**868,689Registered Company Number: SC215330**
**Scottish Charity Number: SC031038**

# MIDLOTHIAN SURE START
**(A company limited by guarantee)**

## REPORT AND ACCOUNTS

**Year ended 31 March 2025**

**MIDLOTHIAN SURE START**
**(a company limited by guarantee)**

**ANNUAL REPORT AND ACCOUNTS**

**Year ended 31 March 2025**

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**MIDLOTHIAN SURE START**

**LEGAL AND ADMINISTRATIVE DETAILS**

**Year ended 31 March 2025**

| | |
|---|---|
| **Company Registered number:** | SC215330 (Scotland) |
| **Scottish Charity number:** | SC031038 |
| **Principal address and Registered office:** | Colliery Court<br>McSence Business Park<br>32 Sycamore Road<br>Mayfield<br>Dalkeith<br>EH22 5TA |
| **Board directors:** | Arlene Stokes – Chair<br>Shona Watson – Vice Chair (Resigned 4 December 2024)<br>William Frain-Bell (Appointed 4 December 2024)<br>Julie Thomas (Appointed 22 May 2024)<br>Lee Ryan (Resigned 4 December 2024<br>Christine McFadzen (Resigned 22 May 2024)<br>Simon Henderson (Appointed 4 December 2024)<br>Adrienne Spiers (Appointed 4 December 2024)<br>Kevin Robertson<br>Judith Mathers<br>Christopher Richardson |
| **Company Secretary & Chief Executive:** | Cheryl Brown |
| **Local Authority Advisor:** | Ellen Scott |
| **Bankers:** | Royal Bank of Scotland<br>63 High Street<br>Dalkeith<br>EH22 1JA<br><br>Bank of Scotland<br>163a John Street<br>Penicuik<br>EH26 8AT<br><br>Santander<br>Bridle Road<br>Bootle<br>Liverpool<br>L30 4GB |
| **Independent Auditor:** | CT Audit Limited<br>Chartered Accountants and Statutory Auditor<br>61 Dublin Street<br>Edinburgh<br>EH3 6NL |
| **Solicitors:** | Ennova Law<br>26 George Square<br>Edinburgh<br>EH8 9LD |

**MIDLOTHIAN SURE START**
**(a company limited by guarantee)**

**REPORT of the DIRECTORS**

**Year ended 31 March 2025**

**Board of Directors annual report**
The Board (who are also Trustees for the purposes of Charity Law) has pleasure in presenting its report and the accounts of the charity for the year ended 31 March 2025.

The accounts comply with current statutory requirements, the memorandum and articles of association and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 October 2019) - Charities SORP 2019 (FRS 102).

**Mission Statement**
**Strapline**
Building Best Beginnings

**Vision**
To support every infant, child and family in our community to thrive

**Mission**
To help each child and family achieve their full potential by having valued, confident and collaborative staff who will work with each other and other agencies to provide best quality service to them.

**Values**

**MIDLOTHIAN SURE START**
**(a company limited by guarantee)**

**REPORT of the DIRECTORS** (continued)

**<u>Year ended 31 March 2025</u>**

### Objectives, activities, achievements and performance

### Objectives

Midlothian Sure Start offers:

- A local community-based family service aimed at giving children the best start.
- A safe, creative and nurturing environment that is fun, non-judgemental and non-stigmatising.
- A range of opportunities which include family support and family learning, positive early education and play experiences for children, healthy living, therapeutic services and perinatal services.

Midlothian Sure Start is committed to ensuring that:

- Infants, children and families are at the heart of our service. All efforts will be made to ensure that they are totally involved and can participate in developing the services and managing the organisation.
- We offer a caring and supportive service that is person-centred, strengths based and open to all families with young children.
- We will show that everyone is valued and has something to contribute, with all treated equally.
- We offer a service which respects the rights, responsibilities and needs of infants, children and families.
- A qualified and professional workforce who undertake continuing professional development.
- An interprofessional and interagency approach is valued when appropriate to enhance our service for families and children.
- Opportunities are created for volunteers.

### Review of the Developments, Activities and Achievements

### Introduction

Since our inception, Midlothian Sure Start has been dedicated to enhancing the lives of families in our community. Over the years, we have achieved significant milestones, working tirelessly to reduce social isolation and empower our community through a strengths-based approach. Our evidence-based models have demonstrated tangible results, particularly in addressing the impacts of adverse childhood experiences and poverty. We remain steadfast in our mission to build resilience and provide the best possible beginnings for every child in Midlothian.

### Strategic Review

During the course of the year under review, the board and senior management consulted widely on our vision and mission and plans for a new strategic plan. We used both survey monkey and in person events engaging parents who use our services, local referrers, staff and other stakeholders. We had 69 parents and 15 other stakeholders respond to our survey. 9 of the 15 stakeholders were local Health Visitors with whom the organisation works very closely. We had a further 45 parents, staff and stakeholders at a open table event and had all staff engage in a further event and through feedback opportunities.


All these stakeholders indicated that we should continue to support our 6 priorities from our previous plan. Their vision is a Midlothian Sure Start which offers more family leaning opportunities. Staff spoke about being proud to be part of MSS and that they had job satisfaction. They saw the service as sector leading.  Stakeholders indicated that Midlothian Sure Start should offer:

| **Parents/carers:** | **Other Stakeholders** |
|---|---|
| More groups and events<br>Peep classes in Bonnyrigg<br>Messy play and play to promote child development<br>Toy library, clothes library/bank<br>Nursery day extension<br>Weaning and messy play information<br>More breastfeeding groups<br>Parent exercise with creche/parent and child exercises<br>Parent forum<br>Mums2Be/ support in the antenatal period<br>More funded hours/for younger siblings | More community outreach options<br>Therapeutic support and respite<br>Affordable playgroups<br>Money matters<br>Support for the under 2's in the early years in the form of a block of childcare when the family is in crisis.<br>HENRY/Healthy eating, cooking and shopping skills |

During the course of the year we also undertook a couple of surveys with families to understand the cost of living crisis on them and to understand what employability support they require. We worked with Midlothian Council and the Scottish Government to undertake a ethnographic approach to the lived experience of poverty. This meant training 15 local community members with a lived experience of child poverty to explore the local impact for families. These consultations suggested the ongoing need for Midlothian Sure Start to continue to provide the services we do and to expand provision in the following areas:

1. **Increase the amount of 1-1 family support we can offer in the perinatal period to address the complexity of referrals**: There is a gap for family support and therapeutic help in the perinatal period. Many families do not want to attend group provision and support needs to be provided on a 1-1 basis before we can support families to engage in community supports. The levels of infants, children, young people and adults being diagnosed with neurodiversity are increasing exponentially. Many children present at settings with high levels of dis-regulation.
2. **Ante-natal community support to mums:** We have engaged with the NSPCC to pilot the Baby Steps programme to address this gap in provision.
3. **Need for universal support in the perinatal period.** We are piloting upscaling Open Kindergarten's across Midlothian and extending outwith in East Lothian, Edinburgh and West Lothian.
4. **Need for respite support for families and extended hours at our family learning centres.** We are increasing the number of spaces we have and extending our opening hours.

**MIDLOTHIAN SURE START**
**(a company limited by guarantee)**

**REPORT of the DIRECTORS** (continued)

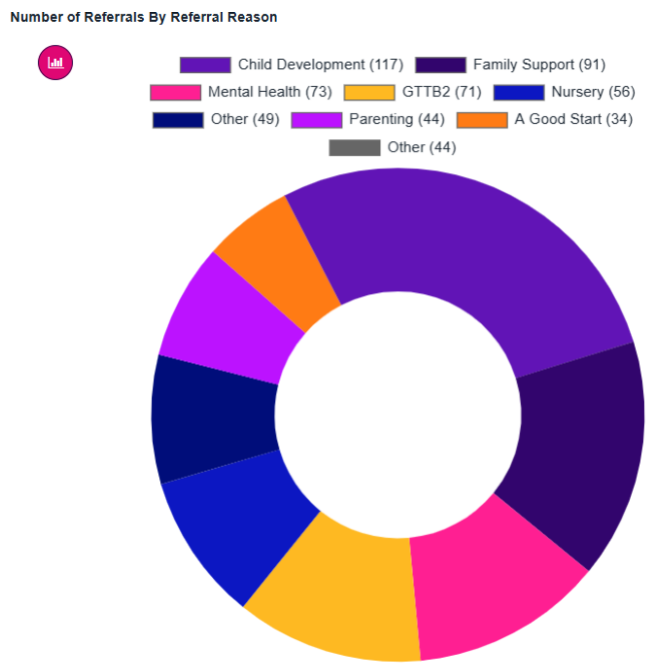
**Year ended 31 March 2025**

**Activity during 2024-2025**

**82 East Lothian Families supported this financial year**

**760 Midlothian families supported this financial year**

| Year | 2024-2025 | 2023-2024 | 2022-2023 | 2021-2022 |
|---|---|---|---|---|
| No of families | 842 | 573 | 570 | 448 |
| % change | 47% | 0.5% | 21% | |




**Highlights of 2024-2025**

- Midlothian Sure Start supported 842 families which is an increase of 47% over the previous year. This was due to an increase in demand and capacity in our Open Kindergarten programme, our perinatal services and the number of children attending the centres. 10 Open Kindergarten's were delivered a week in Woodburn, Bonnyrigg, Gorebridge, Mayfield, Dalkeith, Millerhill, Penicuik, Dunbar, Musselburgh and West Calder. An average of 56 adults and 56 children attended per week. This work is in partnership with Parenting Across Scotland and Children in Scotland and is being evaluated by the Open University.
- 142 children received their early learning and childcare from one of our 6 family learning centres.
- On average 35-50% of the 760+ families a year come from SIMD 1-3 (Scottish Index of Multiple Deprivation).
- 35 people received a counselling service.
- Midlothian Sure Start continued to offer a range of family learning and family support activities such as Big Bed-time read, PEEP, HENRY, Stay and play or Open Kindergarten, Bookbug and A Good Start, Raising children with Confidence, Circle of Security Steps to Excel and IT and problem solving. 66 groups were offered over the year with 20+ groups on offer each week. families engaged in one of these family learning activities.
- MSS perinatal services like *A Good Start* and *Dads2Be* are making a measurable difference: 96% of parents report reduced isolation, and 94% see improved bonds with their infants. Cicle of Securit groups are similarly impactful, with parental confidence doubling post-programme and 80% consistent attendance. Last year alone, 389 caregivers, 359 infants, and 53 expectant parents engaged with MSS services—underscoring both reach and demand. This is a 44% increase from last year and a 74% increase from 2022/2023.
- Midlothian Sure Start continued to work in partnership with Penicuik CABx and started working with Dalkeith CABx to enable families to benefit from financial advice which led to financial gains.
- Delivered Storytelling and mindfulness in Midlothian primary school. The Storytelling work was presented at the Children in Scotland conference.
- Trained and supported 13 peer researchers to interview 66 people with lived experience to understand their experience of child poverty. A report has been produced and widely circulated with actions implemented through the Midlothian Council Child Poverty Working group.

- We have been working to develop our early years and childcare model in Penicuik, Paradykes and Mayfield with hours extending to 8-5.30 and gradually increasing the numbers of spaces up to a future planned capacity of 40 places each in Penicuik and Mayfield and 30 in Paradykes (achieved) and working toward greater financial resilience.
- Staff presented at The Right Start: Babies, their rights, voice and the arts conference- which focussed on children's rights. All services are working to ensure that we take a children's right approach to our services.

**Staff Development**
We have continued to work with the Erikson Institute to role out FAN train. This has included making a successful application for a scholarship to allow staff to be "train the trainer" trained. We supported multi-agency HENRY training. Whole staff training days were on offer. We undertook our annual internal child protection and GDPR policy training.

**Review of the charity's financial position and explanation of the salient features of the accounts**

The principal recurring funding sources are grants from Midlothian Council, Big Lottery, NHS Lothian and the Scottish Government.

The income in the year under review was £1,942,992 (2024: £1,612,749), while expenditure increased to £1,855,492 (2024: £1,694,599) resulting in a surplus of £87,500. The unrestricted funds of the organisation have been split into designated funds and general funds. The balance on general unrestricted funds carried forward has increased to £177,305 compared to £174,920 in 2024, with a balance on designated funds carried forward of £337,309 which is down from £351,285 designated in 2024. Restricted funds as at 31 March 2025 were £392,373 (2024: £293,282). Total funds at the end of the year amounted to £906,987 (2024: £819,487).

**Reserves Policy**
The unrestricted reserves of the charity, after deducting designated funds set aside by the Directors for specific purposes and amounts committed for other purposes are £177,305 (2024: £174,920)

Midlothian Sure Start has been working to maintain unrestricted (general and designated reserves) at a level equivalent to between three and six month's expenditure during an ongoing challenging economic environment.. In order to achieve this the Board have a focus in the new strategic plan on working toward financial resilience with the aim of diversifying our income (including increasing earned income from our early learning and childcare) to ensure the long term sustainability of the organisation.

**Risk Assessment and Management (including principal risks and uncertainties)**
The Board is confident in the systems in place to mitigate exposure to the major risks and have the review of the risk register as a standing item on the Board's quarterly agenda. With systems and action implemented to mitigate the risks identified. Organisational risks are mitigated by implementing policies and procedures which are kept under review at the Finance and HR sub-committees and by the Senior Management team.

Strategic risks highlighted in the past year include funding, staffing and accommodation. In order to address the risks in relation to a growing staff team, the Board retains a contract with an outsourced Human Resources company. The major risk imposed by the suitability of accommodation is subject to ongoing discussions with Midlothian Council. Child protection risks are addressed by following the appropriate requirements by statutory bodies and internal policies. In addressing financial risk, the Board are exploring ways to diversify its funding sources and utilises the outsourced payroll services of LR payroll during the year under review.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Legal Status
Midlothian Sure Start is a company limited by guarantee (Company Number SC215330) and a registered charity (Scottish charity number SC031038). The charitable company is governed by its memorandum and articles of association.

The charitable company is registered with the Care Inspectorate. The charitable company had indemnity insurance in place for the benefit of the directors for the duration of the financial year.

### Organisation
The organisation is governed by a Board of Directors. Meetings of the Board of Directors are quarterly, as are Finance and Human Resources sub-committee meetings. The day-to-day operations of the organisation are the responsibility of the Chief Executive, Cheryl Brown.

Three of the Directors of the Board of Directors over the past year had a lived experience of the organisation. The other Directors were recruited through direct appeal, advertising, word of mouth and previous volunteering for the organisation. Directors who express interest are elected by the members generally at the AGM or appointed by the Board in the form of co-options. The Board conducts regular audits of skill and experience and attempt to find Directors meeting the skills gap. Board members are inducted at the first meeting following the AGM and ongoing training is offered. Trustee indemnity insurance is in place for trustees.

The key management personnel of the charity are considered to be the Directors and the Senior Management Team. The Senior Management Team currently comprises the Chief Executive, Business Support Manager, Perinatal Manager and Area Manager.

The Directors receive no remuneration. Remuneration of the Senior Management Team is set by the Human Resources Committee. The Human Resources Committee reviews the remuneration of all staff periodically. It benchmarks against similar organisations and considers the affordability of any increase in determining increases.

### Going concern
The Directors have reviewed financial forecasts which indicate that it continues to operate as a viable concern. They continue to have reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these accounts.

### Reference and administrative details
These are set out on page 1 of this report.

**MIDLOTHIAN SURE START**
**(a company limited by guarantee)**

**REPORT of the DIRECTORS**

**Year ended 31 March 2024**

**Directors' Responsibilities Statement**
The Directors (who are also trustees of Midlothian Sure Start for the purposes of charity law) are responsible for preparing the Report of the Directors and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed subject any material departures disclosed and explained in the accounts.
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulation 2006 (as amended).

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
In so far as the Directors are aware:

- there is no relevant audit information of which the charity's auditor is unaware
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Directors confirm their compliance with these requirements and with the company's constitution.

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

This report was approved by the Board on 23 October 2025

**BY ORDER OF THE BOARD**

C Brown
……………………………..
**C BROWN**
**Secretary**

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS AND DIRECTORS OF MIDLOTHIAN SURE START**
**(a company limited by guarantee)**

## Opinion

We have audited the accounts of Midlothian Sure Start for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 ''The Financial Reporting Standard applicable in the UK and Republic of Ireland''.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' 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.

CT:

**Opinion on other matter 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- The Report of the Directors has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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

- the charitable company has not kept proper and adequate accounting periods or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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; or
- the Directors were not entitled to prepare the accounts in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

**Responsibilities of trustees**

As explained more fully in the Statement of Directors' Responsibilities, the directors (who are also the directors of the charitable company 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.

**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 regulations made under those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

Our audit procedures were designed to respond to risks of material misstatement in the accounts, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

We focused on laws and regulations that could give rise to a material misstatement in the company's accounts. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of Management and the trustees;
- review of minutes of Trustee Meetings throughout the period; and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Jeremy M Chittleburgh CA (Senior Statutory Auditor)
For and on behalf of
CT Audit Limited
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

24 October 2025
…………………………..

CT Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**MIDLOTHIAN SURE START**
**(a company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**
**(incorporating Income & Expenditure Account)**

**Year ended 31 March 2025**

| | Notes | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total funds 2025 £ | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|---|---|---|---|---|
| **Income and endowments from:** | | | | | | | |
| Donations | | 2,216 | - | 2,216 | 1,125 | - | 1,125 |
| Charitable activities | 3 | 970,236 | 868,689 | 1,838,925 | 856,071 | 685,201 | 1,541,272 |
| Other trading activities | 4 | 89,579 | - | 89,579 | 54,505 | - | 54,505 |
| Investments | 5 | 10,492 | - | 10,492 | 10,347 | - | 10,347 |
| Other income | | 1,780 | - | 1,780 | 5,500 | - | 5,500 |
| **Total income** | | 1,074,303 | 868,689 | 1,942,992 | 927,548 | 685,201 | 1,612,749 |
| **Expenditure on:** | | | | | | | |
| Charitable activities | 6 | 1,081,216 | 774,276 | 1,855,492 | 1,019,585 | 675,014 | 1,694,599 |
| **Total Expenditure** | | 1,081,216 | 774,276 | 1,855,492 | 1,019,585 | 675,014 | 1,694,599 |
| Net income /(expenditure) | | (6,913) | 94,413 | 87,500 | (92,037) | 10,187 | (81,850) |
| **Transfers:** | | | | | | | |
| Gross transfers between funds | 11 | 5,722 | (5,722) | - | (4,746) | 4,746 | - |
| Net movement in funds | | (1,191) | 88,691 | 87,500 | (96,783) | 14,933 | (81,850) |
| **Reconciliation of Funds:** | | | | | | | |
| Total funds brought forward | 11 | 526,205 | 293,282 | 819,487 | 622,988 | 278,349 | 901,337 |
| Total funds carried forward | 11 | 525,014 | 381,973 | 906,987 | 526,205 | 293,282 | 819,487 |

The Statement of Financial Activities includes all gains and losses arising in the year.

All activities are classed as continuing.

The notes on pages 15 to 27 form part of these accounts.

**MIDLOTHIAN SURE START**
**(a company limited by guarantee)**

**BALANCE SHEET**

**As at 31 March 2025**

| | Notes | 2025 £ | 2024 £ |
|---|---|---|---|
| **Fixed assets:** | | | |
| Tangible assets | 8 | 723 | - |
| **Current assets:** | | | |
| Debtors | 9 | 79,877 | 88,323 |
| Cash at bank and in hand | | 929,988 | 845,474 |
| | | 1,009,865 | 933,797 |
| **Liabilities:** | | | |
| Creditors: Amounts falling due within one year | 10 | 103,601 | 114,310 |
| **Net current assets** | | 906,264 | 819,487 |
| **Total assets less current liabilities** | | 906,987 | 819,487 |
| **Funds** | | | |
| Restricted funds | 11 | 381,973 | 293,282 |
| Unrestricted funds: | | | |
| General funds | 11 | 187,705 | 174,920 |
| Designated funds | 11 | 337,309 | 351,285 |
| | | 525,014 | 526,205 |
| Total funds | 11,13 | 906,987 | 819,487 |

These accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The accounts were approved and authorised for issue by the Board on 24 October 2025
and were signed on its behalf by:

Julie Thomas
Director

**Company Registration Number: SC215330**

The notes on pages 15 to 27 form part of these accounts.

**MIDLOTHIAN SURE START**
**(a company limited by guarantee)**

**STATEMENT OF CASHFLOWS**

**For the year ended 31 March 2025**

| | Notes | 2025<br>£ | 2024<br>£ |
|---|---|---|---|
| **Cash provided by / (used in) operating activities** | 17 | 74,987 | 26,590 |
| **Cash flows from investing activities** | | | |
| Proceeds from sale of fixed assets | | - | - |
| Purchase of fixed assets | | (965) | |
| Bank interest received | | 10,492 | 10,347 |
| Cash used in investing activities | | 9,527 | 10,347 |
| Increase in cash and cash equivalents in the year | | 84,514 | 36,937 |
| **Cash and cash equivalents at the beginning of the year** | | 845,474 | 808,537 |
| **Cash and cash equivalents at the end of the year** | | 929,988 | 845,474 |

**Analysis of changes in net debt**

| | 2024<br>£ | Cashflows<br>£ | 2025<br>£ |
|---|---|---|---|
| Cash and cash equivalents | 845,474 | 84,514 | 929,988 |

The notes on pages 15 to 27 form part of these accounts.

## 1. Company information

Midlothian Sure Start is a company limited by guarantee incorporated and domiciled in Scotland with registered company number SC215330.The registered office is Colliery Court 32 Sycamore Road Mayfield, Dalkeith, Midlothian, Scotland, EH22 5TA. The accounts have been presented in Pounds Sterling as this is the functional and presentational currency of the charitable company.

## 2. Accounting Policies

**Accounting convention**
The accounts are prepared under the historical cost convention, in accordance with the Companies Act 2006, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and with the Memorandum and Articles of Association.

Midlothian Sure Start meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

**Going concern**
The accounts have been prepared on a going concern basis. The Directors have assessed the Charity's ability to continue as a going concern and have reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future even with the ongoing economic challenges. Thus, they continue to adopt the going concern basis of accounting in preparing these accounts. The Directors are satisfied that no material uncertainties exist in relation to going concern.

**Grants and donations**
Grants received, including capital grants, are reflected in the Statement of Financial Activities when relevant conditions for entitlement have been met, it is probable they will be received, and the amounts can be quantified with sufficient reliability. Where donors specify that grants are for particular purposes, this income is included in incoming resources within restricted funds when receivable. Where grants are specifically made for the performance of charitable activities in a period subsequent to the year-end they are deferred and excluded from the Statement of Financial Activities. Grants received for capital expenditure are recognised in the Statement of Financial Activities and transferred to a restricted reserve and subsequently released annually over the expected life of the relevant asset by equal instalments.

**Donations, legacies and similar income**
Donations, legacies and similar income are included in the year in which they are receivable, which is when the charity becomes entitled to the income, it is probable that they will be received, and the amount can be measured reliably.

**Fundraising income**
Fundraising income is recognised in the period in which it is received and when receipt is probable and can be measured reliably.

**Investment income**
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

## 2. Accounting Policies (continued)

**Expenditure**
All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

- Costs of raising funds are those associated with generating grants, donations, and investment income, and charitable activities costs are those expended on meeting the charity's objectives.
- Charitable activities include expenditure associated with meeting the charity's primary objectives and include both the direct costs and the support costs relating to these activities.
- Included within support costs are Governance costs which are those of a constitutional, strategic, or statutory nature with respect to the general running of the charity, rather than day to day management.

Costs directly attributable to each activity are allocated to the appropriate activity. Support costs are allocated to activities on the basis of estimated usage of the relevant expense or time spent.

**Operating lease**
Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

**Taxation**
The charitable company is exempt from tax on income and gains to the extent that these are applied to its charitable objectives.

**Tangible fixed assets and depreciation**
All fixed assets costing in excess of £1,000 are capitalised and included in the accounts at cost less depreciation. Depreciation is provided each year at rates calculated to write off the cost of assets evenly over their useful lives. The rate of depreciation for all fixed assets is 25% per annum.

**Debtors**
Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any discounts due.

**Cash at bank and in hand**
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Creditors**
Creditors are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

**Financial instruments**
The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments other than investments are initially recognised at transaction value and subsequently measured at their settlement value.

**Areas of significant judgement and uncertainty**
In applying the above accounting policies, the Directors have exercised their judgement, but the most significant area of uncertainty is in relation to future income streams.

## 2. Accounting Policies (continued)

**Funds**
Unrestricted general funds are the funds which can be used in accordance with the charitable objects at the discretion of the Trustees. Restricted funds are the funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Designated funds are the funds set aside by the Directors out of the unrestricted general funds for specific future purposes and projects.

**Pensions**
The charitable company pays a contribution into personal pension schemes on behalf of employees. The pension costs for the year are included within outgoing expenditure in the year in which they are incurred.

## 3. Charitable activities

| | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total funds 2025 £ |
|---|---|---|---|
| Grants from local authorities | 961,058 | 375,806 | 1,336,864 |
| Grants from NHS Lothian | - | 40,794 | 40,794 |
| Grants from charitable foundations | - | 438,963 | 438,963 |
| Small grants | 9,178 | 13,126 | 22,704 |
| | 970,236 | 868,689 | 1,838,925 |

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|---|
| Grants from local authorities | 855,150 | 6,820 | 861,970 |
| Grants from NHS Lothian | - | 32,212 | 32,212 |
| Grants from charitable foundations | (55) | 646,169 | 646,114 |
| Small grants | 976 | - | 976 |
| | 856,071 | 685,201 | 1,541,272 |

## 4. Other Trading Activities

| | 2025 £ | 2024 £ |
|---|---|---|
| Fundraising events | 819 | 826 |
| Self-funded income | 88,760 | 53,679 |
| | 89,579 | 54,505 |

## 5. Investment Income

| | 2025 £ | 2024 £ |
|---|---|---|
| Bank interest received | 10,492 | 10,347 |

| **6. Charitable activities expenditure** | **Unrestricted funds 2025 £** | **Restricted funds 2025 £** | **Total funds 2025 £** |
|---|---|---|---|
| **Staffing costs:** | | | |
| Gross salaries | 769,289 | 567,079 | 1,336,368 |
| Employers' national insurance | 42,408 | 49,980 | 92,388 |
| Employers' pension contributions | 33,740 | 31,667 | 65,407 |
| Other staffing costs | 19,593 | 15,114 | 34,707 |
| | 865,030 | 663,840 | 1,528,870 |
| **Supplies & services:** | | | |
| Beneficiary and other direct activities | 91,419 | 53,468 | 144,887 |
| Repairs, maintenance & refurbishment | 12,386 | - | 12,386 |
| Accommodation costs | 9,146 | 361 | 9,507 |
| | 112,951 | 53,829 | 166,780 |
| **Support costs:** | | | |
| Postage, stationery & computer supplies | 26,680 | 14,524 | 41,204 |
| Telephones & fax | 14,407 | 222 | 14,629 |
| Insurances | 1,988 | 9,481 | 11,469 |
| Publicity & advertising | 5,597 | - | 5,597 |
| Subscriptions & manuals | 2,929 | - | 2,929 |
| General expenses | 363 | 2,670 | 3,033 |
| Depreciation | 242 | - | 242 |
| Development | 240 | 1,000 | 760 |
| Bad debts written off | 25,184 | - | 25,184 |
| Rent and Rates | 1,839 | 14,802 | 16,641 |
| | 78,989 | 42,699 | 121,688 |
| **Governance costs:** | | | |
| Audit & accountancy fees | 14,304 | - | 14,304 |
| Management board expenses | 207 | - | 207 |
| Bank charges | 1,763 | - | 1,763 |
| Professional fees | 7,972 | 13,908 | 21,880 |
| Governance costs | - | - | - |
| | 24,246 | 13,908 | 38,154 |
| **Total** | 1,081,216 | 774,276 | 1,855,492 |

Included within audit and accountancy fees are £13,920 (2024: £13,140) due in respect of audit fees.

| **6. Charitable activities expenditure** | **Unrestricted funds 2024 £** | **Restricted funds 2024 £** | **Total funds 2024 £** |
|---|---|---|---|
| **Staffing costs:** | | | |
| Gross salaries | 684,634 | 556,386 | 1,241,021 |
| Employers' national insurance | 42,872 | 48,262 | 91,134 |
| Employers' pension contributions | 35,032 | 30,727 | 65,759 |
| Other staffing costs | 60,363 | (5,766) | 54,597 |
| | 822,901 | 629,610 | 1,452,511 |
| **Supplies & services:** | | | |
| Beneficiary and other direct activities | 75,855 | 14,135 | 89,990 |
| Repairs, maintenance & refurbishment | 20,182 | 1,427 | 21,609 |
| Accommodation costs | 2,071 | 4,400 | 6,471 |
| | 98,108 | 19,962 | 118,070 |
| **Support costs:** | | | |
| Postage, stationery & computer supplies | 37,635 | - | 37,635 |
| Telephones & fax | 13,860 | 570 | 14,430 |
| Insurances | 10,494 | - | 10,494 |
| Publicity & advertising | 1,146 | - | 1,146 |
| Subscriptions & manuals | 3,244 | 125 | 3,369 |
| General expenses | (161) | - | (161) |
| Development | 4,647 | 1,319 | 5,966 |
| Depreciation | - | - | - |
| Administration costs | 5,679 | - | 5,679 |
| Rent and Rates | 1,080 | 16,475 | 17,555 |
| | 77,624 | 18,489 | 96,113 |
| **Governance costs:** | | | |
| Audit & accountancy fees | 14,518 | - | 14,518 |
| Management board expenses | 379 | - | 379 |
| Bank charges | 2,215 | - | 2,215 |
| Professional fees | - | 6,953 | 6,953 |
| Governance costs | 3,840 | - | 3,840 |
| | 20,952 | 6,953 | 27,905 |
| **Total** | 1,019,585 | 675,014 | 1,694,599 |

**MIDLOTHIAN SURE START**
**(a company limited by guarantee)**

**NOTES TO THE ACCOUNTS (continued)**

**Year ended 31 March 2025**

| 7. Staff Remuneration | 2025 £ | 2024 £ |
|---|---|---|
| Salary costs: | | |
| Gross salaries | 1,336,368 | 1,241,020 |
| Employer's national insurance costs | 92,388 | 91,134 |
| Employer's pension costs | 65,407 | 65,759 |
| | 1,494,163 | 1,397,913 |
| Other staffing costs including recruitment costs | 37,989 | 54,597 |
| | 1,532,152 | 1,452,510 |

The average number of employees during the year was 84 (2024: 77).

There was one employee with emoluments in excess of £60,000 (2024: one employee) but less than £70,000.

No Director or person connected with a director has received any remuneration from the Charity. Two directors received reimbursement for travel expenses of £207 (2024: £221).

During the year, 1 employee (2024: 7) was made redundant and received payments of £8,067 (2024: £60,560). No amounts were outstanding at the year end.

Remuneration received by the Key Management Personnel in the year was £200,411 (2024: £281,726).

| 8. Tangible Fixed Assets | Fixtures, Furniture & Equipment £ |
|---|---|
| **Cost** | |
| Cost at 1 April 2024 | 25,607 |
| Additions | 965 |
| Disposals | - |
| At 31 March 2025 | 26,572 |
| **Depreciation** | |
| At 1 April 2024 | 25,607 |
| Charge for year | 242 |
| Disposals | - |
| At 31 March 2025 | 25,849 |
| **Net Book Amounts** | |
| At 31 March 2025 | 723 |
| At 31 March 2024 | - |

| 9. Debtors | 2025 £ | 2024 £ |
|---|---|---|
| Sundry debtors and accrued income | 77,850 | 86,251 |
| Prepayments | 2,027 | 2,072 |
| | 79,877 | 88,323 |

**MIDLOTHIAN SURE START**
**(a company limited by guarantee)**

**NOTES TO THE ACCOUNTS (continued)**

**Year ended 31 March 2025**

**10. Creditors:** amounts falling due within one year

| | 2025<br>£ | 2024<br>£ |
|---|---|---|
| Trade Creditors | 12,617 | 12,460 |
| Accruals and other creditors | 19,215 | 21,159 |
| Deferred income | 41,828 | 48,000 |
| Other taxes and social security | 17,715 | 20,629 |
| Pension costs | 12,676 | 12,062 |
| | 103,601 | 114,310 |

| **Deferred Income** | 2025<br>£ | 2024<br>£ |
|---|---|---|
| Brought forward as at 1 April | 48,000 | 20,000 |
| Released in year | (48,000) | (20,000) |
| Income deferred during the year | 41,828 | 48,000 |
| Carried forward as at 31 March, | 41,828 | 48,000 |

Deferred income relates to money received in advance of service provision from the Charles Gordon Foundation.

**MIDLOTHIAN SURE START**
**(a company limited by guarantee)**

**NOTES TO THE ACCOUNTS (continued)**

**Year ended 31 March 2025**

| **11. Fund Movements** | **Balance at 1 April 2024 £** | **Received in year £** | **Expenditure in year £** | **Transfers in year £** | **Balance at 31 March 2025 £** |
|---|---|---|---|---|---|
| **Restricted funds:** | | | | | |
| Health Improvement Fund | 8,856 | 25,530 | (27,436) | - | 6,950 |
| Counselling | 2,472 | 43,530 | (29,725) | - | 16,277 |
| Mental Health Fund | 18,351 | - | | - | 18,351 |
| Parent Project Lead | 6,419 | - | | - | 6,419 |
| Accommodation & start-up costs | 140,019 | - | (361) | - | 139,658 |
| Play Therapy @ Stepping Forward | 3,719 | - | | - | 3,719 |
| Empowering Families | 5,218 | - | | - | 5,218 |
| Early Years Collaboration | 7,454 | - | | - | 7,454 |
| Looked After 2 Year olds | 38,361 | - | | - | 38,361 |
| Storytelling | 9,075 | 5,700 | (11,855) | - | 2,920 |
| Midlothian Council – A Good Time To be 2 | 7,682 | - | | - | 7,682 |
| Dynamic Dads | 10,020 | - | | - | 10,020 |
| Tyne & Esk Rural Communities Development Fund | - | 13,126 | (13,342) | - | (216) |
| Open Kindergarten | 608 | 47,646 | (42,720) | - | 5,534 |
| PESF | 1,216 | 24,211 | (19,705) | (5,722) | - |
| Perinatal Mental Health | (6,695) | 83,886 | (77,619) | - | (428) |
| STV Fund | 150 | - | - | - | 150 |
| Charles Gordon | 507 | 117,865 | (45,479) | - | 72,893 |
| Evaluation and Research | 465 | | - | - | 465 |
| Winter Flex/Lacer Fund | 2,936 | 10,000 | (5,330) | - | 7,606 |
| Family Learning Centre | 1 | 365,806 | (365,806) | - | 1 |
| Community Mental Health Framework | 14,207 | 26,500 | (29,736) | - | 10,971 |
| Family Friends | 10,739 | 23,436 | (21,220) | - | 12,955 |
| Impact Sub Group | 1,952 | - | (1,952) | - | - |
| Winston Churchill | 9,550 | - | (6,868) | - | 2,682 |
| Accelerator | 1 | 66,214 | (63,034) | - | 3,181 |
| WFWF Perinatal | - | 14,489 | (12,467) | - | 2,022 |
| Scottish Legal Aid Board | - | 750 | - | - | 750 |
| **Total Restricted:** | 293,282 | 868,689 | (774,276) | (5,722) | 381,973 |
| **Designated funds:** | | | | | |
| Evaluation & quality assurance | 3,000 | - | - | - | 3,000 |
| Maintenance | 35,000 | - | (7,179) | - | 27,821 |
| ICT Fund | 48,881 | - | (2,853) | - | 46,028 |
| Contractual contingency fund | 222,669 | - | - | - | 222,669 |
| Fundraising | 10,000 | - | - | - | 10,000 |
| Development fund | 21,735 | - | (2,700) | - | 19,035 |
| Marketing fund | 10,000 | - | (1,244) | - | 8,756 |
| | 351,285 | - | (13,976) | - | 337,309 |
| **Unrestricted funds:** | | | | | |
| General fund | 174,920 | 1,074,303 | (1,067,240) | 5,722 | 187,705 |
| | 526,205 | 1,074,303 | (1,081,216) | 5,722 | 525,014 |
| Total Funds | 819,487 | 1,942,992 | (1,855,492) | - | 906,987 |

**MIDLOTHIAN SURE START**
**(a company limited by guarantee)**

**NOTES TO THE ACCOUNTS (continued)**

**Year ended 31 March 2024**

| **11. Fund Movements** | **Balance at 1 April 2023 £** | **Received in year £** | **Expend-iture in year £** | **Transfers in year £** | **Balance at 31 March 2024 £** |
|---|---|---|---|---|---|
| **Restricted funds:** | | | | | |
| Health Improvement Fund | 3,014 | 16,948 | (11,106) | - | 8,856 |
| Counselling | 868 | 46,155 | (44,551) | - | 2,472 |
| Mental Health Fund | 18,351 | - | - | - | 18,351 |
| Parent Project Lead | 6,425 | - | (6) | - | 6,419 |
| Accommodation & start-up costs | 146,294 | - | (6,275) | - | 140,019 |
| Play Therapy @ Stepping Forward | 3,719 | - | - | - | 3,719 |
| Empowering Families | 5,218 | - | - | - | 5,218 |
| Early Years Collaboration | 7,454 | - | - | - | 7,454 |
| Looked After 2 Year olds | 38,361 | - | - | - | 38,361 |
| Storytelling | 3,275 | 5,800 | - | - | 9,075 |
| Midlothian Council – A Good Time To be 2 | 7,770 | - | (18) | - | 7,682 |
| Dynamic Dads | 10,020 | - | - | - | 10,020 |
| Early Years Action fund | 3,345 | 43,453 | (46,798) | - | - |
| Tyne & Esk Rural Communities Development Fund | - | 10,727 | (11,473) | 746 | - |
| Open Kindergarten | 608 | - | - | - | 608 |
| Robertson Trust | (20) | 4,315 | (4,295) | - | - |
| PESF | - | 11,766 | (10,550) | - | 1,216 |
| Perinatal Mental Health | (5,607) | 79,894 | (80,982) | - | (6,695) |
| STV Fund | - | - | (1,850) | 2,000 | 150 |
| Charles Gordon | 151 | 66,133 | (65,777) | - | 507 |
| Evaluation and Research | 465 | - | - | - | 465 |
| Winter Flex/Lacer Fund | 1,341 | 5.293 | (3,698) | - | 2,936 |
| Family Learning Centre | - | 334,915 | (334,914) | - | 1 |
| Community Mental Health Framework | 10,810 | 26,315 | (22,918) | - | 14,207 |
| Family Friends | 5,915 | 23,450 | (18,626) | - | 10,739 |
| Impact Sub Group | 1,093 | - | (1,141) | 2000 | 1,952 |
| Winston Churchill | 9,550 | - | - | - | 9,550 |
| Accelerator | - | 10,037 | (10,036) | - | 1 |
| **Total Restricted:** | 278,349 | 658,201 | (657,014) | 4,746 | 293,282 |
| **Designated funds:** | | | | | |
| Training | 15,000 | - | (17,049) | 2,049 | - |
| Evaluation & quality assurance | 3,000 | - | - | - | 3,000 |
| Maintenance | 35,000 | - | - | - | 35,000 |
| ICT Fund | 61,539 | - | (12,658) | - | 48,881 |
| Contractual contingency fund | 249,395 | - | (26,726) | - | 222,669 |
| Fundraising | 10,000 | - | - | - | 10,000 |
| Development fund | 29,555 | - | (7,820) | - | 21,735 |
| Marketing fund | 10,000 | - | - | - | 10,000 |
| | 413,489 | - | (64,253) | 2,049 | 351,285 |
| **Unrestricted funds:** | | | | | |
| General fund | 209,499 | 927,548 | (955,332) | (6,795) | 174,920 |
| | 622,988 | 927,548 | (1,019,585) | (4,746) | 526,205 |
| Total Funds | 901,337 | 1,612,749 | (1,694,599) | - | 819,487 |

## 12. Description of Funds

***Restricted:***

**Accelerator Funding**
Funding from Midlothian Council and Edinburgh University to undertake child poverty research and disseminate learning through creative methods

**PESF**
Midlothian Council funding for parent employability support

**Family Learning Centres**
Funding from Midlothian Council to run 6 family learning centres and to provide family learning.

**Health Improvement Fund (HIF)**
Funding from NHS Lothian to support the roll out of HENRY and set up Open Kindergarten's in Woodburn, Mayfield and Gorebridge

**Counselling**
Funding from Midlothian Council and NHS Lothian to offer counselling to adults with children under the age of 12.

**Mental Health Fund**
Funding to support training and development in mental health/infant mental health.

**Parent Project Lead**
Funding to develop and support the Parenting and Family support strategy.

**Accommodation & start-up costs**
Funding from Midlothian Council to assist with the long-term aim of securing accommodation fit for purpose.

**Play Therapy @ Stepping Forward**
Funding to offer Play therapy in Penicuik.

**Empowering Families**
Funding to support therapeutic services

**Early Years Collaborative**
Funding to support quality improvement and small tests of change.

**Looked After 2-year-olds**
Funding for family support for vulnerable 2-year-olds.

**Storytelling**
Funding for storytelling in primary schools

**MC Good Time To be 2**
Training and development of Early Years staff.

**Dynamic Dads**
Funding to support work with Dads.

**Tyne Esk Leader Rural Development Fund**
Funding from Tyne Esk Leader Rural Development Fund

**Open Kindergarten**
Funding through Children in Scotland and Parenting Across Scotland to support the testing of the Open Kindergarten approach.

## 12. Description of Funds (continued)

**Perinatal Mental Health Fund (PIMH)**
Funding to support the provision of A Good Start and other perinatal services in East and Midlothian

**Charles Gordon**
Funding to support the provision of postnatal and therapeutic services in Midlothian.

**Evaluation and Research**
Funding for the evaluation of the PICL and family learning approaches in Midlothian.

**Winter Flex/LACER Funding**
Midlothian Council funding for direct grants to families.

**STV Fund**
STV funding for direct grants to families

**Community Mental Health Framework (Consortium Funding)**
Funding to support mindfulness in primary schools.

**Family Friends**
Funding from Midlothian Council large grants to support a peer befriending project/Volunteering support

**Impact Funding**
Funding held on behalf of the IMPACT peer support group.

**Winston Churchill**
Funding to undertake an evaluation of the PAX programme in local early years centres.

**New Fund:**

**MC WFWF Perinatal Fund**
Funding to support the delivery of Circle of Security and VIG interventions in the perinatal years.

**Designated:**

**Evaluation & quality assurance**
Funding to support the development of evaluation and/or quality assurance tools.

**Maintenance**
Contingency fund for maintenance.

**ICT Fund**
Fund for the renewal of ICT equipment as required.

**Contractual contingency**
Contingency fund to ensure that the organisation can meet contractual redundancy payments in the event of loss of funding.

**Fundraising**
Funding raised by beneficiaries and spending agreed by parents in the family learning centre/service.

**Development**
Funding to explore new developments.

**Marketing fund**
Fund for the rebranding and marketing of Midlothian Sure Start.

## 13. Total Analysis of Assets Between Funds

| | Restricted funds 2025 £ | Unrestricted designated funds 2025 £ | Unrestricted general funds 2025 £ | Total funds 2025 £ |
|---|---|---|---|---|
| Tangible fixed assets | - | - | 723 | 723 |
| Current assets | 392,374 | 337,309 | 280,183 | 1,009,866 |
| Current liabilities | - | - | (103,603) | (103,604) |
| | 392,374 | 337,309 | 177,304 | 906,987 |

| | Restricted funds 2024 £ | Unrestricted designated funds 2024 £ | Unrestricted general funds 2024 £ | Total funds 2024 £ |
|---|---|---|---|---|
| Tangible fixed assets | - | - | - | - |
| Current assets | 293,282 | 351,285 | 289,230 | 933,797 |
| Current liabilities | - | - | (114,310) | (114,310) |
| | 293,282 | 351,285 | 174,920 | 819,487 |

## 14. Leases and lease commitments

| Total Future Minimum Lease Payments Under Non-Cancellable Operating Leases are as follows: | 2025 £ | 2024 £ |
|---|---|---|
| Not later than one year | 14,000 | 14,243 |
| Later than one year and not later than five years | 35,720 | 44,750 |
| Later than five years | 45,833 | 50,833 |
| | 95,553 | 109,796 |
| **Lease payments** | | |
| Amounts recognised as an expense during year | 28,593 | 28,915 |

## 15. Pensions

The company makes contributions to a number of individual arrangements for employees of a defined contribution nature. Contributions are charged as incurred and there were £12,677 (2024: £12,062) of outstanding contributions as at the balance sheet date. Pension costs charged in the year were £65,407 (2024: £65,759).

## 16. Related party transactions

There were no related party transactions during the year (2024: None).

## 17. Reconciliation of net income to net cash flow from operating activities

| | 2025 £ | 2024 £ |
|---|---|---|
| Net movement in funds | 87,500 | (81,850) |
| Add back depreciation charge | 242 | - |
| Deduct investment income | (10,492) | (10,347) |
| Deduct proceeds from sale of fixed asset | - | - |
| (Increase)/Decrease in debtors | 8,446 | 76,834 |
| (Decrease)/Increase in creditors | (10,709) | 41,953 |
| **Net cash generated/(used) in operating activities** | 74,987 | 26,590 |