

Scottish autism

WHERE AUTISTIC PEOPLE
ARE VALUED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2020

A Company Limited by Guarantee

Company Registered in Scotland Number SC081123

Registered Charity Number: SC009068

SCOTTISH AUTISM

Contents	Page
Directors' Report including Strategic Report and Statement of Directors' Responsibilities	1 - 14
Independent Auditor's Report	15-17
Statement of Financial Activities (Including Income and Expenditure Account)	18
Balance Sheet	19
Statement of Cash Flows	20
Notes to the Financial Statements	21-42

**SCOTTISH AUTISM
DIRECTORS' REPORT
Year ended 31 March 2020**

OBJECTIVES & ACTIVITIES

Charitable Objectives

The objects of Scottish Autism are the advancement of education, health and wellbeing, equality of opportunity and the relief of disadvantage of people living with an autism spectrum condition and related conditions throughout their whole life journey.

Scottish Autism's Vision is:

A world where autistic people are understood and enabled to lead meaningful and fulfilling lives as valued members of the community.

Scottish Autism's Mission is:

To enable autistic people to lead happy, healthy and fulfilling lives.

Scottish Autism's values are:

*Collaboration
Compassionate
Change Makers
Contribution*

Principal Activities

Scottish Autism provides a broad range of services to autistic people and their families and carers. Services include education, care, support, diagnosis, advice and information, training, short breaks and respite. Scottish Autism's head office is in Alloa although the services are located throughout Scotland in 25 local authorities.

Commitment to Quality and Continuous Improvement

Quality continues to be high on Scottish Autism's agenda in all areas of activity. We are committed to Quality Scotland's Excellence programme based on the European Foundation for Quality Management. We were pleased to achieve the 'Recognised for Excellence' 5 star award in 2019 along with the Good Practice Award 'Adding Value for Customers' and the overall Scottish Award for Business Excellence. We are regulated by both the Care Inspectorate and Education Scotland. 91% of Scottish Autism services were graded at least 4 (good) for all themes.

Partnerships

Scottish Autism works in partnership with many other organisations including the Scottish Government. We worked collaboratively with The National Autistic Society Scotland and the Scottish Women's Autism Network to develop a campaign for the introduction of an Autism Act. Our work was supported by an advisory group of autistic individuals.

We continued to nurture our European and international partnerships, and our local partnerships have been important in sustaining and developing services. For example, Cornhill Castle Hotel in South Lanarkshire has provided work experience for supported people with customer-facing roles within an hotel environment. Such partnerships have a significant impact on the autistic people we support. Further partnership working is illustrated in the Activities section.

Fundraising

Scottish Autism fundraises to support activities that are not funded through commissioned services. Fundraised income totalled £430,638 compared to £797,796 (2018/19) and our cost to income ratio was 58%. This lower fundraised income figure was because we had no major capital appeal as we had with Founders House in 2018/9 and the impact of economic and political uncertainty on donations. We raised £113,688 in corporate donations with another significant donation from Lyreco to support the development of our Centre for Practice Innovation. In addition, online giving increased during the year with £28,456 raised from Facebook campaigns.

**SCOTTISH AUTISM
DIRECTORS' REPORT
Year ended 31 March 2020**

Our fundraising events, for example, our Walk for Autism events in Edinburgh, Glasgow and Fife raised £26,405 which supported our charitable activities including our Advice Line and Right Click, our online support programme.

STRATEGY OBJECTIVES AND BUSINESS REVIEW

Operating Environment

Although the operating environment remained little changed during 2019/20, the end of the year brought us the added dynamic and challenge of COVID-19. This pandemic will no doubt change and shape our operating environment going forward and with that, what and how we do things in the future.

During the year we continued to see upward pressure on pay with the baseline set by an increasing Scottish Living Wage meaning that differentials between the pay of those managing services and those on the frontline of delivering care and support services were further eroded. This, coupled with downward pressure on fees through competitive tendering to provide services to those with the highest need, meant that the operating environment continued to be challenging. Our work on Transformation was designed to mitigate this risk.

Scottish Autism participated fully in the Cross Party Working Group to review the Scottish Strategy for Autism. The report was due to be disseminated in March 2020 but COVID-19 prevented this and as a result, we continue into 2020/21 with added uncertainty.

The commissioning of generic rather than specialist services for autistic people continued. This undoubtedly had some impact on the growth of services during the year which remained static at 393 people we support and 445 services (some people we support receive more than one service).

The focus of education policy continued to be based on the presumption of mainstream with little recognition that each autistic child should have the option of an individually tailored education service and environment. We continue to work hard to ensure that our specialist New Struan School is recognised as being part of a range of environments that can provide the best option for an autistic child's educational needs rather than being viewed as a lesser alternative. That said, our work in promoting the outcomes and calls to action in the Not Included, Not Involved, Not Engaged Report along with Children First and the National Autistic Society Scotland, had some impact as specific General Teaching Council guidance was developed for the mainstream education of autistic children and we are working with Education Scotland to develop a question set for inspectors.

Activities

Scottish Autism's Five Year Strategic Plan sets out a number of overarching themes, strategic objectives and the outcomes we expect to achieve. Key Performance Indicators were set for the outcomes and these are summarised here:

• *Overarching Themes*

Theme	Outcome	KPI	Position
Engagement	Our peoples' views count	>75% Staff satisfaction with staff ideas being taken into account	80% of staff in the most recent survey told us that Scottish Autism is interested in hearing their ideas and takes them into account
Risk Appetite	There are mitigation and management strategies in place for all high risks we face	100% high risks managed or mitigated	All high risks were managed or mitigated
Values	Our people know and uphold our values	Complaints	There were nine complaints during the year of which 4 were fully or partially upheld.
Leadership	Our managers provide good leadership	>85% staff satisfaction with leadership/management	85% of staff in the most recent survey said that their manager gives them praise and recognition for a job well done

**SCOTTISH AUTISM
DIRECTORS' REPORT
Year ended 31 March 2020**

Finance	Our financial performance enables us to invest in growth and service development.	Generate £7.5m cash flow from operations over the five year plan period	Cash flow from operations: -£264k to 31 st March 2020 (year 1) due to lower than budgeted surplus and adverse working capital movements, expected to recover years 2-5.
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- *To achieve growth through the diversification and expansion of the services we provide to support autistic people in a range of settings*

Outcome	KPI	Position
We offer autistic people more choice of services beyond those we provided in 2019	1 new service type	We helped a supported individual to set up a tuck shop in a residential service as lockdown disrupted his routine and enjoyment of shopping.
	>1% growth of existing services (service users not income)	The number of people we support remained static at 393 (395 2018/9)
	>5% growth in income	Total income grew by 2.5%, fee income by 4.1%

- *To enable sustainable societal change by campaigning and influencing government and decision makers*

Outcome	KPI	Position
Autistic people are met with greater acceptance in their communities and society	Story conveying engagement with local and national strategy/policy makers. Particular emphasis on school exclusions and employment	We have been at the forefront of a number of initiatives during the year including: <ul style="list-style-type: none"> • Participating in the Education Scotland/National Autism Taskforce subgroup to support autistic learners back to school. • Campaigning for legislation regarding Autism Commissioner developed with partners; although interrupted by COVID-19 it remains on the agenda.

- *To drive innovation and improvement of service and staff development*

Outcome	KPI	Position
Our services are of a consistently high standard	100% Care Inspectorate grades 4 and above	91% of our services that were inspected achieved grade 4 or above
Our people take part in and are positive about learning and development opportunities	>80% staff satisfaction with learning and development opportunities	Over 85% of staff were satisfied with learning and development opportunities

- *To enhance our reputation as a leading employer within the sector*

Outcome	KPI	Position
People choose to work with us and stay with us	<22% voluntary staff turnover	The turnover of staff (staff who left Scottish Autism completely) was 22.35%
People choose to work with us and stay with us	>80% staff satisfaction with Scottish Autism as a place to work	90% of staff in the most recent staff survey said that they are proud to work for Scottish Autism

**SCOTTISH AUTISM
DIRECTORS' REPORT
Year ended 31 March 2020**

- *To assert Scottish Autism as the definitive autism organisation in Scotland*

Outcome	KPI	Position
People come to us first for our views on autism	Fundraising – increase year on year by 10%	Fundraised income in 2019/20 was lower than the previous year in part as we had no major capital appeal.

Our progress in achieving our Strategic Objectives is further illustrated by the activities carried out during the year. All activities were supported by our Transformation Agenda developed to ensure that as we move forward we have the right people in the right place doing the right thing at the right time. Our guiding principles are that we are to be the most efficient we can be without compromising on quality and that our values are to be at the forefront of everything that we do. The organisational redesign principles are:

- ✓ a flatter structure
- ✓ more autonomy within the workforce
- ✓ cross functional working
- ✓ efficiency savings
- ✓ future proofing
- ✓ a move to greater emphasis on coaching & mentoring

Although implementation of the organisation redesign was slowed as a result of COVID-19, it is still very much alive and on our agenda moving forward.

Autism Services

The focus this year has been on continuing to embed our wellbeing model of care and support throughout services as well as embedding our values.

During the year we also focused on our practice and improving the outcomes for the people we support in all settings. We paid particular attention to access to health care and to that end, built relationships with our health care partners enabling them to better understand the needs of the autistic people we support. These relationships have meant that podiatry services now visit supported people when necessary and we have educated health centres about autism so that protocols around appointments have been developed. These small changes are at the heart of what we do and go a long way to helping us realise our Strategic Objectives.

Maximising growth opportunities has been a priority and during the year we considered 23 tender opportunities; rejecting 8 for various reasons (low fixed hourly rates, service model not in keeping with our own ethical framework, eg, 15 min visits, capacity within a geographical area). We tendered for 15 opportunities with the following outcomes:

SUCCESSFUL	7	Edinburgh children & families' framework, SXL care homes framework, SXL care & support framework, Orkney Individual (existing), Edinburgh schools' framework (stage 1 PQQ only), Clacks framework for care & support for children, Aberdeen Complex Care framework
UNSUCCESSFUL	4	Glasgow individual Edinburgh individual PKC Corbenic PKC Tulloch Hill
PENDING	4	ABC care at home framework, Orkney individual (new), Orkney individual (existing), Edinburgh schools framework

**SCOTTISH AUTISM
DIRECTORS' REPORT
Year ended 31 March 2020**

The decision making process is taking time in the pending tenders. Often this is due to internal process issues within the local authority and sometimes there are queries from local authorities following submissions to clarify points or to try and renegotiate prices.

Following the outcome of a tender, whether successful or unsuccessful, we seek feedback from local authorities to learn lessons that can be applied to future submissions.

We seek to engage with local authorities in highlighting needs and resources within their region. We are aware of and engaging with City of Edinburgh and West Lothian Councils on upcoming potential tenders.

Our services were hugely impacted by COVID-19 towards the end of the year but it is the innovation and creativity in our Autism Services that meant we were quickly able to realign services with the new environment and deliver services with similar outcomes for the autistic people we support albeit in very different but equally impactful ways.

Centre for Practice Innovation

This year we have continued to develop our internal support for Autism Services by promoting and embedding our wellbeing model supported by our Autism Practice Improvement Framework (APIF) which is underpinned by our Values into Practice learning environment. Six successful APIF reviews were carried out during the year. We also held a Challenge Session with the National Autistic Taskforce, an autistic led organisation, which ensured that the APIF underpins our broader rights and values based approach to services.

Significantly we built on this autism practice expertise to develop an external training and consultancy service. Strong foundations were laid for this service when we entered into a partnership with Barclays Bank to assist with the design of their new facility in Glasgow. The purpose being to enable the recruitment and retention of autistic employees.

Likewise building on the success of the APIF, we developed the Autism Practice Improvement Programme which was piloted at Gretton School in Cambridgeshire.

The Advice Line, which is an important part of our offering to autistic people in the wider community and those who support them, was enhanced during the year. Over the past three years we have seen a threefold increase in the number of enquiries. The digitalisation of Advice Line data management means that we have a huge amount of evidence of unmet need. The Advice Line, funded by the Scottish Government for four months in early 2020/21 as part of its response to COVID-19, expanded its offering to include a variety of online and social media enhanced advice services.

Our connections were further developed through a partnership with Glasgow Kelvin College, Skills Development Scotland and Barclays Bank to create a learning exchange on supported employment models. We also had four poster presentations at the Autism Europe Congress in September 2019.

Knowledge sharing continued to be an important aspect of the work of the Centre for Practice Innovation and we held a very successful conference in November 2019 which included many autistic presenters and participants and was extremely well received. We also held a joint seminar with the Edinburgh Centre for Medical Anthropology on autism. This event was well attended by professionals, community members and researchers. We also delivered guest lectures for Stirling and Strathclyde Universities Masters programmes.

Scottish Autism events also increased during the year with aim of sharing knowledge and expertise. The Centre supported recruitment fayres and fun days as well as exhibiting at The Queen's Nursing Institute Scotland Annual Conference, Autism Europe in Nice, Police Scotland, Kincardine, and Medica CPD Temple Gradin conference.

Research is an important aspect of the Centre's work as it underpins our wellbeing model. We successfully bid for a Medical Research Scotland PhD studentship with Edinburgh University which will start in September 2020. We produced Share magazine bi-annually with one focused on our successful conference.

**SCOTTISH AUTISM
DIRECTORS' REPORT
Year ended 31 March 2020**

Business Systems

Project Lightyear, our digitalisation programme, was largely completed during the year and fully implemented in April 2020. Staff across the organisation are appreciating the benefits of quick access to records and information with slicker digital processes meaning they can focus on providing great care and support. Our investment in new software solutions and infrastructure also meant that we were able to respond to COVID-19 with home working at pace and with relative ease.

Employee Information & Engagement

Our employees are the foundation of the services we provide and Scottish Autism continues to ensure that they are rewarded appropriately and can develop to meet their full potential.

The year was dominated by the Transformation agenda and the following key activities underpinned that work:

- Pay and Reward roadshows were held across Scottish Autism to engage with staff to find out what they like and dislike about the current rewards/benefits offered and to understand what staff would like to see if not currently offered. This was communicated to staff in a visual 'You said, We did' poster, which staff really engaged with.
- We worked collaboratively with support staff through staff forums to redesign our adverts in line with the values.
- Rolling out of Coaching for Performance training with Fife College to enable managers to effectively coach their teams during their one-to-one meetings.
- Launch of the role of the Transformers to champion change and support staff through organisational transformation
- Involving stakeholders across Scottish Autism in the recruitment for the new Director of People & Culture.
- Ensuring staff were properly informed through regular FAQs and support provided during this extremely challenging time with COVID-19.
- Preparing the launch of the Autistic Employee Forum on Teams to provide resources, peer-to-peer support and to create an opportunity to share views to help improve the autistic practice for autistic employees.
- Our L&D Team, supported by CPI and our service staff, continues to deliver a comprehensive range of autism and mandatory training.
- We have a thriving cohort of staff working towards their SVQ qualifications.
- Staff are also encouraged to take ownership of their own development and can request attendance at training courses and events relevant to their role and professional development needs and aspirations.

Disabled Employees

It is Scottish Autism's policy to offer the same opportunity to disabled people as to all others in matters of recruitment and career advancement, provided that they have the ability to perform the tasks required, with or without training, and to institute training, where practical, in cases where the disability was incurred during their employment with the organisation.

FINANCIAL REVIEW

Results for the Year

The heart of Scottish Autism's financial strategy is a continued focus on growth in our core business. Total income grew by 2.5% to £29.7m in 2019/20 from £29m in 2018/19, and fee income (note 5) grew by 4.1% from £28.1m to £29.2m. We made a number of investments in our long-term service delivery capabilities in 2018/19, which had a knock-on impact in the first quarter of 2019/20, as the impacted services took longer to come to full operation than was originally anticipated. Fee income subsequently recovered for the remainder of the year, but we were still below the annual income growth target, mainly because fundraising income dropped significantly from its high levels in 2018/19, when it was boosted by funds raised for our investment in the Founders service in Alloa (see further commentary on fundraising on p.1). In respect of the income diversification aspect of the strategy, training and advisory income grew by 13%, from £217k to £246k. The strategy also focuses on achieving financial efficiencies; on understanding and improving operating margins; and investing in modern, fit

**SCOTTISH AUTISM
DIRECTORS' REPORT
Year ended 31 March 2020**

for purpose finance systems as part of an organisation-wide systems upgrade – we went live with the new finance components of the system at the start of the 2020/21 financial year.

Total expenditure, including actuarial pension charges, increased by 3.4% from £30.7m in 2018/19 to £31.78m in 2019/20. Included within these figures were (non-cash) pension charges of £2.1m (note 25), an increase on the £1.9m charged in 2018/19, which reflects the assumed ongoing costs of benefits accruing to those members of staff still in the Falkirk Local Government Pension Scheme (LGPS); adjusting for these charges, operational expenditure increased by 2.8% to £29.6m, above the rate of increase in income, and leading to an underlying operating position just above breakeven. It should be noted that position includes a net expenditure of £0.06m on restricted funds, as we spent brought forward funds on the purposes for which they were intended. Total payroll costs expenditure grew by 4.2% from £25.9m in 2018/19 to £27.0m in 2019/20 (note 10); excluding the pension charges noted above, the underlying payroll costs increased by 3.8%, from £24m in 2018/19 to £24.9m in 2019/20. This reflects a modest general pay increase, the continued impact of legislative changes and policy, particularly the increase to the Scottish Living Wage, and an increase in the employer contribution rate to both pension schemes.

The Balance Sheet is again dominated by a huge swing in the valuation of our share of the Falkirk LGPS assets and liabilities. After a net negative movement of £4.2m in 2018/19, to a year end deficit valuation of £13.05m, market circumstances at 31 March 2020 and the constrained set of assumptions allowed for by FRS 102, particularly the impact of a lower discount rate used by the actuaries, have brought about a net positive movement of £5.1m, with a closing valuation of the deficit at £7.95m. This FRS 102 valuation is in contrast with the last formal actuarial valuation as at 31 March 2017, which valued Scottish Autism's share of the scheme's assets at £48.3m and liabilities at £45.6m, giving a surplus of £2.7m and a funding level of 106%. In combination with the year's Income and Expenditure position noted above, the change in the FRS 102 valuation is a sufficiently positive movement to reinstate a positive net asset position at 31 March 2020. It should be noted, as stated in note 12, that it is the Directors' opinion that the market value of heritable land and buildings is in excess of the book value, which is calculated at depreciated historic cost. Any realisation of market value would therefore strengthen the balance sheet. See comments in the 'Going Concern' section below.

Whilst our ongoing financial commitments to the Falkirk LGPS are driven by the formal triennial scheme valuation rather than by the FRS 102 valuation, the Directors have been mindful of the risk – which they have drawn attention to in prior years' financial statements – of unsustainable levels of pension contributions caused by an ongoing LGPS deficit, the financial impact of Auto-Enrolment, the LGPS 2015 scheme changes, and the removal of the National Insurance rebate. Scottish Autism's participation in the Falkirk LGPS has been closed to new members since July 2017, with new starters since then having access to a defined contribution pension scheme, offered by The People's Pension. The LGPS closure to new members and the ongoing management of pension costs is an important component of the financial strategy.

It is to be noted that following the triennial valuation of the Falkirk LGPS at 31 March 2017, our employer contribution rates have increased in equal steps from the 18% we were paying in 2017/18 to 27% by 2020/21 (note 25). We await the outcomes of the next triennial valuation as at 31 March 2020, which will determine contribution rates for the three years beginning 2021/22.

There was a 4.5% increase in the book value of fixed assets in the year, with additions of £0.8m (note 12). This comprises the final phases of "Project Lightyear", our ongoing systems transformation project, which was completed at the end of the financial year, and a number of smaller investments in fit for purpose premises for high quality service delivery. These investments reflects the policy to invest appropriately from reserves into the long-term sustainability of the charity's operations; it was hugely beneficial to our ability to cope with Covid-19 restrictions that staff could access rotas and care plans remotely, for example.

The charity's cash balances reduced by £1.2m, reflecting a £0.3m net cash outflow from operating activities, £0.1m loan repayments, with the major movement being the £0.8m investment in fixed assets noted above. Debtor balances increased by £1.2m as local authorities were unable to devote their usual energy to settling their accounts at the year end, due to the demands of Covid-19 in late March. This has now largely been rectified.

**SCOTTISH AUTISM
DIRECTORS' REPORT
Year ended 31 March 2020**

Going Concern

With the exception of the pension deficit, the balance sheet remains healthy, with strong levels of cash / investments, net current assets, the ongoing reduction in long-term loan balances, and, as noted above, heritable land and buildings whose market value, in the opinion of the Directors, is in excess of the book value. As set out above, there was an underlying operating position that was slightly above breakeven in 2019/20. The Directors have reviewed in detail the assumptions underlying a ten-year financial model which looks at the longer-term impacts of the changes to pension provision – including the implications of the higher “closed scheme” employer contribution rates to the Falkirk LGPS noted above – and the other elements of the financial strategy.

Very few organisations' financial strategies and plans will have been untouched by the emergence of the Covid-19 pandemic in the spring of 2020, and concerns about its short- and longer-term financial implications, and Scottish Autism is no exception. We are fortunate that the bulk of our income comes from local authority commissioning; we have therefore benefited from Scottish Procurement Policy Note (SPPN) 5/2020, which was concerned to ensure service continuity during the Covid-19 outbreak, and has allowed us to continue to be paid for and deliver the bulk of our services. We are also indebted to the support of the Scottish Government and the Big Lottery Fund, whose additional grant income in the early months of 2020/21 has enabled us not only to continue our vital Advice Line support to the autism community, but also to expand the ways in which autistic people and their families have been able to access support during a very difficult time for many. That funding has effectively offset, in the short term, the dramatic reduction in fundraising activities we have been able to pursue. We have regularly updated and reviewed a dynamic, scenario-based 12-month cashflow forecast, which shows the continuation of a sufficiently strong cash position, even under the scenario of a second wave of Covid-19, underpinned by the in principle agreement of an extended overdraft and loan facility, should we require it. Longer term, we will now begin the process of reviewing our financial strategy and plans in the light of a new relatively stable operating position as we emerge from lockdown, and an evaluation of the constraints and risks around service delivery, fundraising, and other income generating opportunities.

Having considered forecast results and cashflows, including possible downside sensitivities, together with banking facilities available to the Charity, the Directors are confident that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

Reserves

The Board has directed that the organisation should seek to consolidate its position not only as the leading autism service provider in Scotland, but also the leading authority on such support services for people with autism. In this strategic context, the Board has determined that Scottish Autism should hold reserves sufficient to meet immediate and essential expenditure commitments as they arise and to allow access to funds for service development and other investment activity to support the longer-term sustainability of the charity's operations, as well as to mitigate the impact of unforeseen expenditure or an unplanned shortfall in income. During the financial year under review, the Board has used reserves to invest in the “Project Lightyear” programme of process and systems transformation, and in the development of high quality premises which allow the delivery of new and continued services with long-term revenue streams.

It is the Board's policy to achieve a level of free reserves (i.e. reserves neither tied up in fixed assets nor restricted) equivalent to three months' operating expenditure. The movement in the pension deficit has led to total unrestricted reserves recovering from being £1.6m in deficit at 31 March 2019 to £3.7m in surplus at 31 March 2020. As noted above, our ongoing contributions to the LGPS are determined by the triennial valuation, not FRS 102, and the Directors have reviewed our ability to meet those contributions in relation to reserves excluding the pension deficit. Excluding the pension deficit, free reserves (general and designated funds less fixed assets) total £4.1m, which equates to 1.5 months' worth of operational expenditure. The Directors are of the opinion that the reserves are sufficient to meet future requirements.

Market Value of Land & Buildings

The New Struan Centre is a bespoke facility and valuations for alternative uses are limited. With the exception of New Struan, and the Balmyre Resource Centre and Founders House in Alloa, the remaining properties are residential and the Directors consider that the market value of such land and buildings is higher than the book value in these financial statements.

**SCOTTISH AUTISM
DIRECTORS' REPORT
Year ended 31 March 2020**

Movements in tangible assets are as set out in note 12 to the financial statements.

Assets are held primarily for use by charitable services or for use by support services.

Investment Policy

The policy is to invest all or some of any surplus funds (i.e. funds which are not needed to meet immediate charitable activities), in order to generate additional funds to support the strategic purposes of the organisation. It is the view of the Board that such surplus funds be placed in relatively cautious investments. Following professional advice, the Directors opted to invest £0.5m of the charity's cash reserves in early 2019 in a balanced portfolio of relatively low risk and liquid investment funds, with the objective of achieving a benchmark above inflation return over the medium term (three to five years).

PLANS FOR THE FUTURE

Our Strategic Objectives and priorities along with supporting outcomes and Key Performance Indicators will be reviewed during 2020/21. COVID-19 is having a major impact less on what we do and want to achieve but more on how we deliver our services. As we move out of the crisis management stage of COVID-19 and into the recovery stage, we have already begun to determine lessons learned and to collect good practice for service improvements. For example, we are holding conversations with staff about home working where applicable with a view to increasing work life balance as well as freeing up office space for other uses or to secure efficiency savings. Growth of service provision is a key priority and even during the lockdown period we successfully tendered for new services to be realised during the year.

Technology has been effectively employed to enhance and maintain our broad support offering and we will look at how we can continue the innovations we have designed. Likewise, our training and consultancy services will become an online service in the interim if not in the longer term.

As a result of COVID-19 we developed online, social media enabled and enhanced Advice Line services and a priority will be to secure core funding as the value of this service is being heralded as a key crisis prevention service. This helped us maintain, if not enhance, our profile so as a new normal emerges we are in a better place to diversify and grow than we were before COVID-19. We will continue to campaign for an Autism Act and use our influence with our international partners to increase awareness of autism and the potential of innovative services and developments.

To underpin these objectives, we will progress and conclude our Transformation work and continue to maximise the benefits of Project Lightyear, our digitalisation programme, to achieve efficiencies as well as increase quality.

The potential to fundraise in the usual ways is being severely tested and we look now to increasing our digital and online events.

We are very grateful to our staff and stakeholders for the support we have been offered during COVID-19 and as a result we are confident that we will continue to grow and stretch our reach into the wider autistic community.

Principal Risks & Uncertainties

It is essential that Scottish Autism demonstrates that it has a robust system of corporate governance and risk management in place to assure the Board and stakeholders that it operates a robust system that will stand up to scrutiny. The major risks to Scottish Autism were reviewed during the year and are summarised as follows:

Risk Description	Impacts	Mitigating Action
Growth from non-commissioned services does not materialise	Inability to sustain the Centre for Practice Innovation and public relations profile	Commercialisation capability identified and business cases progressing.
IT infrastructure and business systems do not meet business needs	Inefficient use of staff resources	Project Lightyear fully implemented shortly after year end and Transformation got under way.

**SCOTTISH AUTISM
DIRECTORS' REPORT
Year ended 31 March 2020**

Poor organisational design	Inability to recruit and retain staff impacting on ability to grow and quality of services	Organisational design now complete and currently being implemented
Failure to recruit and retain staff	Staff costs prohibitive	Transformation agenda underway
	Service quality affected	Pay structure review to be completed 2020/21
Changing commissioning priorities - reduction in commissioner resources	Income reduced	Pay structure review and efficiencies from Project Lightyear
Loss of staff motivation/engagement including change fatigue	Service quality affected	Robust staff engagement in place particularly around Transformation
Financial control and financial planning eg pension costs	Cash reserves depleted	Financial plan in place and is reviewed and stress tested
Cyber security	Business system failure affecting operations	Project Lightyear and penetration testing although have physical security, regular back-up routines, Sophos security software, contracts with cloud-based suppliers
Covid-19 second wave, or similar pandemic	Income reduced, service quality reduced, serious health issues for staff and supported individuals, cash reserves depleted	Follow all public health advice. Implement localised BCP's/risk assessments. Staff working from home where possible. Regular Crisis Management Team meetings to monitor, increased frequency of Board and Finance Committee regular staff communications. HR Monitor staff sickness. Use of Test & Protect, vaccination when available. Cash flow forecasting, including 'worst case' 2nd wave scenario. RBS overdraft and loan facility available as a back-stop.

The Board reviews strategic risks quarterly and risk is a standing agenda item at each Board meeting.

Health and Safety risks are mitigated through a Health and Safety Committee which meets four times a year and comprises the Health and Safety Partner as well as a cross section of staff including the Chief Executive.

**SCOTTISH AUTISM
DIRECTORS' REPORT
Year ended 31 March 2020**

STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Document

In terms of the Companies Act 2006, Scottish Autism is a Company limited by Guarantee and not having a share capital. The organisation's references are: Scottish Charity Reference number SC009068 and Company Registration number SC081123.

Directors

The Directors of the Company are also Charity Trustees for the purposes of charity law and those who served during the year and to the date of this report are detailed later in the report.

Appointment of Directors

Directors are appointed by nomination and approval by the Trustees. Scottish Autism can co-opt onto the Board any person who possesses particular sets of skills or experience it might require. This is achieved through targeted recruitment, supported by an appropriate selection process to assess skills and ability.

Induction & Training

New Board members are fully briefed about their responsibilities by the Chief Executive who provides support and advice as required. A Board member induction policy was approved during the year. Board members are supported in accordance with the principles contained in the Office of the Scottish Charity Regulator (OSCR) publication "Guidance for Charity Trustees". In 2019, the Board agreed to adopt the core principles under the Scottish Governance Code for the Third Sector.

This is also supported by regular Board briefings outwith formal meeting cycles to ensure the Board are fully briefed on key issues. A Board Strategy Event was held on 10th September 2019 and a Governance training/review session facilitated by Shirley Otto was held on 29th October 2019.

The Board approved an Appraisal Policy in 2018/19 and Board member reviews continue to take place.

Board Member & Key Personnel Remuneration

Scottish Autism trustees are volunteers and are only remunerated for legitimate expenses claimed in relation to their service to the organisation. Should any Trustee undertake specific work for Scottish Autism not related to their trustee duties, this is clearly identified in the annual accounts.

Senior management salaries have been benchmarked with the care sector company members of the HR Forum for the Voluntary Sector. The Remuneration Committee, a sub-committee of the Board, also reviews senior management pay and progression awards and makes recommendations to the Board with regard to the Chief Executive's pay.

Administrative Structure

The Board meets on a regular basis to scrutinise performance and set policy direction. Notably Business Continuity Plans were approved by the Board during the year

The Directors are responsible for the overall strategy and administration of Scottish Autism. Scottish Autism's day-to-day operational decision making rests with the Senior Leadership Team (SLT) made up of the Chief Executive and four senior managers. This team is also responsible for the organisation's strategic planning process and performance management and for reporting back to the Board.

All policies are reviewed every three years or sooner if necessary due to legislative or other changes. Policies are introduced or reviewed as inclusively as possible prior to final signoff by the SLT and Board (when required).

**SCOTTISH AUTISM
DIRECTORS' REPORT
Year ended 31 March 2020**

Company performance is monitored on a routine basis by the Senior Leadership Team and by the following committees:

- Finance Committee
- Remuneration Committee
- Education Committee
- Health & Safety Committee

The Finance, Remuneration and Education Committees are sub-committees of the Board and may have senior managers and officers of the organisation in attendance; these committees in turn report to the full Board of Directors. The Health & Safety Committee is made up of management and employee representatives and is chaired by the Chief Executive. Other working groups monitoring and developing organisational strategy are established as required.

**SCOTTISH AUTISM
DIRECTORS' REPORT
Year ended 31 March 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

PRESIDENT	The Right Honourable The Countess of Rosebery
CHAIR	Dr Paul Prescott
VICE CHAIR	Alison Leask
BOARD OF DIRECTORS	Dr Paul Prescott (Chair) Alison Leask (Vice Chair) Paul Nelson (Treasurer) Andrew Lester (resigned 15 th June 2020) Colette Robertson (retired 1 st October 2019) Lindsay Ebner (resigned 30 th April 2019) Dr Andrew McKechanie Peigi Macarthur Keith Wallace Margaret Mary Rafferty Dianne Dixon (appointed 4 th June 2019) Fiona Clarke (appointed 1 st October 2019)

SENIOR LEADERSHIP TEAM

Chief Executive	Dorry McLaughlin
Deputy CEO	Charlene Tait
Director of Autism Services	Jackie Latto
Director of Finance & Corporate Affairs	Simon Hunt
Director of Human Resources	Sharon Stewart (resigned 12 July 2019)
Director of People and Culture	Katherine Wainwright (appointed 22 nd June 2020)

AUDITOR	Azets Audit Services Exchange Place 3 Semple Street Edinburgh EH3 8BL
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SOLICITORS	Lindsays WS Solicitors 19A Canning Street Edinburgh, EH3 8HE
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BANKERS	The Royal Bank of Scotland Beancross Road Grangemouth, FK3 8WH
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PRINCIPAL & REGISTERED OFFICE	Hilton House Alloa Business Park Whins Road Alloa FK10 3SA
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CHARITY REGISTERED IN SCOTLAND: SC009068

**SCOTTISH AUTISM
DIRECTORS' REPORT
Year ended 31 March 2020**

DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Directors' Annual Report, including the Strategic Report, and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the organisation and of the income and expenditure of the organisation for that period. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable 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 organisation will continue its activities.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the organisation and to enable them to ensure that the financial statements comply with the Companies Act 2006, The Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 as amended. They also have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the organisation and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

So far as the Directors are aware, there is no relevant audit information of which the organisation's auditor is unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the organisation's auditor is aware of that information.

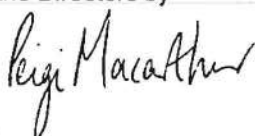
AUDITOR

Following the acquisition of Scott-Moncrieff Chartered Accountants by Azets, Scott-Moncrieff Chartered Accountants resigned as auditor and were replaced by Azets Audit Services Limited, trading as Azets Audit Services, a company owned by Azets.

The Directors' Report including the Strategic Report of Scottish Autism were approved by the Board of Directors on the *6m October*2020.

Signed on behalf of the Directors by

Peigi Macarthur



Date *06/10/20*

Hilton House
Alloa Business Park
Whins Road
Alloa
FK13 3SA

SCOTTISH AUTISM
INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS
Year ended 31 March 2020

Opinion

We have audited the financial statements of Scottish Autism (the charitable company) for the year ended 31 March 2020 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), 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 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our 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 audit opinion.

Conclusions relating to going concern

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

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors 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.

However, because not all future events or conditions can be predicted, and the ongoing effect of Covid-19 on the UK economy is ever-changing it is therefore difficult to evaluate all the potential implications to the charitable company's activities, users, suppliers and the wider economy.

SCOTTISH AUTISM
INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS
Year ended 31 March 2020

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report (incorporating the Strategic Report), which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Directors' Report (incorporating the Strategic Report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report (incorporating the Strategic Report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Responsibilities of the directors

As explained more fully in the directors' responsibilities statement set out on page 14, the directors (who are the directors for the purposes of company law and trustees for the purposes of charity 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 directors 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.

SCOTTISH AUTISM
INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS
Year ended 31 March 2020

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 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 on the Financial Reporting Council's website at: 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 directors, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the charitable company's members, as a body, and the charitable company's directors, as a body, 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 directors, as a body, for our audit work, for this report, or for the opinions we have formed.

Allison Gibson

Allison Gibson, Senior Statutory Auditor
Azets Audit Services
Chartered Accountants
Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

.....*5th November*..... 2020

SCOTTISH AUTISM
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

Year ended 31 March 2020

		Unrestricted Funds £	Designated Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Income and endowments from:						
<i>Donations and legacies</i>						
		82,015	-	150,609	232,624	588,624
<i>Other trading activities</i>						
		162,866	-	35,148	198,014	209,172
<i>Charitable activities</i>						
	5	29,199,124	-	81,900	29,281,024	28,140,461
<i>Investments</i>						
		11,498	-	-	11,498	14,760
<i>Other Income</i>						
		16,796	-	-	16,796	52,884
Total income		<u>29,472,299</u>	<u>-</u>	<u>267,657</u>	<u>29,739,956</u>	<u>29,005,901</u>
Expenditure on:						
<i>Charitable activities</i>						
	6	31,153,723	-	334,237	31,487,960	30,446,540
<i>Raising funds</i>						
	7	275,689	-	-	275,689	261,350
Total		<u>31,429,412</u>	<u>-</u>	<u>334,237</u>	<u>31,763,649</u>	<u>30,707,890</u>
Net gain on investments	13	30,111	-	-	30,111	31,538
Net expenditure	11	<u>(1,927,002)</u>	<u>-</u>	<u>(66,580)</u>	<u>(1,993,582)</u>	<u>(1,670,451)</u>
Transfers between funds	20	(450,679)	450,679	-	-	-
<i>Other recognised gains/(losses):</i>						
	25	7,214,000	-	-	7,214,000	(2,567,000)
Net movement in funds		<u>4,836,319</u>	<u>450,679</u>	<u>(66,580)</u>	<u>5,220,418</u>	<u>(4,237,451)</u>
Reconciliation of funds:						
Total funds brought forward	20	(8,588,454)	7,018,644	495,786	(1,074,024)	3,163,427
Total funds carried forward	20	<u>(3,752,135)</u>	<u>7,469,323</u>	<u>429,206</u>	<u>4,146,394</u>	<u>(1,074,024)</u>

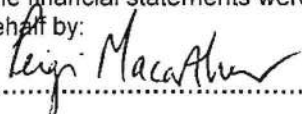
The notes on pages 21 to 42 form part of these financial statements.

**SCOTTISH AUTISM
BALANCE SHEET**

As at 31 March 2020

	Notes	2020 £	2019 £
Fixed assets:			
Tangible fixed assets	12	7,734,070	7,403,995
Investments	13	584,321	554,210
<i>Total fixed assets</i>		8,318,391	7,958,205
Current assets			
Debtors	15	3,678,642	2,508,396
Cash at bank and in hand		2,691,158	3,923,391
<i>Total current assets</i>		6,369,800	6,431,787
Liabilities:			
Creditors: amounts falling due within one year	16	(1,729,257)	(1,447,529)
<i>Net current assets</i>		4,640,543	4,984,258
<i>Total assets less current liabilities</i>		12,958,934	12,942,463
Creditors: amounts falling due after more than one year	17	(264,747)	(385,351)
Provision for liabilities	18	(591,793)	(583,136)
Net assets excluding pension deficit		12,102,394	11,973,976
Defined benefit pension scheme liability	25	(7,956,000)	(13,048,000)
Total net assets/ (liabilities)		4,146,394	(1,074,024)
The funds of the charity:			
Unrestricted funds			
Designated and general funds	20	11,673,188	11,478,190
Pension scheme deficit	20	(7,956,000)	(13,048,000)
<i>Total unrestricted funds</i>		3,717,188	(1,569,810)
Restricted funds	20	429,206	495,786
Total charity funds		4,146,394	(1,074,024)

The financial statements were approved by the Board of Directors on 6th October 2020, and signed on its behalf by:

 **Peigi Macarthur, Director**

The notes on pages 21 to 42 form part of these financial statements.

SCOTTISH AUTISM
STATEMENT OF CASH FLOWS
Year ended 31 March 2020

	Note	£	2020 £	£	2019 £
Cash flows from operating activities:					
<i>Net cash (used in)/ generated by operating activities</i>	24a		(293,701)		176,952
Cash flows from investing activities:					
Interest received		11,498		14,760	
Interest paid		(8,945)		(10,728)	
Payments to acquire tangible fixed assets		(822,740)		(2,038,213)	
Payments to acquire investments		-		(500,000)	
		<u> </u>		<u> </u>	
<i>Net cash used in investing activities</i>			(820,187)		(2,534,181)
Cash flows from financing activities:					
Repayments of borrowing		(118,345)		(116,561)	
		<u> </u>		<u> </u>	
<i>Net cash used in financing activities</i>			(118,345)		(116,561)
			<u> </u>		<u> </u>
Change in cash and cash equivalents in the reporting period			(1,232,233)		(2,473,790)
Cash and cash equivalents at the beginning of the reporting period			3,923,391		6,397,181
			<u> </u>		<u> </u>
Cash and cash equivalents at the end of the reporting period	24b		<u>2,691,158</u>		<u>3,923,991</u>

The notes on pages 21 to 42 form part of these financial statements.

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

1. General information

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charitable company's transactions are denominated. They comprise the financial statements of Scottish Autism.

The principal activities of Scottish Autism are to:

- ensure the provision of the best possible education, care, support and opportunities for people of all ages with autism in Scotland;
- support families, improve understanding of autism and to develop best practice amongst carers and professionals;
- improve understanding of autism in society at large.

Scottish Autism is a charitable company limited by guarantee incorporated in the United Kingdom and registered in Scotland. It is recognised as a charity for tax purposes by HMRC and is registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC009068. In the event of the winding up of the charitable company a member is liable to contribute a sum not exceeding £1. Details of the registered office and company registration number can be found on page 12 of these financial statements.

2. Accounting policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102") (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Scottish Autism meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires directors to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been applied consistently to all the years presented in dealing with items which are considered material in relation to the charitable company's financial statements unless otherwise stated.

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

2. Accounting policies

b) Statement of financial activities (SoFA)

This additional statement, produced to comply with the Statement of Recommended Practice, is effectively a restatement of the Income and Expenditure Account in a different format, incorporating information on movements in capital resources to form a single statement of all movements between opening and closing fund balances. Income includes both incoming revenue and receipts of capital such as capital grants. This statement has been presented with the Income and Expenditure Account to give a Combined Statement.

c) Income

All income is included in the SoFA when the organisation is entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the SoFA when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the organisation, are recognised when the organisation becomes unconditionally entitled to the grant.

Where there are performance related conditions attached to any grants or donations, income is recognised when the conditions have been met or when meeting the conditions is within the organisation's control and there is sufficient evidence that they have been met or will be met, otherwise they are deferred. Where a grant condition allows for the recovery of any unexpended grant, a liability is recognised when repayment becomes probable.

Where there are terms placed on income that limit the organisation's discretion over how that income can be used, that income is shown as restricted income in the accounts.

Donated goods and services are included in both income and expenditure at the value to the organisation where this can be quantified. The value of services provided by volunteers has not been included in these financial statements.

Bank interest is included when receivable.

Income from charitable trading activity is accounted for when earned.

Fees receivable for educational and care services are accounted for in the period in which the service is provided.

d) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the organisation in the delivery of its activities and services for its beneficiaries. 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 organisation and include the audit fees and costs linked to the strategic management of the organisation, together with an apportionment of overhead and support costs.

**SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS**

Year ended 31 March 2020

2. Accounting policies (continued)

d) Expenditure (continued)

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, or apportioned on an appropriate basis as set out in notes 6-9.

e) Tangible fixed assets

Fixed assets are capitalised at cost, taking into account the nature of use and materiality level.

Depreciation is provided on a straight line basis over the useful economic lives of the assets as follows:

- Leasehold improvements: between 5 and 60 years (the lower of the period remaining on the original terms of the lease or the useful economic life of the asset).
- Owned properties: between 25 and 40 years.
- Upgrades to existing residential properties: between 5 and 20 years.
- Fixtures, furnishings, and equipment: 10 – 33% per annum straight line.
- Software: between 3 and 7 years.

f) Taxation

The organisation has been accepted as a Charity (Scottish Charity Number SC 009068) for tax purposes by the Inland Revenue under Sections 466 to 493 Corporation Tax Act 2010.

g) Leasing commitments

Rentals paid under operating leases are charged to the SoFA on a straight line basis over the lease term.

h) Pensions

i. Scottish Teachers' Superannuation Scheme

The organisation contributes to the Scottish Teacher's Superannuation Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The Scheme is a multi-employer defined benefits scheme and the assets and liabilities attributable to Scottish Autism are not separately identifiable. Consequently the organisation has no liability other than monthly employer's contributions and it is therefore accounted for as a defined contribution scheme.

ii. Falkirk Council Pension Fund

The organisation also contributes to the Falkirk Council Pension Fund, a defined benefits scheme. Rates are set by the Scheme Actuary and advised to the organisation by the Scheme Administrator. This scheme is being accounted for under FRS 102 Section 28, with the annually calculated notional surplus or deficit on the funding of the Scheme shown in the accounts as a designated fund entitled "Pension Reserve", which is added to or deducted from Unrestricted Funds in the Balance Sheet. The Directors believe that the Scheme currently meets statutory minimum funding requirements.

iii. People's Pension Fund

The organisation also contributes to the People's Pension Scheme, a defined contribution scheme. Contributions made by the organisation to this externally managed scheme are charged to expenditure in the year in which they are incurred.

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

2. Accounting policies (continued)

i) Fund accounts

General unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Board of Directors in furtherance of the organisation's general charitable objectives. From general unrestricted funds, funds may be designated for a particular purpose, again at the discretion of the Board of Directors.

Restricted funds are created when income is received either for a particular area or purpose, the use of which is restricted to that area or purpose.

j) Investments

Fixed asset investments are stated at market value at the balance sheet date. Unrealised gains and losses represent the difference between the market value at the beginning and end of the financial year, or if purchased in the year, the difference between cost and market value at the end of the year. Realised gains and losses represent the difference between the proceeds on disposal and the market value at the start of the year or cost if purchased in the year.

k) Financial assets and liabilities

Financial instruments are recognised when the organisation becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price. Subsequent to initial recognition, they are classified as 'basic' in accordance with Chapter 11 of FRS 102. At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective interest rate method.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the organisation has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

l) VAT

Scottish Autism is registered for VAT and accounts for VAT on a partial exemption basis, accordingly irrecoverable VAT is included within the cost category to which it relates.

m) Provisions for liabilities

Provisions are made where an event has taken place that gives the organisation a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of financial activities in the year that the organisation becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

n) Termination benefits

Termination benefits are accrued by the charitable company when there is a constructive obligation to pay them. This is normally via a contractual, legislation or other agreement with employees and their representatives.

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

o) Going concern

Scottish Autism prepares its financial statements on a going concern basis, as the Directors view the charitable company as continuing in business for the foreseeable future, generally deemed to be a period of 12 months from the reporting date. The Directors assess going concern by considering short- and longer-term financial and cashflow forecasts, including possible upside and downside sensitivities, together with the banking facilities available to the Charity. The Directors have increased their scrutiny in response to Covid-19, including the regular review of all Covid-19 risks, and a monthly review at Finance Committee and Board of a 12-month rolling cashflow forecast, which includes a variety of best to worst case scenarios. Longer-term financial forecasts will be revisited in the autumn of 2020 following the resumption of a more stable operating environment.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The Directors are satisfied that accounting policies are appropriate and applied consistently. The Directors rely on certain estimates produced by the expert pensions actuaries in valuing the pension position. Due to the long term projections involved, small changes in such estimates can have a material effect. Other such key sources of accounting estimation have been applied to the depreciation rates which are deemed to be appropriate for the class of asset, the provision for bad debts based on the Directors' expectation of likely receipts after the year end and the provision for dilapidations based on Directors' expectation of likely costs after the year end.

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

4. Comparative Statement of Financial Activities for the year ended 31 March 2019

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Income and endowments from:				
<i>Donations and legacies</i>				
Donations, grants and trusts	453,382	-	135,242	588,624
<i>Other trading activities</i>				
Fundraising activities	172,728	-	36,444	209,172
<i>Charitable activities</i>				
Fees, trusts & grants	28,031,338	-	109,123	28,140,461
<i>Investments</i>				
Investment income	14,760	-	-	14,760
<i>Other Income</i>	52,884	-	-	52,884
Total income	<u>28,725,092</u>	<u>-</u>	<u>280,809</u>	<u>29,005,901</u>
Expenditure on:				
<i>Charitable activities</i>	29,987,002	-	459,538	30,446,540
<i>Raising funds</i>				
Costs of generating voluntary income & fundraising activities	261,350	-	-	261,350
Total	<u>30,248,352</u>	<u>-</u>	<u>459,538</u>	<u>30,707,890</u>
Net gain on investments	31,538	-	-	31,538
Net expenditure	<u>(1,491,722)</u>	<u>-</u>	<u>(178,729)</u>	<u>(1,670,451)</u>
Transfers between funds	(1,666,084)	1,749,137	(83,053)	-
<i>Other recognised (losses)gains:</i>				
Actuarial (losses)/gains on defined benefit pension scheme	(2,567,000)	-	-	(2,567,000)
Net movement in funds	<u><u>(5,724,806)</u></u>	<u><u>1,749,137</u></u>	<u><u>(261,782)</u></u>	<u><u>(4,237,451)</u></u>

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

5. Incoming resources from charitable activities

2020	Unrestricted Funds £	Restricted Funds £	2020 Total £
Fees			
Educational & care services	28,953,440	-	28,953,440
Training & advisory	245,684	-	245,684
Grants & trusts			
Other government grants	-	81,900	81,900
	<u>29,199,124</u>	<u>81,900</u>	<u>29,281,024</u>
2019			
	Unrestricted Funds £	Restricted Funds £	2019 Total £
Fees			
Educational & care services	27,813,952	-	27,813,952
Training & advisory	217,386	-	217,386
Grants & trusts			
Other government grants	-	109,123	109,123
	<u>28,031,338</u>	<u>109,123</u>	<u>28,140,461</u>

6. Charitable activity expenditure

2020	Note	Care and education £	Training and advisory £	2020 Total £
Salaries and other staff costs		24,473,437	992,230	25,465,667
Property and maintenance costs		1,685,109	33,385	1,718,494
Motor and other travel expenses		338,615	42,369	380,984
Supplies and services		1,148,955	94,678	1,243,633
Administration, bank interest and charges and other finance costs		425,637	18,945	444,582
Governance costs	8	33,110	-	33,110
Support costs	9	2,123,701	77,789	2,201,490
		<u>30,228,564</u>	<u>1,259,396</u>	<u>31,487,960</u>

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

6. Charitable activity expenditure (continued)

2019	Note	Care and education £	Training and advisory £	2019 Total £
Salaries and other staff costs		23,481,103	883,667	24,364,770
Property and maintenance costs		1,744,757	62,727	1,807,484
Motor and other travel expenses		354,566	47,771	402,337
Supplies and services		1,182,286	132,036	1,314,322
Administration, bank interest and charges and other finance costs		341,894	12,472	354,366
Governance costs	8	33,146	-	33,146
Support costs	9	2,094,832	75,283	2,170,115
		<u>29,232,584</u>	<u>1,213,956</u>	<u>30,446,540</u>

7. Raising funds expenditure

	2020 £	2019 £
Salaries and other staff costs	195,447	158,526
Property and maintenance costs	8,969	9,133
Motor and other travel expenses	4,933	5,718
Supplies and services	40,158	62,606
Administration, bank interest and charges and other finance costs	5,497	5,494
Support costs (note 9)	20,685	19,873
	<u>275,689</u>	<u>261,350</u>

8. Governance costs by activity

	2020 Care and education £	2019 Care and education £
Indemnity insurance	4,733	4,733
Audit, accountancy and professional fees	23,473	23,473
Support costs (note 9)	2,484	2,520
Motor and other travel expenses	2,407	2,407
Administration, bank interest and charges	13	13
	<u>33,110</u>	<u>33,146</u>

None of the Directors of the organisation received any fees or emoluments in respect of their duties as Directors during the current or preceding period. £798 (2019: £2,407) were paid to three (2019: four) of the Directors under the category of motor and other travel expenses.

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

9. Support costs by activity

2020	Raising Funds £	Care and education £	Training and advisory £	Governance costs £	2020 Total £
Salaries and other staff costs	15,854	1,433,875	65,494	-	1,515,223
Property maintenance	728	78,898	2,089	384	82,099
Motor and other travel	400	75,809	3,437	195	79,841
Suppliers and services	3,257	484,015	6,216	1,904	495,392
Administration, bank interest and charges	446	51,104	553	1	52,104
	<u>20,685</u>	<u>2,123,701</u>	<u>77,789</u>	<u>2,484</u>	<u>2,224,659</u>
	<u><u>20,685</u></u>	<u><u>2,123,701</u></u>	<u><u>77,789</u></u>	<u><u>2,484</u></u>	<u><u>2,224,659</u></u>
	£	£	£	£	£
2019	Raising Funds £	Care and education £	Training and advisory £	Governance costs £	2019 Total £
Salaries and other staff costs	13,045	1,524,850	57,981	-	1,595,876
Property maintenance	752	70,858	4,378	392	76,380
Motor and other travel	471	67,946	3,000	200	71,617
Suppliers and services	5,153	389,093	9,448	1,927	405,621
Administration, bank interest and charges	452	42,085	476	1	43,014
	<u>19,873</u>	<u>2,094,832</u>	<u>75,283</u>	<u>2,520</u>	<u>2,192,508</u>
	<u><u>19,873</u></u>	<u><u>2,094,832</u></u>	<u><u>75,283</u></u>	<u><u>2,520</u></u>	<u><u>2,192,508</u></u>

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

10. Staff costs

2020	Unrestricted Funds	Restricted Funds	2020 Total Funds
	£	£	£
Wages and salaries	20,778,369	152,399	20,930,768
Social security costs	1,567,896	10,270	1,578,166
Defined benefit pension costs	4,256,123	27,828	4,283,951
Defined contribution pension costs	231,044	-	231,044
	<u>26,833,432</u>	<u>190,497</u>	<u>27,023,929</u>
2019	Unrestricted Funds	Restricted Funds	2019 Total Funds
	£	£	£
Wages and salaries	20,024,326	156,409	20,180,735
Social security costs	1,477,323	8,986	1,486,309
Defined benefit pension costs	4,139,080	22,401	4,161,481
Defined contribution pension costs	92,386	-	92,386
	<u>25,733,115</u>	<u>187,796</u>	<u>25,920,911</u>

In notes 6, 7 and 9, detailing charitable activity expenditure, raising funds expenditure, and support costs by activity, additional costs e.g. training are added to the salaries figure above, giving a total of £27,176,337 (2019: £26,119,175) representing "Salaries & other staff costs".

Defined benefit pension costs include costs in relation to the defined benefit pension scheme of £1,777,000 (2019: £1,624,000) per note 25.

There were termination payments in the year totalling £63,402 (2019: £2,261). There were no termination payments unsettled at the balance sheet date (2019: £Nil).

The average number of full time equivalent employees during the year was made up as follows:

	2020 No	2019 No
Care	726	699
Teaching	6	8
Administration	75	104
Ancillary	14	13
	<u>821</u>	<u>825</u>

In addition to Head Office staff, the Administration headcount category includes service-based local management and administrative support staff, Autism Advisors, fundraising staff and posts for projects initiated under the Scottish Government's Strategy for Autism.

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

10. Staff costs (continued)

The key management personnel of the company comprise the senior management team as disclosed on page 12. The employee benefits for key management totalled £526,832 (2019: £517,542).

The number of employees whose emoluments (excluding pension contributions) during the year fell within the following bands were:

	2020	2019
	No	No
£60,000 to £69,999	-	1
£70,000 to £79,999	3	3
£80,000 to £89,999	-	1
£100,000 to £109,999	1	-

Three of the above employees (2019: three) have retirement benefits accruing to them under defined benefit pension schemes, while one (2019: one) has benefits accruing under a defined contribution pension scheme.

11. Net expenditure

	2020	2019
	Total	Total
	£	£
This is stated after charging:		
Auditor's remuneration - audit services	17,875	17,500
Depreciation of owned assets	492,665	413,676
Operating lease rentals - other	205,156	166,185
- property	533,327	519,876
	<u> </u>	<u> </u>

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

12. Tangible fixed assets

	Heritable land and buildings £	Leasehold improvements £	Fixtures and fittings £	Total £
Cost				
At 1 April 2019	8,681,779	566,586	2,489,993	11,738,358
Additions	258,064	91,251	473,425	822,740
At 31 March 2020	<u>8,939,843</u>	<u>657,837</u>	<u>2,963,418</u>	<u>12,561,098</u>
Depreciation				
At 1 April 2019	2,913,008	278,911	1,142,444	4,334,363
Charge for the year	321,794	47,210	123,661	492,665
At 31 March 2020	<u>3,234,802</u>	<u>326,121</u>	<u>1,266,105</u>	<u>4,827,028</u>
Net book value				
At 31 March 2020	<u>5,705,041</u>	<u>331,716</u>	<u>1,697,313</u>	<u>7,734,070</u>
At 31 March 2019	<u>5,768,771</u>	<u>287,675</u>	<u>1,347,549</u>	<u>7,403,995</u>

In the opinion of the Directors, the market value of the heritable land & buildings is in excess of the book value above.

13. Investments

	2020 £	2019 £
Market value at 1 April	554,210	22,672
Additions	-	500,000
Net gain on revaluation	30,111	31,538
Market value at 31 March	<u>584,321</u>	<u>554,210</u>

14. Capital commitments

	2020 £	2019 £
Authorised and contracted for	-	313,786
Authorised and not contracted for	-	398,610
	<u>-</u>	<u>712,396</u>

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

15. Debtors

	2020	2019
	£	£
Trade debtors	3,224,447	2,055,140
Sundry debtors	294,316	208,151
Prepayments and accrued income	159,879	245,105
	<u>3,678,642</u>	<u>2,508,396</u>

16. Creditors falling due within one year

	2020	2019
	£	£
Current instalments due on bank loans (see note 17)	118,442	116,183
Trade creditors	249,167	296,318
Accruals and sundry creditors	973,685	652,330
Social security costs and other taxes	396,061	381,366
Deferred income	(8,098)	1,332
	<u>1,729,257</u>	<u>1,447,529</u>

Deferred income

Deferred income comprises contract and training fee income received in advance.

	2020	2019
	£	£
Balance at 1 April	1,332	35,650
Amounts released in year	(9,430)	(34,318)
Income deferred in year	-	-
	<u>(8,098)</u>	<u>1,332</u>

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

17. Creditors falling due after more than one year

	2020 £	2019 £
Bank loans: Amounts repayable by instalments:		
In one year or less	118,442	116,183
Between one and two years	118,442	116,184
Between two and five years	146,305	269,167
After five years	-	-
	<u>383,189</u>	<u>501,534</u>
Included in creditors:		
Amounts falling due within one year	(118,442)	(116,183)
	<u>264,747</u>	<u>385,351</u>

There are two bank loans included within the balance above. They incur interest of 1.25% above base rate and are repayable by November 2027 and March 2031.

	2020 £	2019 £
At 1 April	501,534	618,095
Repayment of loans	(118,345)	(116,561)
At 31 March	<u>383,189</u>	<u>501,534</u>

The loans and bank overdrafts are secured by a bond and floating charge over the organisation's whole property and undertaking and by standard securities over the organisation's heritable properties.

18. Provisions for liabilities

	2020 £	2019 £
Dilapidations provision		
Balance at 1 April	583,136	616,805
Movement in year	8,657	(33,669)
As at 31 March	<u>591,793</u>	<u>583,136</u>

The provision is estimated by management with reference to the RICS BCIS Tender Price Index.

19. Members interests and legal status

The organisation is a company limited by guarantee and does not have share capital. In the event of a winding up, each of the members has guaranteed to contribute a sum not exceeding £1.

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

20. Funds

2020	Movement in resources					Balance 31 March 2020 £
	Balance 1 April 2019 £	Income £	Expenditure £	Transfers between funds £	Other gains /(losses) £	
Restricted funds						
Special projects funds	495,786	267,657	(334,237)	-	-	429,206
Unrestricted Funds						
General	4,459,546	29,472,299	(29,307,412)	(450,679)	30,111	4,203,865
Designated Assets Fund	7,018,644	-	-	450,679	-	7,469,323
	11,478,190	29,472,299	(29,307,412)	-	30,111	11,673,188
Pension deficit	(13,048,000)	-	(2,122,000)	-	7,214,000	(7,956,000)
Total Unrestricted Funds	(1,569,810)	29,472,299	(31,429,412)	-	7,244,111	3,717,188
Total funds	(1,074,024)	29,739,956	(31,763,649)	-	7,244,111	4,146,394
2019	Movement in resources					Balance 31 March 2019 £
	Balance 1 April 2018 £	Income £	Expenditure £	Transfers between funds £	Other gains /(losses) £	
Restricted funds						
Special projects funds	757,568	280,809	(459,538)	(83,053)	-	495,786
Unrestricted Funds						
General	5,739,352	28,725,092	(28,370,352)	(1,666,084)	31,538	4,459,546
Designated Assets Fund	5,269,507	-	-	1,749,137	-	7,018,644
	11,008,859	28,725,092	(28,370,352)	83,053	31,538	11,478,190
Pension deficit	(8,603,000)	-	(1,878,000)	-	(2,567,000)	(13,048,000)
Total Unrestricted Funds	2,405,859	28,725,092	(30,248,352)	83,053	(2,535,462)	(1,569,810)
Total funds	3,163,427	29,005,901	(30,707,890)	-	(2,535,462)	(1,074,024)

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

20. Funds (continued)

Restricted funds are created when income is received either for a particular area or purpose, the use of which is restricted to that area or purpose. Transfers are made from the unrestricted funds to restricted funds to compensate fully all restricted funds which would otherwise be in deficit at the accounting date.

Transfers are made from Unrestricted funds to Designated funds to account for net fixed asset and related bank loan movements in the period.

21. Analysis of net assets between funds

2020	Tangible fixed assets	Investments	Net current assets	Creditors: more than one year	Provisions	Total
	£	£	£	£	£	£
Restricted funds:						
Special Projects Funds	-	-	429,206	-	-	429,206
Unrestricted Funds:						
Designated Assets Fund	7,734,070	-	-	(264,747)	-	7,469,323
General Fund	-	584,321	4,211,337	-	(591,793)	4,203,865
Pension Deficit	-	-	-	-	(7,956,000)	(7,956,000)
Total Unrestricted Funds	7,734,070	584,321	4,211,337	(264,747)	(8,547,793)	3,717,188
Total Funds	7,734,070	584,321	4,640,543	(264,747)	(8,547,793)	4,146,394

2019	Tangible fixed assets	Investments	Net current assets	Creditors: more than one year	Provisions	Total
	£	£	£	£	£	£
Restricted funds:						
Special Projects Funds	-	-	495,786	-	-	495,786
Unrestricted Funds:						
Designated Assets Fund	7,403,995	-	-	(385,351)	-	7,018,644
General Fund	-	554,210	4,488,472	-	(583,136)	4,459,546
Pension Deficit	-	-	-	-	(13,048,000)	(13,048,000)
Total Unrestricted Funds	7,403,995	554,210	4,488,472	(385,351)	(13,631,136)	(1,569,810)
Total Funds	7,403,995	554,210	4,984,258	(385,351)	(13,631,136)	(1,074,024)

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

22. Financial assets and liabilities

	2020	2019
	£	£
Financial assets at fair value	584,321	554,210

Financial assets at fair value comprise investments.

23. Commitments under operating leases

At 31 March 2020, the company had future minimum lease payments under non-cancellable operating leases as follows:

	Property		Other	
	2020	2019	2020	2019
	£	£	£	£
Operating leases which expire:				
Within one year	169,482	216,483	99,933	130,593
Within two to five years	339,540	478,700	100,200	181,518
In over five years	946,760	948,875	-	-
	<u>1,455,782</u>	<u>1,644,058</u>	<u>200,133</u>	<u>312,111</u>

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

24. Cash flow notes

(a) Reconciliation of net expenditure to net cash flow from operating activities	2020	2019		
	£	£		
Deficit before other recognised gains and losses	(1,993,582)	(1,670,451)		
Interest received	(11,498)	(14,760)		
Interest paid	8,945	10,728		
FRS 102 - net pension contribution adjustment	1,777,000	1,624,000		
FRS 102 - net interest cost adjustment	345,000	254,000		
Depreciation	492,665	413,676		
(Increase)/decrease in debtors	(1,170,246)	99,728		
Increase/(decrease) in creditors	288,126	(508,431)		
Gain on investments	(30,111)	(31,538)		
Net cash generated by operating activities	<u>(293,701)</u>	<u>176,952</u>		
(b) Analysis of the balances of cash as shown in the balance sheet	2020	2019	Change in year	
	£	£	£	
Cash at bank and in hand	<u>2,691,158</u>	<u>3,923,391</u>	<u>(1,232,233)</u>	
(c) Analysis of changes in financing during the year			Loans	
			£	
Balance at 1 April 2019			501,534	
Cash outflow from financing			(118,345)	
Balance at 31 March 2020			<u>383,189</u>	
(d) Analysis of changes in financing during the year	1 April	Cash	Other	31 March
	2019	flows	changes	2020
Cash at bank and in hand	3,923,391	(1,232,233)	-	2,691,158
Debt due after one year	(385,351)	120,604	-	(264,747)
Debt due within one year	(116,183)	(2,259)	-	(118,442)
	<u>3,421,857</u>	<u>(1,113,888)</u>	<u>-</u>	<u>2,307,969</u>

**SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS**

Year ended 31 March 2020

25. Pension schemes

a) Teaching staff

The organisation participates in a multi-employer defined benefits pension scheme, the Scottish Teachers' Superannuation Scheme, and assets and liabilities for this scheme which are attributable to Scottish Autism are not separately identifiable. Consequently the organisation has no liability other than monthly employer's contributions and it is therefore accounted for as a defined contribution scheme.

Contributions are based on salaries paid, current contributions being 22.1% to 25.9%, 7.2% to 11% to be paid by the teachers and the remaining 14.9% borne by the organisation.

The superannuation charge for the year represents contributions payable to the Scheme of £48,863 (2019: £44,630).

b) Non-teaching staff

Some members of staff are members of the Falkirk Council Pension Fund. From 1 July 2017 the scheme has been closed to new members; benefits continue to accrue for all scheme members as at that date. New members of staff have been able to participate in a defined contribution stakeholder pension scheme provided by The People's Pension. The charge for the year represents contributions payable to the scheme of £231,044 (2019: £92,386).

This Fund is part of the Local Government Pension Scheme and is a defined benefits scheme. The charge for the year, against which employer contributions paid over to the Scheme Trustees in the year amounted to £2,411,530 (2019: £2,442,863), together with the actuarial gains and losses on the Scheme for the year, is recognised in the Statement of Financial Activities in accordance with FRS102. Estimated employer contributions for the period to 31 March 2021 will be approximately £2,350,000.

The assets of the Scheme are held separately from those of the organisation. The Scheme is funded by contributions from the employees and participating employer in accordance with the recommendations of independent qualified actuaries on the basis of triennial valuations. The most recent of these valuations was at 31 March 2017 and conducted using the revised actuarial assumptions of the Pensions Act 2004. This legislation requires trustees to achieve a defined Minimum Funding Requirement and to maintain contributions and investment returns at a level that ensures the Scheme's liabilities are matched by its assets. The funding valuation on 31 March 2017 indicated that the assets of the Scheme, the bid value of which was then £2,219,000,000, represented 92.3% of its liabilities. The same funding valuation indicated that Scottish Autism's share of the assets of the Scheme, the bid value of which was then £48,268,000, represented 106% of Scottish Autism's share of the Scheme's liabilities.

The assumptions which had the most significant effect on the results of the valuation are those relating to the return on investments, the rate of increase in salaries and the discount rate used to derive the net present value of scheme liabilities. The assets of the Scheme have been included in this year's accounts at bid value as at the year end, as required under FRS 102 and the liabilities have been calculated using the following actuarial assumptions:

	2020	2019
	%	%
Pension Increase Rate	1.8	2.4
Salary Increase Rate	1.7	2.9
Discount Rate	2.3	2.5

The liabilities are determined using the projected unit method as distinct from the aggregate method used in the triennial valuation. Under the projected unit method, the current service costs will increase as the members of the Scheme approach retirement.

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

25. Pension schemes (continued)

On this basis, the calculated notional funding position in respect of the organisation's share of the Scheme at 31 March 2020 and at previous year ends where available, was as follows:

	2020	2019
	£000	£000
Fair value of employer assets	57,681	59,301
Present value of defined benefit obligation	(65,637)	(72,349)
Deficit	<u>(7,956)</u>	<u>(13,048)</u>

The actuary has excluded from both assets and liabilities items which have neutral effect on the Scheme's financial position i.e. additional voluntary contributions, annuities secured in respect of pensions in payment and insurance contract for death in service benefits.

	2020	2019
	£000	£000
Fair value of employer assets	57,681	59,301
Present value of funded liabilities	(65,475)	(72,156)
Net (Under) / Overfunding in funded plans	(7,794)	(12,855)
Present value of unfunded liabilities	(162)	(193)
Net liability	<u>(7,956)</u>	<u>(13,048)</u>

The charge to the Statement of Financial Activities over the financial year comprised:

	2020	2019
	£000	£000
Operating charge:		
Current service cost	(3,999)	(4,142)
Past service costs	(263)	-
Losses on curtailments	-	-
Contributions by employer	2,485	2,518
Net debit to expenditure	<u>(1,777)</u>	<u>(1,624)</u>
Other finance income		
Expected return on pension scheme assets	1,513	1,442
Interest on pension scheme liabilities	(1,858)	(1,696)
Net cost	<u>(345)</u>	<u>(254)</u>
Total net operating adjustment per statement of financial activities	<u><u>(2,122)</u></u>	<u><u>(1,878)</u></u>

SCOTTISH AUTISM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

25. Pension schemes (continued)

Movement in balance sheet liability during the year:

	2020		2019	
	£000	£000	£000	£000
Deficit in Scheme at 1 April		(13,048)		(8,603)
Movement in year:				
Current service cost	(3,999)		(4,142)	
Past service cost	(263)		-	
Interest cost	(345)		(254)	
	<hr/>		<hr/>	
Statement of Financial Activities charge		(4,607)		(4,396)
Contributions		2,485		2,518
Losses on curtailments and settlements		-		-
Actuarial gains/(losses)		7,214		(2,567)
		<hr/>		<hr/>
Deficit in Scheme at 31 March		(7,956)		(13,048)
		<hr/> <hr/>		<hr/> <hr/>

Following the full actuarial valuation at 31 March 2017 employer contributions for the next three years (as a percentage of pensionable pay) were agreed at following rates: 2018/19: 21%; 2019/20: 24%; 2020/21: 27%. The contribution rate for active members varies from 5.5% to 12.0%.

Assets

The major categories of assets as a percentage of total assets are as follows:

Asset category	Year ended 31 March 2020	Year ended 31 March 2019
Equities	58%	62%
Bonds	30%	26%
Property	6%	6%
Cash	6%	6%

Projected pension expense for the year to 31 March 2021

Analysis of projected amount to be charged to operating profit for the year to 31 March 2021

	£000
Projected current service cost	(3,210)
Interest on obligation	(1,542)
Interest income on plan assets	1,354
Past service cost	-
Losses / (gains) on curtailments and settlements	-
	<hr/>
Total	(3,398)
	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2020

26. Contingent Liability

Following the High Court ruling from 26 October 2016, all defined benefit pension schemes must equalise Guaranteed Minimum Pension (GMP) for men and women. In the directors' opinion there is insufficient basis to estimate reliably the amount to be recognised in the past service cost until actuaries complete their assessment of the impact and reflect it in full in the pension reports. Falkirk Council Pension Fund's actuary, Hymans Robertson LLP has advised that following discussions with the National Audit Office and other LGPS actuaries, the general expectation is that a 'trigger event' is yet to occur in the LGPS and their default approach is to ignore any GMP impact in the 31 March 2020 valuations.