



# **DOWN'S SYNDROME SCOTLAND**

**Director's Report  
and  
Audited Financial Statements**

**For the period ended 31 March 2010**

Registered Scottish Charity No: SC011012  
Company Registered in Scotland No. 356717



## DOWN'S SYNDROME SCOTLAND

<b>Directors</b>	Lesley Stalker Michelle Ferguson Kenneth McAlpine Linda Towler Niall Howard Michael Gibb Samuel Campbell Rona Hamilton Suzanne Cunningham	Chairperson (From 10 October 2009) Vice Chairperson (From 10 October 2009) Treasurer (From 10 October 2009) (resigned 10 October 2009) (resigned 10 October 2009) (resigned 26 February 2010) (appointed 26 February 2010) (appointed 26 February 2010) (appointed 18 March 2010)
<b>Company Secretary</b>	Pandora Summerfield	Chief Executive
<b>Auditors</b>	Geoghegans Chartered Accountants 6 St Colme Street Edinburgh EH3 6AD	
<b>Bankers</b>	Royal Bank of Scotland 142-144 Princes Street Edinburgh EH2 4EQ	
<b>Solicitors</b>	Lindsays WS Caledonian Exchange 19a Canning Street Edinburgh EH3 8HE	
<b>Principal and Registered Office</b>	158-160 Balgreen Road Edinburgh EH11 3AU	
<b>Charity registration number</b>	SC 011012	
<b>Company registration number</b>	SC356717	

**DOWN'S SYNDROME SCOTLAND  
DIRECTORS' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2010**

The Directors of the company, who are also trustees for the purposes of charity law, present their report and the audited financial statements for the period ended 31 March 2010.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The organisation became an incorporated charitable company limited by guarantee on 17 March 2009. The charity was previously established as an unincorporated association. It was established by a Memorandum and Articles of Association that lay out the objects and powers of the company and the means by which it is governed.

**Responsibilities of the Directors**

The Directors, who are trustees for the purpose of charity law, who served during the period and up to the date of this report are set out on page 1.

**Recruitment and Appointment of Directors**

A person shall not be eligible for election or appointment as a director unless he or she is a member of the Charity.

A director shall be entitled to hold office for 3 years and shall then be eligible for re-election for a further period of 3 years. The maximum period a director shall serve is 9 years unless agreed otherwise by the directors.

The maximum number of directors is 12 and the minimum number is 3.

**Chief Executive**

The Chief Executive is responsible for the day to day management of the Charity's affairs and for implementing policies agreed by the Board of Trustees.

**Investment Powers**

The Memorandum of Association allows the Company to invest funds not immediately required in such investments, securities or property as may be considered appropriate. No such investments are presently held.

**Grant Making**

The Memorandum of Association authorises the trustees to promote and support research of benefit to people with Down's syndrome. The Charity, however, is not primarily a grant making body and during the year no such grants were made.

**DOWN'S SYNDROME SCOTLAND  
DIRECTORS' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2010**

**OBJECTS, OBJECTIVES AND PRINCIPAL ACTIVITIES OF THE CHARITY**

The Charity's declared objects and activities are to:

- relieve the needs of people with Down's syndrome and their parents, relatives and carers in any manner which is charitable in law;
- help to facilitate the personal development of people with Down's syndrome in order that they may realise their full potential;
- advance the education of the general public and people professionally involved in Scotland about Down's syndrome, and the capability and right of people with Down's syndrome to lead rewarding and independent lives;
- promote and support research of benefit to people with Down's syndrome and publish the results of such research.

**The strategic aim** of Down's Syndrome Scotland in fulfilling these objects is to improve the quality of life and maximise the potential of everyone with Down's syndrome in Scotland.

We strive to achieve this aim in the following ways:

**Providing support and information** to parents and families of children and young adults with Down's syndrome from a team of specialist staff based in a national office in Edinburgh

**Provision of training courses** to help adults with Down's syndrome and the provision of training courses to professionals and parents

**Informing the public** to raise public awareness and understanding of Down's syndrome and to provide supporting information to parents and families

**Provision of Branch Activities** by volunteers, mainly parents, working to provide outreach services in six regional branches throughout Scotland

**Working with other professionals** in the fields of education, social work and health to secure better services

**ACHIEVEMENTS AND PERFORMANCE**

This year's and the coming year's key objectives, together with our achievements for this year, are summarised as follows:

***Providing Family Support and Information***

This is a critical area of work for our organisation. We strive to ensure that both during pregnancy and after birth, parents of a new baby with Down's syndrome have as much information as necessary in order to support their child and the rest of the family. We provide information about their right to state benefits and give them access to our New Parent Contacts in their area. We endeavour to make sure that they have every opportunity to talk to someone either locally or at national office who can offer the right support at the right time.

**DOWN'S SYNDROME SCOTLAND  
DIRECTORS' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2010**

During the year we have conducted a survey and evaluated the success of our New Parent Contact Service. From this survey we found:

- 89% of the respondents were happy with the existing service but felt that a parent contact system for different ages and stages was very important.
- 62.5% of the existing parent contacts felt adequately supported by the charity

As a result of this survey we are now aiming in 2010/11 to increase the Parent Contact Support Service to encompass the 5 main 'ages and stages' – newborn, nursery/primary school, secondary school, leaving school and adults with Down's syndrome over 35 years old. We are also setting up a more comprehensive and systematic support service for the Parent Contacts themselves. We are hoping to have at least 40 trained parent contacts in place by the end of March 2011.

Our Family and Young People's Officer provides information and support to a wide range of healthcare staff including doctors, nurses and health visitors. In addition, she regularly attends clinics for parents who have babies and young children with Down's syndrome in Inverclyde (twice yearly) and Fife (quarterly). We are also regularly involved in the Down's Syndrome Clinics that are set up for parents of children with Down's syndrome from birth to primary school age. We have been fortunate to have had partial funding from the RS Macdonald Trust to provide this support.

We maintain a good relationship with the Royal College of Speech and Language Therapists and with individual Speech and Language Therapists directly, providing information and support for their work with families.

We have updated our Child and Vulnerable Adult Protection Policy and produced new guidelines. We intend to provide training in accordance with these guidelines to identified volunteer members in our Branches during the coming year.

### ***Provision of Training***

The charity provides training and support for children, young people, parents, carers and staff working in mainstream and special schools, family centres, out of school care provisions and leisure/social facilities.

Activity in this area of work is primarily the responsibility of our Family and Young People's Officer. This work has been partially funded by the RS Macdonald Trust. Work undertaken under this objective by the Family and Young People's Officer during the year included:

- Provided training and informal discussion sessions to 29 schools in Scotland.
- Visited 16 additional nurseries to provide information and support on various topics including: 'Behavioural Management and Resource Ideas' and 'Including a Young Person with Down's Syndrome'.

**DOWN'S SYNDROME SCOTLAND  
DIRECTORS' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2010**

- Provided training and visits to 16 voluntary and leisure organisations;
- Provided training to 4 parent support groups on 'supporting your child with Down's syndrome'; 'Behavioural Management' and 'Adolescence and Growing Older'.
- Responded to 505 enquiries from professionals on supporting a young person with Down's syndrome;
- Responded to 342 enquiries made by parents on topics such as Behaviour Management, Inclusion, Advice on schools and Advice on the Legal Rights of parents and young people;
- Responded to 52 enquiries made by young people on 'project work', 'including someone with Down's syndrome in their school/college' and information on the 'SYP';
- Working with 3 Local Authorities to deliver staff development training.

**The three year Training Project funded by the Big Lottery ended July 2009.** During the last 3 months, April to July 2009, the project concentrated on evaluation and a final report but managed to fit in a final 5 training sessions which included an Equality conference in Greenock run by Inverclyde Council.

The Big Lottery Fund enabled the organisation to establish a training team of 14 trainers and 3 volunteers with Down's syndrome who worked with the training officer developing their skills and confidence. Over the three years the training team offered Myth Buster General Awareness training sessions to places such as museums, leisure centres, libraries, theatres, housing offices and colleges. The trainers put together presentations about their lives, friendships and inclusion which have then been slotted into the Myth Buster and training offered by other staff members. Some of the trainers and volunteers were also involved in Information events, Hospital Study Days, School in-service training and training for support staff in other organisations. Over the three years the project has delivered training to 64 different organisations. The audience number has varied from 5 people attending in a library to 200 medical students at a lecture.

Although the training project ended in July 2009, the organisation will continue to offer training that involves trainers with Down's syndrome.

**The 'Making your way through life' project started in July 2009** and over the five years of funding aims to benefit 183 people with Down's syndrome.

Funded by the Big Lottery Fund's 21<sup>st</sup> century life area of investment the project will deliver courses to people with Down's syndrome utilising the skills of 7 trainers with Down's syndrome. The training courses will help people with Down's syndrome to build upon their existing life skills and increase confidence.

The four training courses are; 'Being confident and speaking up' which covers assertiveness, decision-making and connecting with other people. 'Taking part in meetings' will introduce

**DOWN'S SYNDROME SCOTLAND  
DIRECTORS' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2010**

concepts of how meetings work and how to be involved. 'Planning for the future' will explore talents and skills, making changes, choices and options. 'Understanding citizenship and being part of your community' will look at what citizenship means, individual rights and community connecting. Training will be run in Aberdeen, Dundee, Edinburgh, Glasgow and Inverness.

The trainers have been meeting regularly, working on improving their own trainer skills and helping with the course materials. The trainers have also been involved in the recruitment and interview process of a support worker.

The first course 'Taking part in meetings' will be in Glasgow in April and May 2010

***Information Resources***

We developed and launched our new website. This website is able to be managed directly by members of staff, rather than an external company. This allows us greater control of what goes up and when. It is bright, colourful and easy to navigate. Content is still being added and like all websites, remains a work in progress.

Alongside the website we started to produce an e-bulletin. This has enabled us to communicate more efficiently and effectively with our members. It is vibrant and easy to read and has been complemented by other organisations. In conjunction with these digital advances, we have set up pages on Facebook and Twitter. These are helping promote the charity to a different demographic and equally enable us to keep abreast of developments within the sector.

We continued to produce STARS and the Newsletter for the first half of the year. Both of these are now under review with the aim of making them bi-annual with more content. We are moving towards a journal/magazine style in order to present informative, educational articles.

The production of publications is very much driven by need. New areas to be covered are identified by staff from numbers of enquiries on a given subject or by identifying an obvious gap in our own or the publications of others. The publications we produce are written for specific audiences e.g. parents/carers, professionals or people with Down's syndrome, with the latter audience needing publications in easy-read format, with lots of pictures or diagrams.

We produced a new booklet for new parents entitled 'A little book about babies'. This is made up of pictures and stories donated by some of our parent members. This was made possible through money raised by the Bell family in Annan. The feedback from professionals, new parents and relatives has been very good and we are grateful to everyone for their contributions and are very pleased with the real difference it's made.

Our annual conference was a successful event attended by 80 members and 40 children. As usual there were a variety of workshops designed to offer something of interest to everyone attending.

For Down's Syndrome Awareness Week we ran a campaign called 'Do-a-Dish for Down's syndrome'. This involved people making something for others to eat, either in their home or

**DOWN'S SYNDROME SCOTLAND  
DIRECTORS' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2010**

elsewhere, in exchange for a donation. The focus of the campaign was around inclusion and the way in which sharing food brings friends, families and communities together. People with Down's syndrome are all part of someone's family, friendship group and community. We believe that people with Down's syndrome should be fully included in society and that their contribution is equally as valuable as anyone else's. The campaign will run again next year with the aim to grow it into a recognisable brand.

The campaign proved very popular with our members with Down's syndrome. Donations were still coming in, in April 2010 and we expect to achieve a total of £4,000.

We continued to support our member of the Scottish Youth Parliament (MYSP) to attend meetings. This young adult with Down's syndrome will finish his membership of the Scottish Youth Parliament in June 2010 but we will continue to support his involvement with local politics.

We continue to support an individual with Down's syndrome in the Cross Party Group on Learning Disabilities. This support includes attending quarterly meetings and any other work that is required as a result of these meetings.

***Provision of Branch Activities***

Members of the charity automatically become members of their local branch. We currently have 6 branches through which we provide local contact and support to members who are parents of people with Down's syndrome as well as the adults and children themselves. Our branches fundraise in order to organise activities and trips for their members. Below is a brief summary of each branch's activity over the last year.

**Tayside Branch** continued with their successful 'Swing and Sing' group. This is a mixture of music, dance puppets and instruments for our younger members. These sessions have run on a monthly basis provided by a qualified music teacher, they are well attended by members and give parents a chance to meet each other.

**Lothian Branch** continued with its ABC group helping children to Achieve Better Communication. The branch also runs a fortnightly session for adults with Down's syndrome who love to dance – The Boogie Bunch. In addition the parent & toddler group and Saturday Sunflowers continue to flourish, providing support to new parents and activities for young children. They have also organised special activities including a boat trip along the Union Canal, a Christmas party, a ceilidh and a trip to Scotland Yard play centre.

**Central Branch** has a well established activities club which takes place fortnightly on a Saturday afternoon. Here members can take part in ball games, board games, arts and crafts and play pool. Parents can come along and chat with each other. The branch organised Artlink workshops from November to February and these were very popular. Several outings were arranged including Blair Drummond Safari Park, Kidz World and Zoolab.



**DOWN'S SYNDROME SCOTLAND  
DIRECTORS' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2010**

**Ayrshire Branch** organised a sponsored walk from Tyndrum to Bridge of Orchy (and back) and a 'Stars in Disguise' night to enable it to continue to provide trips and social events for children and adults with Down's syndrome. These include trips to the Isle of Arran and New Lanark. They also attended the Adrossan Highland games to provide information and promote awareness about Down's syndrome. Their successful drama group 'Centre Stage' continues to meet in Kilmarnock and the group organised a workshop for the charity's AGM.

**Grampian Branch** run a regular parent and toddler group which gives parents a chance to meet each other and share stories. They organised a sponsored walk which was very successful. The highlight of their year is as always the Christmas party. There is also a regular bowling club for adults to go along to and catch up with friends.

In the **West of Scotland Branch** the parent and toddler group continues once a month on a Sunday and in addition a sports club has been started for slightly older children. The swimming group remains popular and had successes at the Special Olympics in July. They also held a Christmas party for members.

***Working with other professionals***

We sustain a strong commitment to working closely with other organisations where this can add value to what we do. Some of this working is on a day to day co-operative basis, whilst other examples are of us being members or partners in a more formal group. Examples of organisations/groups we are directly involved in include:

**Scottish Consortium on Learning Disability (SCLD)**

We are formal partners in this consortium of organisations that was formed in order to bid to be the learning disability centre of excellence in Scotland, as recommended in the document Same As You. The other partners are Association for Real Change (ARC), Badaguish Outdoor Centre, British Institute for Learning Disabilities, Capability Scotland, Enable, Key Housing, Profound and Multiple Impairment Service (PAMIS), Quality Action Group, University of Dundee, University of Glasgow, University of St Andrews.

**Cross Party Group on Learning Disability (CPGLD)**

This group is made of parents and carers, people with learning disabilities and professionals from various learning disability organisations throughout Scotland. The purpose is to feed information to the MSPs and encourage MSPs to ask questions about issues, or even to put down a motion for debate on an important topic. In certain cases a Minister might speak to the Group on an issue.

**For Scotland's Disabled Children Campaign Group (FSDC)**

This is the campaign to secure rights and justice for disabled children, young people and their families throughout Scotland. FSDC aims to ensure that Scotland's disabled children are central to

**DOWN'S SYNDROME SCOTLAND  
DIRECTORS' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2010**

new policy and action. It is led by five major organisations working with disabled children and their families in Scotland – Capability Scotland, Care Co-ordination Network UK (CCNUK), Contact a Family, Family Fund and Scottish Society for Autism – and supported by many more.

**Additional Support for Learning Sub Group**

This is a sub group of the FSDC and was chaired this year by our Family and Young People's Officer. Its aim is to look at the impact of the Additional Support for Learning Act 2004 on families, young people and professionals and raise the issues identified with Government. It consists of parents, young people and professionals with an interest in the Additional Support for Learning Act. This year it designed a questionnaire and ran focus groups in order to find out how the Additional Support for Learning Act is being implemented. This group have recently succeeded in securing a fulltime worker that will take forward issues affecting families of children with additional support needs.

**FINANCIAL PERFORMANCE**

This is the first period of accounts after incorporation. The Statement of Financial Activities (SoFA) set out on page 15 shows that the net movement in funds for the period was £383,050. However of this, the value of Net Assets transferred on incorporation was £375,771, leaving an actual surplus of £7,279 for the year from 1 April 2009. This surplus can be broken down further into a net surplus on the movement of unrestricted funds of £16,105 and a net deficit on the movement of restricted funds of £8,826.

At the beginning of the period the forecast budget for the year showed a deficit of (£84,500), as like many similar charities we were facing a time of recession and uncertain income streams. In October 2009 a letter was sent to our members explaining the financial difficulties and asking for financial support. We have been delighted and encouraged by the support of our members and staff in particular with their fundraising efforts (£100,327 for the current period 2010, compared to £49,583 in 2009 as an unincorporated association). We have also increased the number of donors giving on a regular basis by 59 (with an average annual donation of £110). Between members and staff management of costs and expenses we are now able to show a small surplus for the period as referred to above.

We refer below to our plans for 2010-11 and we would urge our members and supporters to continue to give regularly and fundraise if we are to meet these goals. If we all work together we can continue to support everyone in our unique community in Scotland.

Management and administration expenses remain firmly under control.

**DOWN'S SYNDROME SCOTLAND  
DIRECTORS' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2010**

**Plans for 2010-2011**

The Trustees will agree a new Strategic Framework which will guide the work of the organisation for the next three years.

Upon the departure of a member of staff in December, we reviewed the way we provide information and support. As a result of this exercise, we will be undertaking a small restructuring in order to consolidate into one service our previously separate children and adults work.

Also as part of this review, we have considered how we have, to date, linked parents experiencing specific issues or difficulties to other parents who have experience of the same issues. In the year ahead we will devise a new way of supporting this activity and apply for specific funding to pump prime its development and delivery.

The downturn in the Scottish Economy is forecast to continue and we are still actively focussing on fundraising initiatives and increasing applications to Trusts and Grant making bodies. However these in turn are also facing difficult financial results and so we are also targeting areas of expenditure that can be significantly decreased.

**Reserves Policy**

Down's Syndrome Scotland maintains three types of Reserves:

1. Restricted Funds (Branch and General)
2. Designated Fund
3. Unrestricted Reserve Funds (Branch and General)

Details of those funds, which may consist of cash or a mixture of cash and fixed assets, and the reasons for which they are held are shown as Notes 8 and 9 to the Accounts.

**Designated Funds** were created to build up funds which may be used in future periods to help defray the impact of expenditure on capital items such as the renewal of our IT systems and property.

**The General Unrestricted Reserve Fund** represents the free unrestricted funds of the charity not designated or invested in tangible fixed assets. These are held to meet general current and future running costs of the charity and to fund activities for which it does not prove possible to obtain specific funding. Our policy is that reserves of the equivalent of twelve months average unrestricted expenditure (not including branch unrestricted expenditure) should be held in the General Reserve Fund to provide sufficient time to replace any lost funding or to make the necessary alterations to activities. As of 31 March 2010 the balance on the General Reserve Fund was £123,422 as against the required holding under this policy of £178,000. The directors are aware of the position and are seeking to address the current shortfall.

**DOWN'S SYNDROME SCOTLAND  
DIRECTORS' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2010**

***Funds held by Branches***

Down's Syndrome Scotland has a network of six branches throughout Scotland each of which fundraise for their own activities. Each branch produces accounts, which are then consolidated with the national office accounts to produce the full accounts of the charity. Funds held by branches can also be either restricted or unrestricted. Branch restricted funds are included in Note 9 to the accounts.

Each branch is run wholly by volunteers and undertakes a variety of outreach activities. The voluntary and fragmented nature of this type of organisation makes it harder to ensure a regular flow of funds into each branch and the trustees' policy on levels of free reserves to be held recognises this potential difficulty. The policy is that each branch should maintain cash reserves representing 12 months average monthly costs.

**Risk management**

The Directors are also responsible for safeguarding the assets of the organisation and for taking reasonable steps for the prevention and detection of fraud and other irregularities. They have once again examined the major strategic, business and operational risks which the charity faces and are again able to confirm that systems are in place to enable regular reports to be produced so that the necessary steps can be taken to mitigate these risks.

**Statement of the Director's Responsibilities**

The Directors (who are also Trustees for the purposes of Charity Law) are responsible for preparing the Directors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

**DOWN'S SYNDROME SCOTLAND  
DIRECTORS' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2010**

The Directors are responsible for keeping proper accounting records 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. 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.

**Statement of disclosure to the auditor**

- So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.


**Auditors**

A resolution proposing the re-appointment of Geoghegans, as auditors of the company, will be placed at the forthcoming Annual General Meeting.

**Small Company Exemptions**

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

Approved by the Board of Directors on 18 September 2010 and signed on its behalf by:

  
.....  
**Lesley Stalker**  
Chairperson

  
.....  
**Ken McAlpine**  
Treasurer

## **INDEPENDENT AUDITORS' REPORT**

### **To the Members and Directors of Down's Syndrome Scotland**

We have audited the financial statements of Down's Syndrome Scotland for the year ended 31 March 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members and directors 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditors**

As described in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards ( United Kingdom Generally Accepted Accounting Practice).

We have been appointed as auditors under section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with those Acts.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you if, in our opinion, the Director's Report is not consistent with the financial statements, if the charity has not kept proper accounting records or if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charity is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

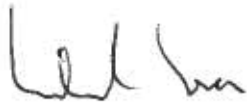
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable for Smaller Entities of the state of the charity's affairs as at 31 March 2010 and of its incoming resources and application of resources for the year then ended; and
- have been properly prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006; and
  
- the information given in the Directors' Report is consistent with the accounts.



**Michael Crerar (Senior Statutory Auditor)**  
**For and on behalf of Geoghegans, Statutory Auditor**

6 St Colme Street  
Edinburgh  
EH3 6AD

18 September 2010

**DOWN'S SYNDROME SCOTLAND**

**STATEMENT OF FINANCIAL ACTIVITIES**

For the Period ended 31 March 2010

	Notes	Un- Restricted £	Restricted £	2010 £
<b>INCOMING RESOURCES</b>				
<i>Voluntary Income</i>				
Donations and Gifts		56,899	7,206	64,105
Grants and Trusts		28,200	122,043	150,243
Legacies		34,953	-	34,953
Membership Subscriptions		6,385	-	6,385
Give as you earn donations		17,002	-	17,002
<i>Activities for Generating Funds</i>				
Organised Events		71,899	28,428	100,327
Branch Activities		-	4,295	4,295
Conferences and Literature		4,848	-	4,848
Other Income		7,707	870	8,577
<i>Investment Income</i>				
Bank Interest Received		507	36	543
<i>Other Income</i>				
Transfer of Net Assets on Incorporation	12	262,748	113,023	375,771
		<u>491,148</u>	<u>275,901</u>	<u>767,049</u>
<b>RESOURCES EXPENDED</b>				
Cost of Generating Funds	3	50,472		50,472
Charitable Activities	3	142,842	175,300	318,142
Governance Costs	3	15,385		15,385
		<u>208,699</u>	<u>175,300</u>	<u>383,999</u>
<b>Net incoming/(outgoing) resources before transfer</b>				
		282,449	100,601	383,050
Transfers between funds	9/10	(3,596)	3,596	-
<b>Fund Balances carried forward at 31 March 2010</b>		<u>278,853</u>	<u>104,197</u>	<u>383,050</u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.



**BALANCE SHEET**  
**As at 31 March 2010**

	Notes	£	2010 £
<b>Fixed assets</b>			
Tangible Assets	6		87,293
<b>Current Assets</b>			
Debtors	7	18,956	
Cash at Bank and in Hand		<u>298,518</u>	
		317,474	
<b>Creditors: amounts falling due within one year</b>			
	8	<u>21,717</u>	
<b>Net Current Assets</b>			<u>295,757</u>
<b>Net Assets</b>			<u><u>383,050</u></u>
<b>Funds</b>			
Restricted Funds	9		104,197
Unrestricted Funds	10		<u>278,853</u>
			<u><u>383,050</u></u>

The accounts on pages 15 to 26 were approved and authorised for issue by the Board of Directors on behalf of the Trustees on 18th September 2010 and are signed on their behalf.



Lesley Stalker  
 Chairperson



Ken McAlpine  
 Trustee

Company Registration Number: SC356717

## DOWN'S SYNDROME SCOTLAND

### Notes to the accounts for the period ending 31 March 2010

---

#### 1. Accounting policies

##### 1.1 Basis of preparation of accounts

The accounts have been prepared under the historical cost convention and in accordance with the Companies Act 2006, the Statement of Recommended Practice – Accounting and Reporting for Charities (SORP 2005) and the Charities Accounts (Scotland) Regulations 2006.

They include the results of Down's Syndrome Scotland's operations as described in the Trustees' Report and all of which are continuing. The financial results of the six branches are consolidated with the results from the national office to produce the full accounts of the charity.

##### Cash Flow Statements

Down's Syndrome Scotland has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cashflow statement on the grounds that it qualifies as a small charity.

##### Funds

All income and expenditure is dealt with through the Statement of Financial Activities. Funds are classified as restricted funds, unrestricted funds or designated funds, defined as follows:

- Restricted Funds

Restricted funds are funds subject to specific trusts or conditions, which may be declared by the donor or with their authority (e.g. by the restrictive wording of an appeal). Restricted funds can be either income funds or capital funds.

- Unrestricted Funds

Unrestricted funds are expendable at the discretion of the Executive Committee in furtherance of the objects of Down's Syndrome Scotland. A transfer is made from unrestricted funds to restricted funds to compensate fully all restricted funds which would otherwise be in deficit at the accounting date.

- Designated Funds

Designated funds are unrestricted funds that have been earmarked by the trustees for a specific purpose.

##### Gift Aid / Deeds of Covenant

Income from Gift Aid donations and Deeds of Covenant include the received or receivable associated tax credit.

##### Leasing Commitments

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

##### 1.2 Income

Voluntary income and donations are accounted for as receivable by the charity. The income from fundraising ventures is shown gross, with the associated costs included in fundraising costs. No permanent endowments have been received in the period.

## DOWN'S SYNDROME SCOTLAND

### Notes to the accounts for the period ending 31 March 2010 contd.

---

#### 1.3 Grants

Revenue grants receivable are recognised in the period to which they relate. Capital grants are accounted for as restricted funds when received.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised and their cost written off over a period depending on the type of asset as shown below.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

	%	basis
Heritable property	2.5	straight line
Office equipment	25	straight line
Fixtures & Fittings	10	straight line

#### 1.5 Resources Expended

Expenditure is recognised on an accruals basis as a liability is incurred. The charity is not registered for VAT and expenditure is therefore inclusive of any irrecoverable VAT, which is reported as part of the expenditure to which it relates:

- Cost of generating funds comprises costs incurred in applying to people and organisations to contribute financially to the charity's work. This includes the costs of staging special fundraising events and salaries of staff involved in fundraising work.
- The cost of charitable activities is those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on the basis of time spent on each activity.

#### 1.6 Pension Scheme

The Charity participates in the Scottish Voluntary Sector Pension Scheme, which is also a multi employer defined benefit pension scheme. It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. Accordingly due to the nature of the Scheme, the accounting charge for the period under FRS 17 represents the employer contribution payable.

#### 2. Taxation

As a charity, Down's Syndrome Scotland is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 and section 258 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable purposes. No tax charges have arisen in the Charity.

**DOWN'S SYNDROME SCOTLAND**

**Notes to the accounts for the period ended 31 March 2010**

**3. Analysis of Total Resources Expended**

	Direct Staff Costs £	Other Direct Costs £	Support Costs £	2010 Total £
Cost of Generating Funds	23,015	13,385	14,072	50,472
Charitable Activities costs in furtherance of the charity's objectives:				
Family Support Services	39,243	533	27,061	66,837
Information Service	58,734	2,959	41,133	102,826
Training Development	40,675	1,159	25,979	67,813
Branch Activities	-	80,666	-	80,666
	<u>138,652</u>	<u>85,317</u>	<u>94,173</u>	<u>318,142</u>
Governance	4,584	10,801	-	15,385
	<u>166,251</u>	<u>109,503</u>	<u>108,245</u>	<u>383,999</u>

**Detail of Charitable  
Support Costs**

	£
Insurance and Rates	4,782
Repairs/Maintenance	6,630
Utilities & Cleaning	2,722
ICT Software, licences & Support	14,062
Depreciation	8,570
Telephone & Postage	5,703
Resources/Printing/Publications	5,374
Stationery/Photocopying	5,314
Events/Venue Hire	5,811
Professional Fees	276
Sundry expenses	1,019
Storage costs	1,820
Finance and Admin staff costs	46,163
	<u>108,245</u>

Support Costs allocated to Core Activities on staff time basis

**DOWN'S SYNDROME SCOTLAND**

**Notes to the accounts for the period ended 31 March 2010 (continued)**

<b>4. Staff Costs</b>	<b>2010</b>
	<b>£</b>
Wages and Salaries	174,287
Social Security Costs	14,777
Pension Costs	10,081
	<u>199,145</u>

No employee earned £60,000 or more

The average number of employees, analysed by function, was:	<b>2010</b>
Direct charitable function	4
Fundraising, management and administration	2.5
	<u>6.5</u>

During the year a total of £301 was paid to 3 Directors in respect of reimbursement of travel and subsistence expenses. None of these Directors received any remuneration during the period.

<b>5. Governance Costs</b>	<b>2010</b>
	<b>£</b>
Audit fee	3,800
Legal Fees	6,155
Director's Expenses	301
Meeting Costs	545
National Office Staff Costs	4,584
	<u>15,385</u>

<b>6. Fixed Assets</b>	<b>Heritable</b>	<b>Fixtures &amp;</b>	<b>Office</b>	<b>2010</b>
	<b>Property</b>	<b>Fittings</b>	<b>Equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
Cost Bfwd on incorporation at 1 April 2009	80,000	20,162	69,421	169,583
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2010	<u>80,000</u>	<u>20,162</u>	<u>69,421</u>	<u>169,583</u>
<b>Depreciation</b>				
Depreciation bfwd on incorporation at 1 April 2009	-	16,991	55,801	72,792
Charge for the year	2,000	571	6,927	9,498
At 31 March 2010	<u>2,000</u>	<u>17,562</u>	<u>62,728</u>	<u>82,290</u>
<b>Net Book Value at 31 March 2010</b>	<u>78,000</u>	<u>2,600</u>	<u>6,693</u>	<u>87,293</u>

## DOWN'S SYNDROME SCOTLAND

### Notes to the accounts for the period ended 31 March 2010 (continued)

<b>7. Debtors</b>	<b>2010</b>
	<b>£</b>
Other Debtors	14,436
Prepayments	4,520
	<u>18,956</u>

<b>8. Creditors: Amounts falling due within one year</b>	<b>2010</b>
	<b>£</b>
Other Creditors	8,394
Accruals	13,323
	<u>21,717</u>

#### Financial Commitments

At 31 March 2010 the charity had annual commitments under a non-cancellable operating equipment lease as follows:

Expiry date:	<b>2010</b>
	<b>£</b>
Between one and five years	3,211
	<u>3,211</u>

#### 9. Restricted Funds

	Balance on Incorporation £	Movement in Resources		Transfer from Unrestricted Funds £	Balance at 31/03/2010 £
		Incoming £	Outgoing £		
Training Officer ( <i>Big Lottery Fund</i> )	-	11,076	(14,672)	3,596	-
Making Your Way Project ( <i>Big Lottery Fund</i> )	-	42,794	(32,501)	-	10,293
Family Support Services ( <i>RS Macdonald</i> )	22,500	20,000	(27,500)	-	15,000
West of Scotland Toddler Group	292	-	-	-	292
Library	-	2,000	(2,000)	-	-
Fixed Assets reserve	42,347	-	(7,586)	-	34,761
Information Resources ( <i>Scottish Gov</i> )	-	34,173	(34,173)	-	-
Committee rep adults with Down's syndrome	-	4,000	-	-	4,000
	<u>65,139</u>	<u>114,043</u>	<u>(118,432)</u>	<u>3,596</u>	<u>64,346</u>
Branch restricted Funds					
Lothian - ABC Group	14,674	13,777	(22,866)	-	5,585
Ups and Down's-Theatre Group	33,210	35,058	(34,002)	-	34,266
	<u>47,884</u>	<u>48,835</u>	<u>(56,868)</u>	<u>-</u>	<u>39,851</u>
<b>Total Restricted Funds</b>	<u>113,023</u>	<u>162,878</u>	<u>(175,300)</u>	<u>3,596</u>	<u>104,197</u>

## DOWN'S SYNDROME SCOTLAND

### Notes to the accounts for the period ended 31 March 2010 (continued)

#### Restricted Funds (continued)

##### Training Officer

To train and support adults with Down's syndrome to deliver training throughout Scotland  
This project finished in July 2009 and was funded by the Big Lottery Fund

##### Making Your Way Through Life Project

This project is funded by the Big Lottery Fund and works to increase the confidence and self-esteem of people with Down's syndrome by providing them with necessary skills. This project is for 5 years commencing July 2009

##### Family Support Services

This relates to funding received from the RS Macdonald Trust for contributions towards the costs of employing a Senior Family Support Officer.

##### West of Scotland Toddler Group

To support the children's toddler group operating in the West of Scotland

##### Library

To jointly provide an online library facility with the Scottish Consortium for Learning Disabilities

##### Fixed Assets Reserves

Represents the net book value of premises and tangible fixed assets acquired with restricted funds

##### Information Resources

This relates to funding received from the Scottish Government for contributions towards the costs of reviewing and implementing the information service in all of its aspects.

##### Adults with Down's syndrome

This relates to funding received from a number of sources, including the Hugh Fraser Charitable Trust, the JK Young Charitable Trust and the PK Charitable Trust to carry out a fact-finding exercise on how adults with Down's syndrome would be able to contribute to the policy making of the Charity.

##### Branch Restricted Funds

These relate to funds received at the branches restricted to a certain activity.

<b>10. Unrestricted Funds</b>	<b>Balance on Incorporation £</b>	<b>Movement in Incoming £</b>	<b>Resources Outgoing £</b>	<b>Transfer to Restricted Funds £</b>	<b>Balance at 31/03/2010 £</b>
General Reserves (unrestricted)	159,036	197,548	(177,728)	(3,596)	175,260
Designated Fund Capital Renewal	15,780	-	-	-	15,780
Designated Fund -Branch Caravan fund	7,358	3,503	(5,019)	-	5,842
Branch Reserves (unrestricted)	80,574	27,349	(25,952)	-	81,971
<b>Total Unrestricted Funds</b>	<b>262,748</b>	<b>228,400</b>	<b>(208,699)</b>	<b>(3,596)</b>	<b>278,853</b>

##### Designated Fund - Capital Renewal

This fund represents funds designated by the Directors to help defray the impact of future expenditure on capital items

##### Designated Fund - Branch Caravan Fund

This fund represents funds designated by the Directors for the continued upkeep of the caravan made available for families of children with Down's syndrome.

## DOWN'S SYNDROME SCOTLAND

### Notes to the accounts for the period ended 31 March 2010 (continued)

#### 11. Analysis of Funds Net Assets

	Fixed Assets £	Current Assets £	Total £
Restricted Funds	34,761	29,585	64,346
Branch Restricted Funds	414	39,437	39,851
Unrestricted General Funds	51,838	123,422	175,260
Unrestricted Branch Funds	280	81,691	81,971
Designated Funds	-	21,622	21,622
	<u>87,293</u>	<u>295,757</u>	<u>383,050</u>

#### 12. Transfer of Assets on Incorporation

The assets, liabilities and funds of Down's Syndrome Scotland (Unincorporated Body) were transferred to Down's Syndrome Scotland (Incorporated Body) on 1 April 2009. The net assets transferred were allocated as follows:

	At 31 March 2009 £	Revaluation £	Transfer at 1 April 2009 £
Tangible Fixed Assets	54,841	41950	96,791
Current Assets:			
Debtors	12,855	-	
Cash at bank and in hand	289,057	-	
	<u>301,912</u>		301,912
Current Liabilities:			
Creditors and Accruals	(22,932)	-	(22,932)
Net Current Assets	<u>278,980</u>	-	278,980
	<u>333,821</u>	41950	<u>375,771</u>
Restricted Funds	113,023	-	113,023
Unrestricted Funds	220,798	41950	262,748
	<u>333,821</u>	41950	<u>375,771</u>

The revaluation adjustment reflects the increase in value of the charity's heritable property as at the date of transfer based on a professional valuation undertaken by Edinburgh Commercial Property Limited.



## DOWN'S SYNDROME SCOTLAND

### Notes to the accounts for the period ending 31 March 2010 cont.

---

#### 13. Pension Scheme

Down's Syndrome Scotland participates in the Scottish Voluntary Sector Pension Scheme (the Scheme). The Scheme is a multi-employer defined benefit scheme. The Scheme is funded and was contracted out of the state scheme until 31 March 2010, when the Scheme was closed to future accrual.

The Scheme operated a single benefit structure, final salary with a 1/60<sup>th</sup> accrual rate until 30 September 2007. From October 2007 there were two benefit structures available, final salary with 1/60<sup>th</sup> accrual rate and final salary with 1/80<sup>th</sup> accrual rate, until the date of the Scheme closure on 31 March 2010.

The Scheme closed to future accrual on 31 March 2010. There is currently no intention to wind-up the Scottish Voluntary Sector Pension Scheme and it continues in paid-up form.

The Trustee commissions an actuarial valuation of the Scheme every 3 years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. This is because the scheme is a multi-employer scheme where the scheme assets are co-mingled for investment purposes and benefits are paid from total scheme assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under the FRS 17 represents the employer contribution payable.

The last formal valuation of the Scheme was performed as at 30 September 2008, by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the 30 September 2008 was £45.1 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £20.438 million (equivalent to a past service funding level of 68.6%).

## DOWN'S SYNDROME SCOTLAND

### Notes to the accounts for the period ending 31 March 2010 cont.

---

The financial assumptions underlying the valuation as at 30 September 2008 were as follows:

	%pa	
• Investment return pre retirement	6.8	
• Investment return post retirement	4.6	
• Rate of salary increase	4.2	for five years and
	4.7	thereafter
• Rate of pension increases:		
For pensionable service pre 6 April 2005	3.0	
For pensionable service post 5 April 2005	2.3	
• Rate of price inflation	3.2	

The funding update at September 2009 revealed that the estimated past service funding level has increased to 70.1%, but the shortfall of assets compared with the value of liabilities has also increased to an estimated £23.36m. This is primarily due to a reduction in the estimated returns from bond assets outweighing positive investment returns over the period concerned.

If an actuarial valuation reveals a shortfall of assets compared to liabilities the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

It was agreed that the following joint contribution rates would be payable until 31 March 2010:

Benefit structure	<i>joint contribution rate (% of pensionable salaries)</i>
Final salary 1/60th accrual rate	22.7%
	Comprising employer contributions of 15.2% and member contributions of 7.5 %

From 1 April 2010 contributions in respect of future service have ceased.

From 1 April 2010 a new recovery plan came into effect, following the finalisation of the 2008 valuation. Under the recovery plan Down's Syndrome Scotland is required to make lump sum payments of £7,032p.a.increasing annually in line with the salary assumption used in the valuation.

If the valuation assumptions are borne out in practice this pattern of contributions should be sufficient to eliminate the past service deficit arising from the 2005 and 2008 valuations, on an on-going funding basis, by 31 March 2022. The required level of deficit contributions will fall from 30 September 2018.

A copy of the recovery plan must be sent to the Pensions Regulator. The Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example the Regulator could require

## **DOWN'S SYNDROME SCOTLAND**

### **Notes to the accounts for the period ending 31 March 2010 cont.**

---

that the Trustee strengthens the actuarial assumptions (which would increase the scheme liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Scheme (which would effectively amend the terms of the recovery plan).

The recovery plan from the 2008 valuation has been submitted to the Pensions Regulator. The next full actuarial valuation will be carried out as at 30 September 2011.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up.

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buyout basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any "orphan" liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

Down's Syndrome Scotland has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Scheme as at 30 September 2008. As of this date the estimated employer debt for Down's Syndrome Scotland was £228,000.

#### **14 Contingent Liability**

As referred to above (Note 13) Down's Syndrome Scotland has a contingent liability for their share of the SVS Pension Scheme's liabilities which may crystallise under certain circumstances in the future.