



**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 2019**

ONE PARENT FAMILIES SCOTLAND
(a company limited by guarantee)
Year ended 31 March 2019

Contents

	Pages
Report of the directors	2 – 15
Independent auditor's report	16 – 18
Statement of financial activities (incorporating income and expenditure account)	19
Balance sheet	20
Statement of cash flows	21
Notes to the financial statements	22 – 36

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Report of the Directors

Reference and administrative details

Company number	SC094860
Registered charity number	SC006403
Registered Office	2 York Place Edinburgh EH1 3EP
Company Secretary	Ann McKenzie
Bankers	Royal Bank of Scotland 36 St Andrew Square EDINBURGH TSB Bank 28 Hanover Street EDINBURGH
Solicitors	Turcan Connell Princes Exchange 1 Earl Grey Street EDINBURGH
Auditor	BDO LLP Citypoint 65 Haymarket Terrace EDINBURGH

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Report of the Directors (continued)

One Parent Families Scotland is the leading charity working with single parent families in Scotland. 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 campaigns with parents to make their voices heard to change the systems, policies and attitudes that disadvantage single parent families.

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.

Our vision is of a Scotland in which single parents and their children are valued and treated equally and fairly. Our mission is to work with and for single parent families, providing support services that enable them to achieve their potential and help create lasting solutions to the poverty and barriers facing many single parents and their children.

OPFS' way of working 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.

The Context for our work

Number of single parent families in Scotland

- Of families with dependent children 31 per cent (190,000) are single parent families¹
- More than nine out of ten single parents are female (92 per cent)²
- They support over 281,000 dependent children
- By 2037 households containing one adult with children are projected to increase to 196,300 households³

The challenges for single parent families

Single parent families face significant challenges: poverty, isolation and loneliness, poor health or disability and judgemental attitudes. The majority of single parents are women, so gender inequality is a key barrier. These challenges are the result of structural issues - how our society is organised. It need not be this way. Single parents

¹ <https://www.scotlandscensus.gov.uk/news/census-2011-detailed-characteristics-population-and-households-scotland-release-3e>

² www.scotlandscensus.gov.uk/files//statistics/household-projections/2012-based/2012-house-proj-publication.pdf

³ <http://www.nrscotland.gov.uk/files//statistics/household-projections/2012-based/2012-house-proj-publication.pdf>

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Report of the Directors (continued)

and their children face around twice the risk of poverty as couples.⁴ Poverty and isolation have an impact on parent's and children's wellbeing, causing stress, anxiety and poor mental health.

Being both sole carer and breadwinner is a difficult balancing act because of the lack of flexible and affordable childcare and the lack of secure and family-friendly employment. This is coupled with the fact that the causes of single parenthood, which include bereavement and relationship breakdown, are in themselves stressful for parents and their children. We know from research by Caledonian University that 84% of single parents report being lonely.⁵ Isolation, loneliness and poverty have a significant impact on mental health – causing anxiety, low mood and depression.

Single parent families' life chances are affected by UK Government policies on the economy, welfare reform, employment and child maintenance, and by Scottish Government policies on employability, skills, education, health, childcare, family law and social work.

- Over a third (36 per cent)⁶ of all children in poverty live in a single parent family
- Almost half of children (50 per cent) in single parent families live below the poverty line⁷
- This is predicted to rise to over 62 per cent by 2021⁸
- By 2021, single parents and their children will lose a fifth (20 per cent) of their income because of welfare reform – an average of £5,250 a year. This is the biggest predicted loss among different household types⁹
- One third of households with incomes of £15,000 or less don't have home internet access, many are single parent households.¹⁰ Therefore digital exclusion is a key challenge affecting single parents.
- 27 per cent of single parent households have a disabled adult, 16 per cent of single parent households have at least one child with a disability.¹¹

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 2018/19, 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 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 separation and divorce, deepening poverty and inequality.

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.

⁴ <https://www.gov.uk/government/statistics/households-below-average-income-199495-to-201516>

⁵ <https://www.opfs.org.uk/policy-doc/community-connections-briefing-papers/>

⁶ <https://povertyinequality.scot/wp-content/uploads/2018/02/Child-Poverty-Delivery-Plan-advice-Final-Version-23-February-2018.pdf> p41 table 2

⁷ <https://www.gov.uk/government/statistics/households-below-average-income-199495-to-201617>

⁸ <https://www.equalityhumanrights.com/sites/default/files/cumulative-impact-assessment-report.pdf> p153

⁹ <https://www.equalityhumanrights.com/sites/default/files/cumulative-impact-assessment-report.pdf> p153

¹⁰ <https://www.gov.scot/publications/scotlands-people-annual-report-results-2017-scottish-household-survey/>

¹¹ www.gingerbread.org.uk/One-in-four-a-profile-of-single-parents-in-the-UK. p4

ONE PARENT FAMILIES SCOTLAND

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Report of the Directors (continued)

- 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 single parent families and ensuring that relevant policies are tailored to meet these needs.
- Service Development: Directly delivering services to meet the needs of single parent families and their children and other families and children with similar needs and supporting other agencies to deliver relevant services.
- Training and single 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

Outcomes

- Single parents feel better equipped to support their children
- Single parents have increased opportunities to enhance their standard of living
- OPFS will be a resilient and responsive organisation, ensuring partnership organisations, local and Scottish Governments have an increased understanding of issues affecting single parents, resulting in the development of more effective policies and services for children, young people and their families.
- Single parent service users have increased involvement in the decision making and shaping of service delivery to help achieve more positive outcomes for single parent families.

Annual review 2018/19

We provide support to over 7000 parents, children and young people each year through a national advice and information service, online information and resources, training for people working with one parent families and local services in Edinburgh, Dundee, Glasgow, Falkirk, Lanarkshire and Aberdeenshire.

This includes:

- Flexible childcare services to allow parents to participate in training and learning leading to work
- Community based group work and one-to-one activities
- Helpline information and advice
- Welfare rights and money advice
- Connections through information and resources available on our website and social media
- Personal development and training for parents
- Training for practitioners working with one parent families

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:

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Report of the Directors (continued)

- In 2018/19, OPFS supported 7,590 parents, children and young people.
- Directly supported 1,693 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 721 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 1,826 children (other than childcare).
- Supported 545 children with additional support needs, reducing isolation and providing children with activities to support their social and emotional development.
- Provided flexible childcare to almost 500 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 3,862 families resulting in financial gains of over £499,372;
- Engaged 411 people in specific employability programmes and enabling them to progress on to further education training or employment.
- Trained 114 professionals raising awareness of the issues affecting one parent families.
- Dealt with 4,707 helpline enquiries, providing information, advice and support on a range of issues affecting one parent families.
- During the year we changed our web hosting company and the stats are provided via a different web analytics source from previous years. Whilst the numbers are lower than previous years, the information we receive is more detailed and allows us to build up a better picture of who is using our website and why. In 18/19 there were 9,800 publications downloaded, providing practical information about the issues affecting one parent families.
- Had over 231,501 views on our website, with over 78,000 sessions.

Services for families

Family Support

Our Community Hubs based in communities of high deprivation along with our delivery in other local community venues has enabled families to access more groups in their own localities.

Groups have continued to give parents and children opportunities to learn together through play and family learning activities. Each of these groups provided activities to help promote children's holistic development and increase parenting confidence. The activities are designed in a way that they can easily be replicated at home. Activities have included the use of everyday objects using heuristic play, getting back to basics through singing, storytelling and simple games.

We offer Family Food and Fun sessions every week. During these evenings parents and their children enjoy a healthy meal together before participating in activities. These evenings allow families to meet new people, integrate with their local community, discuss pressing issues and have access to family support. Fair Share food, a free food service we offer in which parents can discreetly take food if they are in need from the door is delivered at our Families House project.

Parental mental health, low mood, and feelings of isolation are key barriers we have addressed this past year through the services developed with the grant received from the Tampon Tax Fund. These groups are important as they allow parents time with other parents and staff.

Staff have reported that in addition to the direct parenting support they offer, having access to colleagues who can help with information and advice, counselling and employability assistance has helped create a more comprehensive support package that sits within the one project/organisation. For example, a parent who originally came for employability support has used the counselling service to work through historical issues that she felt were holding her back. This holistic approach gave this parent the tools to be resilient and able to progress in employment.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Report of the Directors (continued)

Employability and financial inclusion

Our dedicated employability support workers have continued weekly single parent clinics in the local job centres. These are used by DWP workers to refer single parents to our employability service to help them compile action plans towards securing employment, including better off calculations to maximise their benefit entitlement and claims.

We delivered sessions on Universal Credit and offer information/updates on Universal credit during regular support sessions. Our basic IT skills sessions help parents become more IT literate, complete applications and prepare CV's.

Parents have been supported to successfully apply for Open University degree courses, job and education interviews.

We have continued to deliver group-based activities at weekly Drop-In sessions to supply essential items to combat the impact of poverty, with focused discussions around issues such as managing finances. Parents attending have built up trusting relationships with workers and their peers and this has resulted in honest disclosures around difficulties, with support and advice being provided to minimise these.

We were busy over the festive period delivering vital services to single parents and their families. Leading up to Christmas in October, we made applications to the Cash for Kids which resulted in families receiving financial support at Christmas time, reducing the anxiety and stress faced by the parents considerably. The success of our 12 Weans of Christmas Appeal also resulted in children benefiting from gifts, clothing and treats. Partnership working with local food banks also supported families to benefit from a full Christmas dinner and gifts for the parents.

Advice and Information

The Lone Parent Freephone Helpline is open five days a week for six and a half hours a day. This is a free and confidential service which is often the first port of call for single parents looking for support and advice on social security benefits, child maintenance, family finances and family matters such as child contact. In the year 2018-19 we received 4,707 advice enquiries.

Financial Inclusion Advice & Support provides in depth advice and advocacy on a range of benefit and tax credit issues as well as support and advice on money matters, help with debt and managing household finances.

3,659 single parents received advice on benefit entitlement and support to maximise income. Financial gains recorded for this advice has been £499,372. Database developments in the second half of this year allowed us to start capturing potential financial gains from benefits advice. This is the first time we have been able to include the potential financial gains from helpline calls.

Information products are available 24hrs on-line and free print copies are provided on demand. Advice guides are updated every year on key issues related to single parents including 'Divorce and Separation', 'Money for single parents', 'Money if you are working' and 'Child Maintenance'.

A new advice guide design was introduced this year and feedback has been excellent. We have a long-term goal to embed user centred need in the content design and format of our information products. We identified a need to take out the housing information from our advice guides and began the process of researching and writing a new guide on housing issues for single parents to compliment the other guides. The new 'Housing -A Guide for Single Parents' went live in November 2018. We are launching a whole new fresh look with new titles to our advice guides in quarter 1 of 2019-20.

Flexible Childcare Services

OPFS childcare services were created to challenge the inflexibility of current childcare provision across the country and to ensure equity of early years' experience for all children regardless of background.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Report of the Directors (continued)

In order to do this during 2018/19:

We continued to provide services directly in Dundee and Aberdeenshire and develop growth plans include replication of current services working on a flexible delivery model, tailored to meet the needs of children, families and communities. We provided support to almost 500 families.

Undertook work to develop a flexibility pathway, encouraging other settings to take actions to become more flexible in their service delivery. Creating a step by step manual and mentoring package including a booking management tool, flexibility policy templates, a guide to the challenges that will be faced and how to overcome them and a support forum.

Progressed the development of a flexibility Proofing Accreditation to support other providers test and evidence meaningful and effective flexibility. It is likely that this test will be an online tool, scoring providers against pre-set strictures.

OPFS childcare services in Dundee and Aberdeenshire will transfer to the new charity established by OPFS, Flexible Childcare Services Scotland in 2019/20.

Awareness of Need, Policy and Research

The Single Parent 'Policy Impact Monitoring System' (PIMS) - we have 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

The key outputs related to policy activity have been:

Child Poverty - OPFS has actively engaged with the Child Poverty Act Delivery Plan 'Every Child, Every Chance'. As a contribution OPFS has begun to investigate introducing new services that will help tackle one of the key problems – both root cause and consequence – of the poverty that is faced by single parents.

From the calls we take on the LPHL we know that, once triggered by poverty, the problems of isolation and loneliness become the root cause of secondary problems among single parents (most notably putting them at greater risk of developing mental health problems) and become barriers to potential solutions to address single parent poverty. To follow this up with we worked in partnership with various stakeholders, partner organisations and parents to conduct a large-scale online and paper survey which received over 900 responses. The survey covered single parents' health, wellbeing, measures of loneliness and isolation, and experience of poverty. It also included questions on respondents' attitudes to the internet, preferences for accessing information and coping strategies.

The findings from the survey and interviews were written up by the academic team in the form of a series of policy briefing papers around 7 themes: social isolation and loneliness; health and wellbeing; coping strategies; use of online advice and support; self-esteem; residential mobility; and becoming a single parent. They can be found here: <https://www.opfs.org.uk/policy-doc/community-connections-briefing-papers/>

In response OPFS is in the process of setting up a new mental health and wellbeing service which will offer a free support and counselling service for those most in need to enable them to better manage their mental health and

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Report of the Directors (continued)

minimise the impact on their well-being. This service will be accessed on-line, face to face and in a group setting. The service is designed to be as accessible to as many people as possible, it has 4 strands:

- Remote Support Access (with Life Check Tool): online and phone access to support, advice and information. A Life Check tool will allow parents to answer questions about themselves and establish whether they are looking after their own needs and could benefit from further support.
- Specialist Family Support with Support Worker/Counsellor: individual sessions using therapeutic activities and counselling to promote emotional wellbeing; offering emotional support and strengthening parenting capacity by developing mental health resilience;
- Local support groups: reducing the likelihood of isolation and helping prevent the deterioration of mental health, while giving those who do have mental health problems the tools to improve their well-being.
- Parent/carer peer support: to help parents/carers feel less isolated and more confident in their roles;

OPFS is very active in a range of partnerships at local and national levels. Policy and campaigning activity over 2018/19 has included:

Locally, OPFS managers are involved in various partnerships including the joint project with Shelter Scotland, an employability-pipeline project with the Wise Group, Poverty Fuel Forum, GIRFEC Implementation Group, Child Poverty Group and attended the Fairer Money Conference. We work closely with Social Work, Education and Health Services, including speech and language, education psychology and Intensive Family Support Services. We have been involved in Holiday Poverty Campaign where one of our parents spoke to both STV and BBC. We have promoted the benefits of children and members of the community socialising. This has brought us local news coverage and promoted issues single parents face when they have no family support.

much of OPFS policy and influencing work is based on partnership working through coalitions such as: Scottish Campaign on Welfare Reform; End Child Poverty Group; CPAG (Scotland) Advisory Group and work with the Poverty Truth Community (PTC) on the school clothing grant campaign.

OPFS Director is involved in developing partnerships and collaborative approaches in various strategic fora such as the Scottish Children's Sector Strategic and Policy Forum, Parenting Across Scotland; The First Ministers National Advisory Council on Women and Girls

- OPFS trainers delivered single parent and poverty awareness training to 70 new staff employed by the new Scottish Social Security Agency in Dundee.
- The Director & Head of Policy have been working with the Scottish Government's 'National Co-coordinator – Local Child Poverty Action Reports' to organise a seminar to show case OPFS work as an example of local good practice in tackling child poverty amongst lone parent families. The improvement Service will film the event as well as live broadcast to inform local authority practice and the development of Local Child Poverty Action Reports.
- We have written 26 social policy evidence reports to highlight the impact of social policies and practices affecting single parents in an adverse way, mostly in relation to universal credit.

Training and lone parent engagement

Employing staff with lived experience - single parents, the majority of whom are women, fully participating in One Parent Families Scotland services isn't just important, it's critical in shaping services and ensuring that our organisation meets their needs.

We as practitioners can make decisions based upon what we believe to be the challenges and issues facing single parents, however, a single parent understands these problems in a far more personal way – they live with the challenges day to day and employing parents with lived experience makes perfect sense and adds balance to our organisation. Single parents are twice as likely to feel stigmatised, isolated and live in poverty and this puts some parents at greater risk of developing mental health problems and makes it harder for them to move along their

pathway to employment. We know by employing single parents they can act as peer mentors and support other parents who face many of the challenges they too have faced and still experience.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Report of the Directors (continued)

Some of the work single parents have been involved in, or help influence during 2018/19:

- Universal Credit – supported single mothers to engage with Scot Gov to highlight the need for Split Payments of UC to prevent financial coercive control.
- Single Parents whose children attended primary schools in Castlemilk were trained in participatory budgeting and supported by OPFS to consult other parents and children to generate solutions to issues raised by Cost of the School Day research. The parents took forward participatory budgeting with £10,000 per school to trial actions to lessen the impact of poverty on the school day.
- Single parents' participation in OPFS school clothing grant campaign helped convince the Cabinet Secretary John Swinney MSP to have a minimum £100 grant. Parents also highlighted the disparity in Glasgow that parents whose children received the EMA couldn't continue to claim the school clothing grant. After lobbying by OPFS Glasgow City Council have now changed this.
- Devolved Benefits: OPFS supported and enabled single parents to work with Scotgov officials to co-produce the design of the Best Start Grant and ensured the application process was accessible. We will continue to develop this model as the newly devolved social security benefits are rolled out.
- Mental health and Wellbeing Service: Single Parents have told us support around mental health and wellbeing is a key area where more provision is needed. Our consultations and research by Caledonian University shows welfare reform and austerity as well as isolation and loneliness are taking their toll on single parent's mental wellbeing and leaving many suffering the effects of anxiety, stress and even depression. In response OPFS is developing a new service and will implement its models of co-production within this area while working with partners in the health and social care fields to develop best practice.

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.

Many programmes currently offered by OPFS are led by local peer mentors and who have themselves been single parents and as such, is sector leading in co-production and delivery.

All our community-based hubs have been co-produced with single parents. We held a series of focus groups to look at the needs of single parents and the main feedback was a clear demand for the need for regular parenting advice, peer support, financial capability and information on services within the local community.

For our employability services, single parents have been involved in the design and delivery of our programmes at every stage. We believe this is a key factor in our impact on parents' lives, not just by engaging single parents to take part in activities themselves, but also empowering parents and minimising the barriers within lone parent's 'employability' journey. Some examples of co-production in this service include:

Single parents highlighting the barriers which prevent them to fully engage in employability services – travel costs, childcare, refreshments etc

- Single parents co-facilitating employability sessions and having facilitators who have experience of being single parents.
- Involving single parents at all stages of programme activities and content and help design the programme workbook that reflects on their experiences.
- Single parents volunteering as peer support leaders in community hubs, event organisers and give talks and presentations to promote OPFS services.
- Working to co-produce a Single Parent Guide on moving into employment that uses their stories and experiences that helps meet the challenges of single parenthood.

- Single parents' involvement in Glasgow Council's 'Quality Standards for Employability programmes' they will expect from providers.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Report of the Directors (continued)

Impact of services

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

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:

Services for families:

- Staff have told us: Having a good stock of resources and dedicated protected time to plan and evaluate has helped staff deliver better organised high-quality services; Centralised services have enabled better consistency and organisational support; They feel that they have a strengthened commitment to single parents needs supported by the expertise and resources they have from OPFS. The website, information and downloadable publications they find very helpful in supporting their work.
- Parents are supported to maximise their income by ensuring they receive the correct benefit entitlement, access the correct information and advice services and provided a space for single parents to come together to address any issues they may have around parenting, low mood,
- We have supported parents through welfare rights and money advice including budgeting, debt, loan repayments, benefit checks, income maximisation calculations, applying for childcare and bursaries, with total financial gains of almost £500,000
- We have also supported parents to prepare for/attend Work Focused interviews at Job Centre Plus as parents are being asked to complete and sign an agreement to which they will be held or else have sanctions applied. Many parents feel pressured to agree to things which they will not be able to do and therefore it is useful to have support at these interviews.
- Holistically supporting the service users in our flexible childcare services allowed parents to discuss their issues and help them to realistically analyse their problems. These issues often stem from concerns regarding their child, their own and their family's future and juggling multiple commitments from different facets of life. Supporting the parents by providing a signposting service, or even just a listening ear, helps to sustain their employment opportunities by reducing the stressors that would often lead them to leave employment or education to focus on these other factors.
- Single parents have shared their views on the differences that they have seen since their participation with OPFS services through feedback, completion of evaluations, surveys and from one to one and group discussion:
 - Reduced levels of anxiety and stress
 - Increased confidence in dealing with children and improved family relationships
 - Reduced isolation and more supported within their own community
 - More independent, able to manage finances, reduced friction within the family
 - Better relationships with Social work, Health, Addiction Services etc.
 - Greater confidence in using additional support services.
 - Able to identify possible life paths that they previously hadn't considered, or thought were out of their reach.
 - Able to enter formal education or secure jobs.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Report of the Directors (continued)

Awareness of need, policy and research

- Social Security Scotland (SSS) is now set up and it's benefit delivery functions are being rolled out. There are 2 key emerging strategic issues around social security. OPFS has ensured the impact on single parents of 2 key developments: Universal Credit Split Payment; Scot gov commitment to introducing a new Income Supplement
- The Scottish Government Fair Start officials have recognised that single parents are not being fully recognised as a key group requiring a tailored approach
- OPFS engaged with SG around identifying some of our contacts who were either pregnant or are kinship carers and qualified for a Pregnancy and Baby Payment before Christmas 2018. Social Security Scotland filmed short interviews clips with families talking about how they will use the payment. These were used on social media to raise awareness of Best Start Grant now and over the next few months. <https://www.socialsecurity.gov.scot/news/parents-welcome-improved-support>
- School Clothing Grants: Feedback form single parents we work with highlighted that some parents didn't claim their entitlement to school clothing grants and that eligibility differs across Scotland showing wide disparities. After success in working with Scotgov to introduce a min £100 grant OPFS is continuing to raise awareness of the impact of differing rules around eligibility which have been identified through our advice and information service. In particular we met up with Glasgow City Council to highlight the issue of the School Clothing Grant payment stopping once an award of Education Maintenance Allowance (EMA) is made. Glasgow Council have now put in place plans to change this.
- An Evaluation of One Parent Families Scotland Practitioner Advice Service recognised the importance of OPFS work around enabling partner organisations, local and Scottish governments develop more effective services and policies for single parents https://www.opfs.org.uk/wp-content/uploads/OPFS_PAS_Evaluation.pdf

OPFS has continued working to increase policy makers understanding of issues affecting single parents. We have supported the participation of single parents in our services and policy development to ensure our organisation reflects the needs of single parents and is a resilient and responsive organisation, ensuring partnership organisations, local and Scottish Governments have an increased understanding of issues affecting single parents, resulting in the development of more effective policies and services for children, young people and their families.

- At a local authority level work with staff in the resulting in the development of more effective policies and services for children, young people and their families.
- We have ensured the new Scottish social security agency will take account of the barriers facing single parents
- Through our work in various local child poverty delivery planning forums we have ensured recognition that the children of single parents are a key group who require a tailored response.

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, the impact of transferring childcare services, 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.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Report of the Directors (continued)

Reserves policy

The Board aim 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 £270,893 (2018: £249,000) at current levels of expenditure. The current free reserve (being unrestricted funds) of £657,133 (2018: £17,375) exceeds the target level, due to the sale of a property during the year. Funds from the sale of the property will be invested, with the intention of generating income to help pay for future core costs of the charity.

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 are set out in the Statement of Financial Activities on page 19. Income and expenditure both increased this year, resulting in a net surplus.

Plans for future periods

The vast majority of OPFS' funding for 2019/20 is confirmed with there being some reduction in local authority funding.

Our new strategic plan from 2019/20 will provide the framework for future service and organisational development, priorities and fundraising.

We expect the coming years to be challenging with funding from statutory sources further reducing and there being greater competition for sources of core funding. Depending on the funding situation, unrestricted reserves may be used to support future development of the charity and its services. We are testing various approaches to fundraising including working with fundraising consultants on a general charity appeal. We have created the post of Business Development Manager to support our fundraising, raise our profile with funders and enable a more coherent approach to funding applications in line with the priorities in our new strategic plan.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

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 2019:

Resigned

Vivienne Swan (26/10/18)

Johanna McCulloch (26/10/18)

Appointed

Kirsten Watson (26/10/18)

Unchanged

Marlene Wood

Stuart Duffin

Mark Ferguson

Bev Read

Rhona Cunningham

Neil Mathers

Jennifer Paice

Kevin Cadman

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

Appointment of directors

As set out in the Articles of Association, the board of directors is made up of such persons as have been duly nominated and approved by the Personnel Group of OPFS and subsequently elected at the annual general meeting. New directors are briefed on: their legal obligations under charity and company law, and informed of the content of the Memorandum and Articles of Association, the committee and decision-making processes, and recent financial performance of the charity.

Organisation

The board of directors administers the charity. The board meets quarterly and there are two sub-committees which also meet quarterly, to cover finance and personnel matters. A Chief Executive, (Satwat Rehman), has been appointed by the directors to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority for operational matters including finance and employment.

Pay policy for senior staff

The board of directors, who are the charity's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling the charity on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses are disclosed in note 20 to the accounts. The pay of the senior staff is reviewed annually.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Report of the Directors (continued)

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Dated:

2 York Place, Edinburgh

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

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 2019 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of Cash Flows 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 2019 and of its incoming resources and application of resources 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.

Other information

The other information comprises the information included in 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.

ONE PARENT FAMILIES SCOTLAND **(a company limited by guarantee)**

Year ended 31 March 2019

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

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 annual report, which includes the report of the directors 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 report of the directors has 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 report of the directors.

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 key management personnel remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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 directors determine 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 directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

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

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 directors 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,
UK
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 2019

Statement of Financial Activities (incorporating Income and Expenditure Account)

	Notes	Restricted Funds £	Unrestricted Funds £	2019 Total £	2018 Total £
Income from:					
Donations		696	193,690	194,386	201,390
Investments:					
Bank Interest		-	1,007	1,007	98
Charitable activities:					
Awareness of need, training & policy research		92,018	-	92,018	62,984
National information & support services		190,150	-	190,150	216,848
Family support services		1,168,029	87,072	1,255,101	1,139,001
Childcare		445,482	892,670	1,338,152	1,284,233
Other Income:					
Gain on sale of fixed asset		-	522,737	522,737	-
Total income	3	1,896,375	1,697,176	3,593,551	2,904,554
Expenditure on:					
Charitable activities:					
Awareness of need, training & policy research		99,213	301,548	400,761	260,264
National information & support services		183,463	-	183,463	218,276
Family support services		1,252,937	33,648	1,286,585	1,077,527
Childcare		447,915	748,376	1,196,291	1,116,049
Total expenditure	4	1,983,528	1,083,572	3,067,100	2,672,116
Net income / (expenditure)	7	(87,153)	613,604	526,451	232,439
Transfer between funds	15	2,953	(2,953)	-	-
Actuarial gains on defined benefit pension scheme	14	-	29,107	29,107	-
Net movement in funds	15, 16	(84,200)	639,758	555,558	232,439
Total funds brought forward		260,179	17,375	277,554	45,115
Total funds carried forward at 31 March 2019	15, 16	175,979	657,133	833,112	277,554

The charity has no recognised gains or losses other than the results for the year as set out above. All activities of the charity are classed as continuing.



The notes on pages 22 to 36 form part of the financial statements.

ONE PARENT FAMILIES SCOTLAND SC094860

(a company limited by guarantee)

As at 31 March 2019

Balance sheet

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible fixed assets	9		106		19,714
Current assets					
Debtors	10	291,185		296,205	
Cash at bank		<u>1,328,306</u>		<u>656,808</u>	
		1,619,491		953,013	
Current liabilities					
Creditors falling due within one year	11	<u>(673,971)</u>		<u>(534,066)</u>	
Net current assets			945,520		418,947
Creditors falling due greater than 1 year	12		(112,514)		(161,107)
Net assets			<u>833,112</u>		<u>277,554</u>
Reserves					
Restricted Funds	15		175,979		260,179
Unrestricted Funds:					
General funds	17	792,133		202,375	
Pension reserve	17	<u>(135,000)</u>		<u>(185,000)</u>	
			657,133		17,375
			<u>833,112</u>		<u>277,554</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 22 to 36 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 2019

Statement of Cash Flows

	2019	2018
	£	£
Net income for the period	526,451	232,439
Adjustments for:		
Depreciation	2,743	1,077
Gain on sale of tangible fixed assets	(522,737)	-
Interest received	(1,007)	(98)
Pension deficit contributions	(23,893)	(23,695)
Discount unwind in pension liability	3,000	2,000
Remeasurement of pension provision	1,000	(3,000)
Decrease in debtors	5,020	(93,651)
Increase in creditors	140,311	335,143
Net cash used in operating activities	<u>130,888</u>	<u>450,215</u>
Cash flows from investing activities		
Proceeds from sale of tangible fixed assets	539,603	-
Interest received	1,007	98
Net cash provided by investing activities	<u>540,610</u>	<u>98</u>
Net movement in cash and cash equivalents for the year	671,498	450,313
Cash and cash equivalents brought forward	656,808	206,496
Cash and cash equivalents carried forward	<u><u>1,328,306</u></u>	<u><u>656,808</u></u>

The notes on pages 22 to 36 form part of the financial statements.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

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. A review of the budgets and cashflow to 30 September 2020 indicates 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 2019

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 is the net present value of the deficit reduction contributions payable under the agreement and is calculated using the discount rate of 1.39% (2018:1.71%). 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 2019

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 2019

Notes to the financial statements (continued)

3. Income

	Restricted Funds £	Unrestricted Funds £	2019 Total £	Restricted Funds £	Unrestricted Funds £	2018 Total £
Donations from:						
Membership & donations	696	7,910	8,606	668	14,942	15,610
Core grant	-	185,780	185,780	-	185,780	185,780
	<u>696</u>	<u>193,690</u>	<u>194,386</u>	<u>668</u>	<u>200,722</u>	<u>201,390</u>
Charitable activities from:						
Grants	1,845,014	74,211	1,919,225	1,761,856	121,308	1,883,164
Sales and services	50,665	905,531	956,196	8,949	810,953	819,902
	<u>1,895,679</u>	<u>979,742</u>	<u>2,875,421</u>	<u>1,770,805</u>	<u>932,261</u>	<u>2,703,066</u>
Investments income from:						
Bank interest	-	1,007	1,007	-	98	98
Other income from:						
Gain on sale of fixed assets	-	522,737	522,737	-	-	-
Total income	<u>1,896,375</u>	<u>1,697,176</u>	<u>3,593,551</u>	<u>1,771,473</u>	<u>1,133,081</u>	<u>2,904,554</u>

Grant funding included the following Scottish Government grants:

	2019 £	2018 £
Scottish Government – provision of financial and benefits advice grant	215,000	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	31,895	9,608
	<u>600,895</u>	<u>575,608</u>

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Notes to the financial statements (continued)

4. Analysis of expenditure

	Activities undertaken directly	Support costs	2019 £	Activities undertaken directly	Support costs	2018 £
Charitable activities						
Awareness of need, training and policy research	371,441	29,320	400,761	239,296	20,968	260,264
National information and support services	143,684	39,779	183,463	176,295	41,981	218,276
Family support services	951,251	335,334	1,286,585	798,742	278,785	1,077,527
Childcare	904,654	291,637	1,196,291	870,744	245,305	1,116,049
Total expenditure	2,371,030	696,070	3,067,100	2,085,077	587,039	2,672,116

	Restricted	Unrestricted	2019 £	Restricted	Unrestricted	2018 £
Charitable activities						
Awareness of need, training and policy research	99,213	301,548	400,761	54,948	205,316	260,264
National information and support services	183,463	-	183,463	216,108	2,168	218,276
Family support services	1,252,937	33,648	1,286,585	1,040,136	37,391	1,077,527
Childcare	447,915	748,376	1,196,291	361,218	754,831	1,116,049
Total expenditure	1,983,528	1,083,572	3,067,100	1,672,410	999,706	2,672,116

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

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	2019 £	Basis of allocation
Management	17,172	23,298	196,398	170,806	407,674	Staff time
Finance	5,321	7,219	60,853	52,923	126,316	Staff time
Information	3,084	4,184	35,275	30,678	73,221	Staff time
Human resources	3,366	4,566	38,494	33,478	79,904	Staff time
Governance costs (see below)	377	512	4,314	3,752	8,955	Activity
Total support costs	29,320	39,779	335,334	291,637	696,070	

	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	8,682	57,652	50,728	121,398	Staff time
Information	3,371	6,748	44,813	39,432	94,364	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	

Governance costs

	2019 £	2018 £
Audit & accountancy	8,300	6,300
Directors' expenses	350	216
Annual report & AGM	305	97
	8,955	6,613

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Notes to the financial statements (continued)

6. Employment costs

	2019 £	2018 £
Gross salaries	2,105,254	1,932,231
Employers National Insurance	154,543	141,748
Employer's superannuation contributions	82,705	77,236
Redundancy costs	5,653	3,179
	<u>2,348,155</u>	<u>2,154,394</u>

One employee earned between £60,000 and £70,000 per annum (2018: none).

The average number of full time equivalent employees for the year was as follows:

	2019	2018
Senior management	6	4
Management	8	7
Admin and support	17	14
Childcare and project workers	101	110
	<u>132</u>	<u>135</u>

No director received any remuneration for their service as director (2018: none).

7. Net income / (expenditure)

	2019 £	2018 £
Net expenditure is stated after charging:		
Gain on disposal of fixed assets	522,737	-
Auditor's remuneration for audit services	8,300	6,300
Depreciation	2,743	1,077
Operating lease rentals	91,820	28,388
Interest charge	3,000	2,000

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 2019

Notes to the financial statements (continued)

9. Fixed assets

	Freehold property	Tenant's imp'ments	Equipment	Total
	£	£	£	£
Cost as at 31 March 2018	41,561	49,304	34,744	125,609
Disposals	(41,561)	-	-	(41,561)
Cost as at 31 March 2019	<u>0</u>	<u>49,304</u>	<u>34,744</u>	<u>84,048</u>
Depreciation as at 31 March 2018	24,003	49,304	32,588	105,895
Charge for year	693	-	2,050	2,743
Disposals	(24,696)	-	-	(24,696)
Depreciation as at 31 March 2019	<u>0</u>	<u>49,304</u>	<u>34,638</u>	<u>83,942</u>
Net book value as at 31 March 2019	<u>-</u>	<u>-</u>	<u>106</u>	<u>106</u>
Net book value as at 31 March 2018	<u>17,558</u>	<u>-</u>	<u>2,156</u>	<u>19,714</u>

10. Debtors

	2019	2018
	£	£
Trade debtors	168,575	177,904
Other debtors	37,251	20,957
Accrued grant income	85,359	97,344
	<u>291,185</u>	<u>296,205</u>

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Notes to the financial statements (continued)

11. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	72,560	28,217
Accruals and other creditors	66,782	86,372
Tax and social security	41,384	35,515
Deferred income (note 13)	460,040	350,088
Pension contributions	10,719	9,981
Pension deficit funding creditor	22,486	23,893
	<u>673,971</u>	<u>534,066</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

	2019	2018
	£	£
Pension deficit funding creditor between 1 and 5 years	93,680	95,570
Pension deficit funding creditor greater than 5 years	18,834	65,537
	<u>112,514</u>	<u>161,107</u>

13. Deferred income

	2019	2018
	£	£
Balance as at 1 April	350,088	48,317
Amount released to income in the year	(350,088)	(48,317)
New amounts deferred in year	460,040	350,088
Balance as at 31 March	<u>460,040</u>	<u>350,088</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 2019

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 950 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 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. 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:	£12,945,440 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 2019
Notes to the financial statements (continued)

14. Pension deficit funding (continued)

PRESENT VALUES OF PROVISION

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31 March 2019 (£000s)	Period Ending 31 March 2018 (£000s)
Provision at start of period	185	209
Unwinding of the discount factor (interest expense)	3	2
Deficit contribution paid	(24)	(23)
Remeasurements - impact of any change in assumptions	1	(3)
Remeasurements - amendments to the contribution schedule	(30)	-
Provision at end of period	135	185

INCOME AND EXPENDITURE IMPACT

	Period Ending 31 March 2019 (£000s)	Period Ending 31 March 2018 (£000s)
Interest expense	3	2
Remeasurements – impact of any change in assumptions	1	(3)
Remeasurements – amendments to the contribution schedule	(30)	-

ASSUMPTIONS

	31 March 2019 % per annum	31 March 2018 % per annum	31 March 2017 % per annum
Rate of discount	1.39	1.71	1.32

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.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Notes to the financial statements (continued)

14. Pension deficit funding (continued)

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

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31 March 2019 (£000s)	31 March 2018 (£000s)	31 March 2017 (£000s)
Year 1	22	24	23
Year 2	23	25	24
Year 3	24	25	25
Year 4	25	26	25
Year 5	25	27	26
Year 6	22	28	27
Year 7	-	29	28
Year 8	-	15	29
Year 9	-	-	15
Year 10	-	-	-

15. Restricted funds

	At 1 April 2018	Income	Expenditure	Transfer between funds	At 31 March 2019
	£	£	£	£	£
Awareness, research, information and support	14,431	282,864	(282,676)	-	14,619
Family Support	184,576	1,168,029	(1,252,937)	2,953	102,621
Childcare	61,172	445,482	(447,914)	-	58,740
Total restricted funds	260,179	1,896,375	(1,983,528)	2,953	175,979

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

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

- **National advice and information services** – Provision of specialist information to lone parents, and those working with lone parents, through a telephone helpline, publications, training and the OPFS website.

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Notes to the financial statements (continued)

15. Restricted funds (continued)

- **Awareness of Need, Policy and Research** – Maintaining an overview of the needs of single parent families and ensuring relevant policies are tailored to meet these needs.
- **Family support**
 - **Family Support** – Delivering support and services to one parent families in Glasgow, Dundee, Falkirk, Edinburgh and Lanarkshire.
 - **Tampon Tax Fund** – Mental health and wellbeing project funding work across Scotland.
- **Childcare**
 - **Flexible childcare services** – These funds are for the provision of flexible day-care and wrap-around provision.
 - **Social Innovation Partnership and STV Appeal** – Funding to support the development and growth of Flexible Childcare Services in Dundee and across Scotland.

Transfer between funds

£2,953 (2018: £nil) has been transferred from unrestricted reserves to pay for an overspend on a restricted fund.

16. Unrestricted funds

	At 1 April 2018	Income	Expenditure	Transfer between funds	Actuarial Gains	At 31 March 2019
	£	£	£	£	£	£
General funds	202,375	1,697,176	(1,104,465)	(2,953)	-	792,133
Pension reserve	(185,000)	-	20,893	-	29,107	(135,000)
Total unrestricted funds	17,375	1,697,176	(1,083,572)	(2,953)	29,107	657,133

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 14 details the deficit contributions payable in order to extinguish this liability.

Actuarial gains – The actuarial gains represent the net impact of changes in actuarial assumptions relating to the defined benefit pension scheme. (As detailed in the pension deficit funding information on page 32).

ONE PARENT FAMILIES SCOTLAND

(a company limited by guarantee)

Year ended 31 March 2019

Notes to the financial statements (continued)

17. Analysis of net assets between funds

	General Funds	Pension reserve	Unrestricted funds	Restricted funds	Total 2019
	£	£	£	£	£
Fixed assets	-	-	-	106	106
Current assets	912,558	-	912,558	706,933	1,619,491
Current liabilities	(120,425)	(22,486)	(142,911)	(531,060)	(673,971)
Non-current liabilities	-	(112,514)	(112,514)	-	(112,514)
	<u>792,133</u>	<u>(135,000)</u>	<u>657,133</u>	<u>175,979</u>	<u>833,112</u>

	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>

18. Financial instruments

	2019 £	2018 £
Financial assets held at amortised cost	<u>1,619,491</u>	<u>953,013</u>
Financial liabilities held at amortised cost	150,061	124,571
Financial liabilities held at fair value	<u>135,000</u>	<u>185,000</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 2019

Notes to the financial statements (continued)

19. Operating lease commitments

The charity had total commitments under operating leases as follows:

	2019	2018
	£	£
Less than 1 year	91,820	28,388
Between 1 and 5 years	179,112	24,433
	<u>270,932</u>	<u>52,821</u>

The 2019 figures include £189,000 of lease commitments for the rental of office space in Edinburgh, up to 01/10/2023.

20. Related party transactions

Expenses amounting to £350 were reimbursed to 2 Directors during the year (2018: £216 to 2 Directors). No amounts were paid to Directors in relation to provision of services (2018: £nil).

Key management personnel include all directors and 6 members of senior staff (2018: 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 £258,200 (2018: £200,246).