indicators for children and families. One of the challenges is the number and range of local, national and funder outcomes any system must be able to report against.

The funding provided by the Scottish Government and by local authorities enabled us to access additional sources of funds (detailed in these accounts) and underpins meeting all the objectives. Most of our services are provided free of charge, except for our Flexible childcare services where parents pay an hourly fee for care provided (except those where fees are paid by another agency).

Risk assessment

The directors have assessed the major risks to which the charity is exposed, in particular, reduction in reserves, cash flow, managing staff numbers in a rapidly changing context and succession planning, and are satisfied that the systems are in place to mitigate our exposure to these risks. Measures in place include growing the organisation through continually identifying new funding opportunities and diversifying the organisation's funding base, monitoring cash flow closely including, an overdraft facility, and insurance against potential legal costs.

Reserves policy

The Board are aiming to have general 'free' reserves equivalent to 3 months' unrestricted operating costs to cover fluctuations in cash flow, any unexpected deficits in local services and redundancy obligations. This equates to £249,000 (2017: £214,000) at current levels of expenditure. The current free reserve (being unrestricted funds excluding pension reserve) of £202,375 (2017: £92,999) does not support this minimum level and the Board are aware that this 'free' reserve excludes the pension reserve of £185,000 (2017: £209,000) which requires to be serviced over the next 8 years.

The Board are satisfied that the current level of reserves and income pipeline is sufficient to meet operational expenditure and will continue to monitor reserves regularly throughout the coming year.

Results for the year


The financial results for the year are set out in the Statement of Financial Activities on page 15. Income and expenditure both increased this year, resulting in a surplus in restricted and in general funds.

Plans for future periods

OPFS' funding for 2018/19 is confirmed and is secure with there being some reduction in local authority funding. Our strategic plan continues to provide the framework for future service and organisational development, priorities and fundraising.

We expect the coming years to be challenging with funding from local authorities further reducing and a shift from grants to strategic commissioning and have developed an online funding pipeline to assist with grant management and applications.

We have secured a large grant of over £1 million (over two years) from the Tampon Tax Fund which will support with the development of a health and wellbeing service for single parents as well as provide funding for the development of OPFS' digital and support infrastructure.



Through the support of the Hunter Foundation and the Social Innovation Partnership we have secured funding to appoint an Operations Director for our Flexible Childcare Services whose role it will be to grow these services in a sustainable manner as part of the process of creating a separate flexible childcare social enterprise.

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Report of the Directors (continued)

Dividends

The company is limited by guarantee and has no shareholders. No dividends are therefore payable.

Directors

The following were directors during the year to 31 March 2018:

Resigned

Elizabeth Mcentee (17/11/17)

Appointed

None

Unchanged

Marlene Wood
Stuart Duffin
Vivienne Swan
Mark Ferguson
Bev Read
Rhona Cunningham
Neil Mathers
Johanna Mculloch
Jennifer Paice
Kevin Cadman

None of the directors had any notifiable interest in the company at any time during the year.

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company and charity law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 charity will continue in business.

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Report of the Directors (continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Provision of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are individually aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Basis of preparation

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Board

Marlene Wood, Director

13 Gayfield Square, Edinburgh

Dated:

ONE PARENT FAMILIES SCOTLAND

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Year ended 31 March 2018

Independent auditor's report to the members and trustees of One Parent Families Scotland

Opinion

We have audited the financial statements of One Parent Families Scotland ("the charitable company") for the year ended 31 March 2018 which comprise the statement of financial activities, the balance sheet, the cash flow statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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Independent auditor's report to the members and trustees of One Parent Families Scotland (continued)

Other information

The other information comprises the information included in the report of the directors, other than the financial statements and our auditor's report thereon. The other information comprises: the report of the directors. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report, which are included in the trustees' report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatement in the strategic report or the trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion;

- proper and adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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Independent auditor's report to the members and trustees of One Parent Families Scotland (continued)

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

Martin Gill (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Edinburgh
Date

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

ONE PARENT FAMILIES SCOTLAND SC094860**(a company limited by guarantee)****Year ended 31 March 2018****Statement of Financial Activities (incorporating Income and Expenditure Account)**

		Restricted Funds	Unrestricted Funds	2018 Total	2017 Total
	Notes	£	£	£	£
Income from:					
Donations		668	200,722	201,390	250,813
Investments		-	98	98	102
Charitable activities:					
Awareness of need, training & policy research		62,984	-	62,984	101,992
National information & support services		215,750	1,098	216,848	235,550
Family support services		1,079,347	59,654	1,139,001	1,026,419
Childcare		412,724	871,509	1,284,233	965,577
Total income	3	1,771,473	1,133,081	2,904,554	2,580,453
Expenditure on:					
Charitable activities:					
Awareness of need, training & policy research		54,948	205,316	260,264	277,928
National information & support services		216,108	2,168	218,276	231,867
Family support services		1,040,136	37,391	1,077,527	1,130,987
Childcare		361,218	754,831	1,116,049	1,005,050
Total expenditure	4	1,672,410	999,706	2,672,116	2,645,832
Net income/(expenditure) for the year	7	99,063	133,376	232,439	(65,379)
Net funds brought forward		161,116	(116,001)	45,115	110,494
Net funds carried forward	15, 16	260,179	17,375	277,554	45,115

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 18 to 32 form part of the financial statements.

ONE PARENT FAMILIES SCOTLAND SC094860

(a company limited by guarantee)

As at 31 March 2018

Balance sheet

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible fixed assets	9		19,714		20,792
Current assets					
Debtors	10	296,205		202,554	
Cash at bank		656,808		206,496	
		<u>953,013</u>		<u>409,050</u>	
Current liabilities					
Creditors falling due within one year	11	<u>(534,066)</u>		<u>(198,924)</u>	
Net current assets			418,947		210,126
Creditors falling due greater than 1 year	12		<u>(161,107)</u>		<u>(185,803)</u>
Net assets			<u>277,554</u>		<u>45,115</u>
Reserves					
Restricted Funds	15		260,179		161,116
Unrestricted Funds:	16				
General funds		202,375		92,999	
Pension reserve	17	<u>(185,000)</u>		<u>(209,000)</u>	
			<u>17,375</u>		<u>(116,001)</u>
			<u>277,554</u>		<u>45,115</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The notes on pages 18 to 32 form part of the financial statements.

Approved and authorised for issue by the Board and signed on its behalf

Marlene Wood, Director

Dated:

ONE PARENT FAMILIES SCOTLAND SC094860

(a company limited by guarantee)

Year ended 31 March 2018

Statement of Cash Flows

	2018	2017
	£	£
Net expenditure for the period	232,438	(65,379)
Adjustments for:		
Depreciation	1,077	1,324
Interest receivable	(98)	(102)
Pension deficit contributions	(23,695)	(22,521)
Discount unwind in pension liability	2,000	6,000
Remeasurement of pension provision	(3,000)	6,000
Increase in debtors	(93,651)	94,443
Increase in creditors	335,143	(41,168)
Net cash provided by/(used in) operating activities	<u>450,214</u>	<u>(21,404)</u>
Cash flows from investing activities		
Interest received	<u>98</u>	<u>102</u>
Net cash provided by investing activities	<u>98</u>	<u>102</u>
Net movement in cash and cash equivalents for the year	450,312	(21,302)
Cash and cash equivalents brought forward	206,496	227,798
Cash and cash equivalents carried forward	<u><u>656,808</u></u>	<u><u>206,496</u></u>

The notes on pages 18 to 32 form part of the financial statements.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2018

Notes to the financial statements

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard 102 (effective January 2015), the Companies Act 2006, Charities Accounts (Scotland) Regulations 2006 and follow the recommendations in Charities SORP (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) regulations 2006.

The charitable company was incorporated in Scotland, UK, is a company limited by guarantee and has company registration number, charity number and registered office as per the cover page to these financial statements. The charitable company's principal activity is as disclosed per the report of the directors. The functional currency used is GBP and level of rounding is to the nearest pound.

The preparation of the financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires the Charity to exercise judgement in applying the entity accounting policies (see note 2 below).

For the purposes of FRS 102 the entity is designated as a public benefit entity.

1.2 Going concern

The directors have prepared the financial statements on a going concern basis as a review of the budgets to 31 March 2019 and cashflow to 30 September 2019, which includes the secured Tampon Tax funding to 31 March 2020, indicate that reserves are adequate to meet the needs of the organisation for the foreseeable future.

1.3 Expenditure

Expenditure is charged to a particular activity where the cost relates directly to that activity.

Support costs not directly related to an activity are apportioned based on staff time.

Governance costs are included within support costs in the Awareness of need, training and policy research charitable activity as this is the core activity of the charity. The costs are charged directly to the Statement of Financial Activities when incurred and include audit and accountancy fees and any directors' expenses.

Expenditure on fixed assets is capitalised except if the item cost less than £1,000.

1.4 Income

Grants are recognised in full in the Statement of Financial Activities in the year in which they relate and when the conditions of the grant have been met. The conditions for the grant being met are assessed against the criteria of entitlement to the income, ability to measure the economic benefit, and it is probable that the flow of economic benefit to the charity will occur.

Income from services is recognised when the service has been performed and the income is receivable.

Income received by way of donations and gifts is included in full in the Statement of Financial Activities when the three criteria of the charities SORP (entitlement, measurement and probability) are met.

Income from investments is included when receivable.

1.5 Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on tangible fixed assets at rates calculated to reduce the assets to their residual values by the end of their useful lives. The rates adopted are as follows:

Freehold Property	2% straight line
Tenant's improvements	10% straight line
Equipment	25% straight line

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2018

Notes to the financial statements (continued)

1. Accounting policies (continued)

1.6 Pensions

The charity operates a multi-employer defined benefit pension scheme. The information on the assets and liabilities attributable to individual employers within this scheme are not able to be independently identified by the scheme actuary and so the costs of the scheme are recognised as and when they arise. The assets of the scheme are held separately from those of the charity in an independently administered fund. The charity has agreed to a deficit funding agreement and recognises a liability for this obligation. The amount recognised the net present value of the deficit reduction contributions payable under the agreement and is calculated using the discount rate of 1.71% (2017:1.32%). The unwinding of the discount rate is recognised as a finance cost. More details are contained in note 14.

1.7 Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities and the Income and Expenditure account as incurred over the term of the lease.

1.8 Funds accounting

Unrestricted funds are donations and other incoming resources receivable for the objects of the charity without further specified purpose and are available as general funds. Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the fund, together with a fair allocation of management and support costs.

1.9 Holiday pay

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

1.10 Termination benefits

One Parent Families Scotland accepts that there are occasions when it may be necessary to make staff redundant and terminate their employment; our intention is to manage the business in a manner which results in secure employment for our employees and will always try to avoid the need for compulsory redundancies. Payments for redundancy are calculated on the basis of paying the statutory entitlements or above.

1.11 Financial Instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2018

Notes to the financial statements (continued)

1. Accounting policies (continued)

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the charity would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the charity's cash management.

2. Key judgement and areas of estimation uncertainty

The key judgements and sources of estimation uncertainty in the preparation of the financial statements are as follows:

- **Grants receivable**

The level and timing of income and expenditure in relation to grants is an area of key judgement as it is determined for accounting purposes by referring to the conditions of grant. Grants receivable are recognised in so far as the conditions attached to the grant have been met and have been demonstrated to the grant giver. The level and timing of provision to grant recipients is determined by monitoring grant criteria and ensuring that conditions are being met.

- **Pensions**

The assumptions used in calculating the present value of deficit funding on the pension scheme requires judgement on the part of the directors. In making these assumptions, advice has been taken from an independent qualified actuary. The assumptions are all shown in note 14.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2018

Notes to the financial statements (continued)

3. Income

	Restricted Funds £	Unrestricted Funds £	2018 Total £	Restricted Funds £	Unrestricted Funds £	2017 Total £
Donations from:						
Membership & donations	668	14,942	15,610	220	64,813	65,033
Core grant	-	185,780	185,780	-	185,780	185,780
	<u>668</u>	<u>200,722</u>	<u>201,390</u>	<u>220</u>	<u>250,593</u>	<u>250,813</u>
Charitable activities from:						
Grants	1,761,856	121,308	1,883,164	1,576,445	33,828	1,610,273
Sales and services	8,949	810,953	819,902	140,086	579,179	719,265
	<u>1,770,805</u>	<u>932,261</u>	<u>2,703,066</u>	<u>1,716,531</u>	<u>613,007</u>	<u>2,329,538</u>
Investments income from:						
Bank interest	-	98	98	-	102	102
Total income	<u>1,771,473</u>	<u>1,133,081</u>	<u>2,904,554</u>	<u>1,716,751</u>	<u>863,702</u>	<u>2,580,453</u>

Grant funding included the following Scottish Government grants:

	2018 £	2017 £
Scottish Government – provision of financial and benefits advice grant	212,000	212,000
Scottish Government – supporting Scotland's children and fathers grant	168,220	168,220
Scottish Government – core grant	185,780	185,780
Scottish Government – community connections	9,608	-
	<u>575,608</u>	<u>566,000</u>

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2018

Notes to the financial statements (continued)

4. Analysis of expenditure

	Activities undertaken directly	Support costs	2018 £	Activities undertaken directly	Support costs	2017 £
Charitable activities						
Awareness of need, training and policy research	239,296	20,968	260,264	257,716	20,212	277,928
National information and support services	176,295	41,981	218,276	179,399	52,468	231,867
Family support services	798,742	278,785	1,077,527	1,021,504	109,483	1,130,987
Childcare	870,744	245,305	1,116,049	808,521	196,529	1,005,050
Total expenditure	2,085,077	587,039	2,672,116	2,267,140	378,692	2,645,832

	Restricted	Unrestricted	2018 £	Restricted	Unrestricted	2017 £
Charitable activities						
Awareness of need, training and policy research	54,948	205,316	260,264	93,785	184,143	277,928
National information and support services	216,108	2,168	218,276	231,867	-	231,867
Family support services	1,040,136	37,391	1,077,527	1,073,180	57,807	1,130,987
Childcare	361,218	754,831	1,116,049	390,420	614,630	1,005,050
Total expenditure	1,672,410	999,706	2,672,116	1,789,252	856,580	2,645,832

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2018

Notes to the financial statements (continued)

5. Support cost breakdown by activity

	Awareness of need, training and policy research	National information and support services	Family support services	Childcare	2018 £	Basis of allocation
Management	11,106	22,237	147,671	129,937	310,951	Staff time
Finance	4,336	8,681	57,652	50,728	121,397	Staff time
Information	3,371	6,749	44,813	39,432	94,365	Staff time
Human resources	1,919	3,841	25,508	22,445	53,713	Staff time
Governance costs (see below)	236	473	3,141	2,763	6,613	Activity
Total support costs	20,968	41,981	278,785	245,305	587,039	

	Awareness of need, training and policy research	National information and support services	Family support services	Childcare	2017 £	Basis of allocation
Management	10,706	27,792	57,992	104,101	200,591	Staff time
Finance	4,059	10,537	21,988	39,470	76,054	Staff time
Information	3,249	8,434	17,599	31,592	60,874	Staff time
Human resources	1,850	4,801	10,018	17,980	34,649	Staff time
Governance costs (see below)	348	904	1,886	3,386	6,524	Activity
Total support costs	20,212	52,468	109,483	196,529	378,692	

Governance costs

	2018 £	2017 £
Audit & accountancy	6,300	6,300
Directors' expenses	216	36
Annual report & AGM	97	188
	<u>6,613</u>	<u>6,524</u>

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2018

Notes to the financial statements (continued)

6. Employment costs

	2018 £	2017 £
Gross salaries	1,932,231	1,919,940
Employers National Insurance	141,748	143,741
Employer's superannuation contributions	77,236	75,297
Redundancy costs	3,179	10,080
	<u>2,154,394</u>	<u>2,149,058</u>

No employee earned £60,000 or more per annum (2017: none).

The average number of employees, by head count, in the year was as follows:

	2018	2017
Senior management	4	4
Management	7	7
Admin and support	14	15
Childcare and project workers	130	131
	<u>155</u>	<u>157</u>

No director received any remuneration for their service as director (2017: none).

7. Net income/(expenditure)

	2018 £	2017 £
Net expenditure is stated after charging:		
Auditor's remuneration for audit services	6,300	6,300
Depreciation	1,077	1,324
Operating lease rentals	28,388	19,531
Interest charge	2,000	6,000

8. Corporation tax

The company is non-profit making and is recognised as a charity by HM Revenue and Customs.

There are no activities which fall within the scope of corporation tax and therefore, no provision has therefore been made for corporation tax.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2018

Notes to the financial statements (continued)

9. Fixed assets

	Freehold property	Tenant's imp'ments	Equipment	Total
	£	£	£	£
Cost as at 1 April 2017	41,561	49,304	34,744	125,609
Cost as at 31 March 2018	41,561	49,304	34,744	125,609
Depreciation as at 1 April 2017	23,645	49,304	31,869	104,818
Charge for year	358	-	719	1,077
Depreciation as at 31 March 2018	24,003	49,304	32,588	105,895
Net book value as at 31 March 2018	17,558	-	2,156	19,714
Net book value as at 31 March 2017	17,916	-	2,876	20,792

10. Debtors

	2018	2017
	£	£
Trade debtors	177,904	108,248
Other debtors	20,957	14,231
Accrued grant income	97,344	80,075
	296,205	202,554

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2018

Notes to the financial statements (continued)

11. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	28,217	27,599
Accruals and other creditors	86,372	55,841
Tax and social security	35,515	35,174
Deferred income (note 13)	350,088	48,317
Pension contributions	9,981	8,797
Pension deficit funding creditor	23,893	23,197
	<u>534,066</u>	<u>198,924</u>

The Royal Bank of Scotland holds a bond and floating charge over the assets of the company.

12. Creditors falling due greater than 1 year

	2018	2017
	£	£
Pension deficit funding creditor between 1 and 5 years	95,570	92,787
Pension deficit funding creditor greater than 5 years	65,537	93,016
	<u>161,107</u>	<u>185,803</u>

13. Deferred income

	2018	2017
	£	£
Balance as at 1 April	48,317	86,694
Amount released to income in the year	(48,317)	(86,694)
New amounts deferred in year	350,088	48,317
Balance as at 31 March	<u>350,088</u>	<u>48,317</u>

Deferred income comprises grants and fee income received in the current year which relate to a future accounting period.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2018

Notes to the financial statements (continued)

14. Pension deficit funding

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025:	£12.9m per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction

contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2018

Notes to the financial statements (continued)

14. Pension deficit funding (continued)

PRESENT VALUES OF PROVISION

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Year ended 31 March 2018 £	Year ended 31 March 2017 £
Provision at start of period	209,000	220,000
Unwinding of the discount factor (interest expense)	2,000	6,000
Deficit contribution paid	(23,000)	(23,000)
Remeasurements - impact of any change in assumptions	(3,000)	6,000
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	185,000	209,000

INCOME AND EXPENDITURE IMPACT

	Year ended 31 March 2018	Year ended 31 March 2017
Interest expense	2,000	6,000
Remeasurements – impact of any change in assumptions	(3,000)	6,000
Remeasurements – amendments to the contribution schedule	-	-

ASSUMPTIONS

	31 March 2018 % per annum	31 March 2017 % per annum	31 March 2016 % per annum
Rate of discount	1.71	1.32	2.07

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2018

Notes to the financial statements (continued)

14. Pension deficit funding (continued)

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
Year 1	24,000	23,000	23,000
Year 2	25,000	24,000	23,000
Year 3	25,000	25,000	24,000
Year 4	26,000	25,000	25,000
Year 5	27,000	26,000	25,000
Year 6	28,000	27,000	26,000
Year 7	29,000	28,000	27,000
Year 8	15,000	29,000	28,000
Year 9	-	15,000	29,000
Year 10	-	-	15,000
Year 11	-	-	-

15. Restricted funds

	At 1 April 2017 £	Income £	Expenditure £	At 31 March 2018 £
Awareness, research, information and support	6,085	279,402	271,056	14,431
Family Support	145,365	1,079,347	1,040,136	184,576
Childcare	9,666	412,724	361,218	61,172
Total restricted funds	161,116	1,771,473	1,672,410	260,179

Each of the headings noted above contain a number of different individual restricted funds which have purpose as noted below:

- **Awareness, research, information and support**

- **National information services fund** - Provision of specialist information to lone parents, and those working with lone parents, through a telephone helpline, publications, training and the OPFS website.
- **13 Gayfield Square** - Edinburgh headquarters which was partly funded by restricted grants and donations.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2018

Notes to the financial statements (continued)

15. Restricted funds (continued)

- **Family support**

- **Dundee Family Support** - Delivering support and services to families in disadvantaged areas of Dundee.
- **STV Appeal** - Development of family support services in the Braes areas of Falkirk, peer mentoring and support for young lone parents in North and South Lanarkshire and lone parents in Glasgow.
- **Comic Relief** – Lone Parents Financial Capability Project Glasgow. £154,118 awarded over 3 years, August 2015 – 2018.
- **Children & Fathers work** - Work with fathers, including lone and contact fathers in Edinburgh, Motherwell, Dundee and Falkirk.

- **Childcare**

- **Flexible childcare services** -These funds are for the provision of home-based childcare and mobile crèches.
- **STV Appeal** – funding to support Flexible Childcare Services in Dundee.
- **Falkirk Children and Families Centre** - Information, advice and activities for parents and a nursery for children aged 2 and under.

Funds in deficit

Restricted funds in deficit arise due to expenditure being made in advance of income being received, this arises for some multiyear projects where project term is not coterminous with 31 March year end.

16. Unrestricted funds

	At 1 April 2017	Income	Expenditure	At 31 March 2018
	£	£	£	£
General funds	92,999	1,133,082	(1,023,706)	202,375
Pension reserve	(209,000)	-	24,000	(185,000)
Total unrestricted funds	(116,001)	1,133,082	(999,706)	17,375

Funds in deficit

Pension reserve – The pension reserve represents the total liability of the net present value of the deficit funding of the organisations multi-employer scheme. The current deficit funding schedule as disclosed in note 20 details the deficit contributions payable in order to extinguish this liability.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2018

Notes to the financial statements (continued)

17. Analysis of net assets between funds

	General Funds £	Pension reserve £	Unrestricted funds £	Restricted funds £	Total 2018 £
Fixed assets	-	-	-	19,714	19,714
Current assets	371,775	-	371,775	581,238	953,013
Current liabilities	(169,400)	(23,893)	(193,293)	(340,773)	(534,066)
Non-current liabilities	-	(161,107)	(161,107)	-	(161,107)
	<u>202,375</u>	<u>(185,000)</u>	<u>17,375</u>	<u>260,179</u>	<u>277,554</u>

	General Funds £	Pension reserve £	Unrestricted funds £	Restricted funds £	Total 2017 £
Fixed assets	-	-	-	20,792	20,792
Current assets	204,525	-	204,525	204,525	409,050
Current liabilities	(111,526)	(23,197)	(134,723)	(64,201)	(198,924)
Non-current liabilities	-	(185,803)	(185,803)	-	(185,803)
	<u>92,999</u>	<u>(209,000)</u>	<u>(116,001)</u>	<u>161,116</u>	<u>45,115</u>

18. Financial instruments

	2018 £	2017 £
Financial assets held at amortised cost	<u>953,013</u>	<u>409,051</u>
Financial liabilities held at amortised cost	124,571	92,237
Financial liabilities held at fair value	<u>185,000</u>	<u>209,000</u>

Financial assets held at amortised cost include trade debtors, other debtors, accrued income and cash at bank and in hand.

Financial liabilities held at amortised cost include trade creditors, other creditors, accruals and pension contributions.

Financial liabilities held at fair value include the pension deficit funding.

ONE PARENT FAMILIES SCOTLAND
(a company limited by guarantee)
Year ended 31 March 2018
Notes to the financial statements (continued)

19. Operating lease commitments

The charity had total commitments under operating leases as follows:

	2018	2017
	£	£
Less than 1 year	28,388	19,531
Between 1 and 5 years	24,433	12,183
	<u>52,821</u>	<u>31,714</u>

20. Related party transactions

Expenses amounting to £216 were reimbursed to 2 Directors during the year (2017: £36 to 1 Director). No amounts were paid to Directors in relation to provision of services (2017: £nil).

Key management personnel include all directors and 4 members of senior staff (2017: 4) who together have responsibility for planning, directing and controlling the activities of the company. The total compensation paid to key management for services provided to the company in the year was £236,726 (2017: £219,188).