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Scottish Childminding Association

Report of the Trustees and Audited Financial statements for the year ended 31 March 2026

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Scottish Childminding Association

Report of the Trustees for the Year Ended 31 March 2026

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Scottish Childminding Association

Report of the Trustees for the Year Ended 31 March 2026

The trustees, who are also the directors of the Association for the purposes of the Companies Act 1985, present their report with the financial statements of the Association for the year ended 31 March 2025 which are also prepared to meet the requirements for a directors' report for Companies Act purposes.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended). The Companies Act 2006, the Memorandum and Articles of Association and Accounting and reporting by Charities; Statement of Recommended Practice (the 'Charities SORP') applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland.

OBJECTIVES AND ACTIVITIES

The objective of the Association are:

- To promote the provision of facilities for the daily care, recreation and education of young children and the observance of good standards of childminding by parents and others providing those facilities; and
- To advance the education of training of childminders and others providing day care facilities for young children and to conduct research into all aspects of the care, recreation and education of young children and to publish relevant outcomes of that research.

Leading change: strengthening childminding, supporting families and increasing choice.

In May 2021 we launched our new strategy 'Changing the Narrative: Strengthening Childminding, Supporting Families & Increasing Choice', mid-pandemic and when few were looking forward, to promote recovery and this has provided a catalyst for change. This 3-year strategy was the first stage in a longer-term ten-year plan which we continue to implement, and has 5 key work streams –

- Membership
- Representation, Policy and Influencing
- Workforce, Learning and Quality
- Families & Communities
- Value of Childminding

ACHIEVEMENT AND PERFORMANCE 2025-2026

Membership:

Marking a Milestone - 2025 was a milestone year for SCMA, as we have been supporting, advocating and celebrating childminders for 40 years – and we continue to be the only organisation dedicated to supporting all aspects of childminding in Scotland. The childminding landscape has evolved significantly over those 40 years, and in turn, SCMA has kept pace by continuing to evolve, grow and expand to support our valued members, the wider workforce, and children and families they support.

As a membership organisation we recognise that members are our greatest resource, we continue to value our members greatly and we have worked to understand and respond to their needs, to invest in and strengthen our support for them and to engage them and represent their views and experiences.

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Continuing Professional Learning

A priority for us has been continuing to deliver and develop our Continuing Professional Learning (CPL) to enhance our membership offering. After creating a Designated Fund to support CPL development by releasing money from our reserves, we have continued to invest in our CPL strategy. Further detail about progress in developing our learning activity is included under the 'Workforce, Learning & Quality' section of this report.

SCMA Conference

Our virtual conference was held on 17th May 2025 and our theme was Growing Together: Smiles and Milestones. The conference was a great way to close Childminding Week 2025. This free half-day event specifically for members was another successful event and 290 people linked in from around Scotland. Our conferences year on year receive very strong positive delegate feedback.

Childminding Week 2025.

SCMA proudly hosted Childminding Week (12-17 May) which celebrated the fantastic, high-quality work of childminders throughout Scotland. It's vitally important that childminders are recognised as a valuable part of the professional childcare workforce. The influential role and the positive impact they have on children and families must be recognised more widely and the event was a great success raising the profile of childminding across Scotland.

SCMA continued to work in partnership with Morton Michel (childcare insurance specialists) to enhance the membership benefits for all members.

We were delighted to launch new and improved 'Personal Plan Paperwork' to support our members' childminding practice. We used members' feedback to develop a suite of updated and enhanced materials – exclusively for our members, giving them unlimited and free access to a range of downloadable forms and templates that will help build and create Personal Plans for the children in their service. In addition, we have also developed a range of further documentation, guidance and examples to support members with their paperwork requirements – all of which is aligned to the latest national guidance, frameworks and legislation. This is just the first stage of our Personal Plan Paperwork developments, and going forward we will be updating and evolving our package of materials in stages throughout the coming years, to ensure we continue to meet members' needs. We will also be exploring possible print and digital options in the future to further support our members when it comes to organising paperwork and business documentation.

Making Tax Digital

SCMA had also been aware that HMRC had been planning to introduce Making Tax Digital, the new online system for submitting quarterly tax returns which will apply to all self-employed businesses including childminders (for whom it was intended to introduce on a phased basis from April 2026). We were keen that this was proportionate to and understood childminding, and SCMA had been engaging constructively in a range of groups, meetings and we have been a member of HMRC's 'Trade and Advisory Forum' so that we remain close to ongoing developments and can liaise with HMRC about the support required for childminders. During the past few years, we have kept members up-to-date on MTD developments and also developed a specific childminder focused MTD for Income Tax webinar – exclusively for SCMA members.

Significant time was required to engage with HMRC after they unexpectedly announced in December 2025 that they would be changing the long-established 'wear and tear' allowance, which enables childminders to claim for up to the first 10% of their business tax-free, when implementing MTD. This caused significant concern amongst childminders in Scotland and throughout the UK given the negative adverse impact which it was believed this could have on childminders' income, while increasing the administrative burden.

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SCMA undertook a sustained period of activity including meeting with HMRC to discuss members' increasing concerns; undertaking a four nations survey with our equivalent organisations in England, Wales and Northern Ireland which attracted over 4500 responses (25% from Scotland); writing jointly to the Treasury; and securing the support of the Scottish Government who wrote at Cabinet level to the Treasury sharing SCMA's concerns that these changes could undermine positive joined-up working on childminder retention and recruitment at a national and local level in Scotland. Regrettably, and despite an FOI request which confirmed that HMRC had not undertaken any impact assessments on these changes, HMRC decided to proceed with implementing MTD for childminders on a phased basis for childminders from April 2026. HMRC has committed to reviewing the impact of the first year on childminders and SCMA continues to engage with HMRC and others on this important issue.

Neurodiversity

More positively, we announced the launch of our new project, 'Neurodiversity and Inclusion in the Childminding Workforce', which has been developed with Three Sisters Consultancy and will focus on supporting and understanding neurodiversity amongst childminders in Scotland, as well as SCMA staff. This is very much in response to demand from members who have been increasingly contacting us to ask that we produce our materials in more accessible formats to support their neurodivergence. Three Sisters Consultancy is a neurodivergent led organisation which will be providing training, research and development support that will allow us to capture data on neurodivergence in the childminding workforce.

We want to capture data from both our membership and those coming into our workforce on the extent of neurodiversity (both diagnosed and undiagnosed) in order to explore how we can support our neurodivergent childminders in their learning and practice, increase awareness and reduce stigma. No data currently exists on this in Scotland, and we understand this workforce-level study to be one of the first of its kind in Scotland. We have a strategic approach which includes:

- Equality monitoring and in-depth survey of SCMA members
- Establishing a lived experience panel of neurodivergent SCMA members and staff to inform and guide the work.
- Conducting a literature review on neurodivergence and childminding to find out what we already know about neurodiversity within the sector.
- The development of a workplace policy on neurodiversity for SCMA staff.
- Learning courses on neurodivergence for SCMA members and staff

Policy, Representation and Influencing

As an organisation, SCMA is committed to representing the needs and experiences of childminders in Scotland and the families they support. We continue to do this constructively by establishing and increasing the evidence base and using evidence to support the need for change. Key activities during 2025/2026 included –

- Childminding on Non-Domestic Premises - in response to a series of policy discussions we conducted a survey to gather our members' views on whether legislation and regulations should be changed in Scotland to permit childminding to also be delivered from non-domestic premises – such as a village hall or community centre. SCMA engaged with the Scottish Government and Care Inspectorate to discuss the findings and explore next steps. SCMA recognises that consideration of this is theoretical or academic, as the legal definition of childminding and accompanying regulations only permit childminding to be delivered from domestic premises. We continue to monitor the evidence and will link with partners as required.

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- Data Collection for Costs of Delivering Funded Early Learning and Childcare - Childminders who deliver funded Early Learning and Childcare (ELC) were invited to take part in an online survey, to provide information about the costs associated with providing funded ELC. SCMA strongly encouraged all childminders who deliver funded ELC to take part in this research to inform the cost collection exercise.
- Quality Improvement Framework - we continued to represent childminders' experiences in the single/shared new quality assurance framework being developed jointly by the Care Inspectorate and Education Scotland, to ensure that this delivers on the Scottish Government's commitment to making quality assurance more proportionate and specific to childminding and with a major reduction in paperwork for all childminders (and not just those delivering funded ELC).The new 'Quality Improvement Framework' was launched in September 2025 and while the use of and its application to inspection have still to be fully tested through use at a workforce level, we believe it represents a significant step forward, is in line with what our members requested, and is based on what we have advocated for on your behalf, and that of childminding as a whole. We also believe that this will contribute to wider activity aimed at improving retention within the childminding workforce.
- Early Learning & Childcare Audit - In December we published our annual Early Learning and Childcare Audit 2025 providing an update on the progress of local authorities involving childminders in the delivery of funded ELC; the impact of wider issues such as the deferral year and local budgetary pressures on ELC; and an update on our childminding workforce projections. Throughout ELC expansion childminders have consistently reported disparities are caused by local authorities approving childminders to deliver funded hours, but then not promoting their services equitably alongside their own nursery provision as an option to parents for receiving their statutory entitlement of funded hours. Workforce Trends and Projections (based on Care Inspectorate data, year to 31 July 2025) - the childminding workforce declined by 6% (with the loss of 181 childminding businesses) in the year to 31 July 2025, but the decline is slowing and is at its lowest rate of decline since 2016.
- Local Authorities Departing from the National Standard - SCMA were made aware of growing concerns amongst members, childminders and other organisations regarding proposals by West Lothian Council regarding funded Early Learning and Childcare (ELC). Recent public consultation, undertaken by West Lothian Council, could fundamentally change how parents can receive their statutory entitlement of 1140 hours of funded ELC and remove their choice over childcare. In addition, these changes could potentially render a number of private childminders and nurseries in West Lothian unsustainable. We will continue to monitor this situation and report back to Scottish Government of any further developments.
- Scottish Parliament Elections - SCMA had been approached by a number of political parties to help inform their manifesto development for the Scottish Parliamentary elections being held May 2025, reflecting the increasing interest in childminding and our work. Instead of publishing our own manifesto, we shared our ***Top 5 Priorities for Childminding***:

1. There is a critical need to extend the Programme for Scotland's Childminding Future on childminder retention and recruitment to maintain and increase childminding places for families and communities.
2. Childminding needs to be valued and recognised as a unique, high-quality form of registered childcare (spanning pre-school and school-age), family support and as a community asset, with proportionate childminding-specific quality-assurance (joined-up nationally and locally to prevent duplication).
3. We must work collectively to increase the level of pay for all childminders to support their business sustainability, retention and recruitment, the provision of childcare for families and the delivery of a range of national policies. Subsidy is also required in remote and island areas where there is a need for childcare, but not enough demand to support business sustainability.
4. After-school childcare shouldn't be an after-thought. The funded entitlement for two to four year-olds (and focus on statutory provision) has dominated the childcare policy landscape since 2016 to the detriment of providing childcare for other ages. While this is an important age for children's learning and development, working parents/carers have childcare needs from 0-12 years.

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5. The number of childminders delivering funded Early Learning and Childcare (ELC) must increase particularly for 'eligible two year-olds' (low-income/vulnerable families) and to support parental choice and childminders' business sustainability.

Workforce, Learning & Quality

Workforce

The greatest challenge faced by childminding continues to be the decline of the childminding workforce. In recent years SCMA has been leading nationally on addressing this and at the heart of SCMA's strategy is a range of activity aimed at reversing the decline in the childminding workforce, bringing it into growth, sustaining this and widening access to childminding for children and families particularly in areas where childminding provision is low and inequalities (social, economic or geographic) are pronounced.

Programme for Scotland's Childminding Future Expands in Year Two

In 2024, Scottish Government committed funding for 'The Programme for Scotland's Childminding Future' (PSCF), a three-year national childminder retention and recruitment programme. Delivered by SCMA, the PSCF aims to grow the childminding workforce and bring about positive change for families, communities and childminding through the creation of much-needed childminding spaces around Scotland to support parental employment and contribute to child poverty reduction. A key impact of PSCF to date has been the potential addition of over 1,000 high-quality childcare spaces for children in communities around Scotland, as a result of new childminders recruited.

Strong progress in both scale and impact can be seen on completion of year two of PSCF (2025/26). Recruitment of new childminders expanded from 18 to 31 local authorities partnering with SCMA for us to deliver our childminding-specific recruitment campaign in their areas - a clear sign of growing confidence in the model.

Workforce growth and crucial childcare capacity for families has continued to build as a result of this important programme. To date:

- 3,634 potential new childminding/childcare places created for pre-school and school-age childcare (0-12 years)
- 586 candidates have undertaken SCMA's Induction Support Programme
- 72% of candidates met one or more poverty indicators
- 157 new childminders registered and operating in urban, rural and island areas
- a further 82 recruits have applied to the Care Inspectorate and are awaiting registration,112 candidates are currently being supported towards registration and 48 being onboarded
- a strong pipeline continuing to progress through training and application with recruitment continuing around Scotland throughout 2026/27

Through the Workforce Retention strand, PSCF has been testing new methods of support for the existing childminding workforce including:

The **retention** measures include pilot activity in three key areas: Quality and Learning, Mentoring, and Funded Time Off the Floor - and could prove transformative for the childminding workforce –

- **Quality and Learning**: Access to the 'Reducing the Burdens' materials (three childminding-specific 'Quality in Practice' CPL courses and a self-evaluation toolkit to support childminders with their evidencing requirements) developed by SCMA in an earlier pilot was extended to the whole childminding workforce in Scotland of whom 43% downloaded the toolkit within weeks of its availability. Additional Quality and Learning trials to support retention focused on providing further professional learning to support quality improvement. Possible childminder study groups and drop-in sessions to provide support in working towards qualifications are also under consideration and/or development.

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- **Funded Time Off the Floor:** Unlike practitioners in nurseries, childminders do not benefit from non-contact time for study, learning and quality assurance. Pilots (the first of their kind in the UK) were launched for childminders to trial funded time away from their day-to-day business. These are intended to free up time for continuous professional development, complete paperwork or spend time on self-evaluation. The trials include: reduced practice time, funded time back and childminder practitioner cover.
- **Mentoring:** Pilots also launched for our Mentoring scheme which pairs new and experienced childminders, offering guidance, peer to peer support, supporting skills transfer and sharing best practice to help new childminders thrive. Our current workforce has a wealth of valuable knowledge and experience which can be passed on to new childminders.
- Trailing a new **'Childminder Practitioner' pilot**, this specific model means childminders can ringfence time for important paperwork or professional learning, without losing income.

These concepts all propose potential measures to help address some of the issues which have been causing childminders to leave the workforce. They will need time to be tested, evaluated, modified and adapted to see which combinations are likely to help support and retain childminders.

Learning

We continue to further develop our CPL platform to improve it's functionality for members and to enable us to host different types of content (i.e. videos and webinars). Our e-Learning Platform allows us to host learning on our Learning Zone which is linked to our Membership Dashboard. In parallel, and recognising that cost can be a barrier to members accessing learning we have continued to secure external funding and partners to enable us to develop new content and provide training free at the point of need to members. A pipeline of new and updated courses has also been established to provide members with regular fresh content to support their learning and has also enhanced and expanded our output e.g. our former Understanding Child Development course has been updated and substantially re-developed into three more in-depth courses covering child development within three age groups (0-3, 3-5 and 5-8). All courses are childminding-specific and the 5-8 years course was fully-funded for childminders through our School-Age Childcare project funded by the Scottish Government.

SCMA also delivered further CPL opportunities by hosting our own Self Evaluation Toolkit webinars and other webinars alongside key partners/stakeholders including the Care Inspectorate, Morton Michel and HMRC.

Quality

As a professional membership organisation SCMA is supportive of quality assurance, but we still believe this needs to be proportionate, joined-up and lighter-touch. SCMA continues to recognise the need for reform and will continue to represent members' views based on the information we receive from members.

SCMA has continued to deliver local services and projects in a number of local authority areas where we have been funded to support childminders with their quality assurance and practice delivery.

Families & Communities

Children and families are central to all that we do. During this last year we have continued to:

- deliver and strengthen our Community Childminding Services (early interventions/family support for vulnerable families).
- prioritise our recruitment activities in areas in which childminding provision is low and inequalities (social, economic or geographic) are pronounced linking in with wider national efforts to reduce child poverty and support families through parental employment.

Scottish Government funding has allowed us to run two new 'test of change' projects which will also help to inform the development of 'all-age childcare':

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The Family Childminding Partnership (FCP) was launched early 2023, which builds on our experience of delivering whole family support and childcare through our Community Childminding and other wellbeing services. We are testing the impact and outcomes of a model which supports whole-family wellbeing, targeting families in need and supporting the key commitments of The Promise, through the provision of preventative family support within enhanced, nurturing childminding placements. Placements are offered to those most in need, who fall within the six priority groups in the Tackling Child Poverty Delivery Plan, as well as to kinship carers and parents who are care-experienced. It is being piloted in five areas: Aberdeenshire, Falkirk, North Lanarkshire, South Lanarkshire and West Lothian and supports children (primarily from 9 – 23 months old, but including other siblings where possible) with flexible, family-centred childminding services. This project delivered on outcomes and the external evaluation was very positive, however lack of funding has meant that the project ceased on 31st March 2026.

School Aged Childcare (SACC) Project. This project, also launched in 2023, supports the inclusion of childminders as an equal partner in the delivery of School Aged Childcare (SACC). This project builds on our learning to date with the SCMA Access to Childminding service (which included a focus on employability and promoting the use of childminders for SACC); the challenge of the declining childminding workforce, and how it impacts on the availability of childminders for SACC; as well as building on learning from the Scottish Rural Childminding Partnership as part of our ongoing childminder recruitment work. The project aims to ensure that childminders are fully involved in delivering school age childcare as we plan and develop the SACC framework to assist in achieving the Programme for Government ambition. This project has further funding for 1 year until 31st March 2027.

We will continue to ensure that our work and strategy aligns to the Scottish Government Programme for Government commitments and advocate that childminding plays a key role in the delivery of these.

The value of childminding

The fifth and final major strand with our strategy is on increasing the value of childminding with a range of different stakeholders and the wider public. While longer term work will be required to address the outdated misperceptions which can still exist about childminding, much progress continues to be made during the year in increasing the value that different stakeholders attach to childminding, to SCMA and to our activities. Through our partnership work we successfully engage with partners and we will continue to advocate for childminders, the value they provide and SCMA's childminding-specific expertise.

Organisational Development

SCMA continues to be committed to organisational development and the development of our staff, we continue to adopt our Engaging with our People ethos to ensure all our staff and members are valued and supported.

The SCMA Team and Board members are continuing to progress our ambitious ten year ***'Changing the Narrative'*** strategy and the second three-year phase of this was launched at Conference during May 2024 to kick start Childminding Week.

Financial Review

During this last year SCMA has experienced growth, as a number of national projects have continued and as a result of continued prudent financial management, we produced a surplus of £153,317 in 2025/26 (2024/25: £255,499). This will be added to our reserves to ensure our reserves policy reflects our increasing size and operational commitments, and plans are also being developed to invest further from reserves in the further implementation of our strategy and our membership services.

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Core funding (from the Scottish Government) accounts for approximately 20% of our income) and continues to prove extremely valuable in supporting core costs and our support for children and families which could not be funded through other routes. In recent years the Scottish Government has twice sought to establish a new system of core funding for the sector to replace the current grant fund. The latest attempt was heavily over-subscribed and the Scottish Government made only a small number of awards from this fund to new applicants and extended existing core funding (from the Children, Young People, Families & Early Interventions Fund (CYPFEIF)) for existing grant holders at current levels. Most recently this has been extended until March 2027. However, it should be noted that while these extensions of funding have been vital, CYPFEIF core funding has only been increased for inflation once since 2016 (by 5%) during which time inflation has increased by over 30%. This has led to a significant and continuing erosion in the real terms value of core funding which is placing increasing financial pressure on core costs. SCMA and others from across the Third Sector continue to impress on the Scottish Government the need for longer term multi-year core funding (including inflationary uplifts) to support sustainability and our involvement in delivering national activity.

In parallel, recognising the value delivered by representative bodies during the pandemic, the Scottish Government's ELC Directorate established an additional core funding scheme in the form of the Childcare Sector Representation & Sustainability Fund (CSRSF) to support post-COVID-19 recovery. SCMA secured funding though the CSRSF to support our direct representation of the childminding workforce and this has enabled us to increase our policy and influencing at a national level with key stakeholders. Importantly, this additional funding also recognised and reflected the breadth of our activities and that while some organisations may just be involved in supporting providers involved in delivering pre-school or school-age childcare, childminders care from children from 0-12 years (or 16 years in the case of additional support needs), their practice spans both pre-school and school-age childcare, we need to be able to influence both areas and are also increasingly involved in a number of other national policy agendas. In parallel, the CSRSF funding also contributed to our work in strengthening the sustainability of the childminding workforce by creating additional senior capacity to enable us to undertake significant development work to inform what became the PSCF. The CSRSF funding was awarded for two years until the end of March 2025. This funding continued during 2025-2026 at 50% of its original value and ended in March 2026.

As we continue to report, significant challenges and risks remain – most notably the declining size of the childminding workforce. This remains our greatest risk, but significant progress in reducing this risk has been achieved through SCMA's work and the Scottish Government's recognition of childminding as a policy priority with associated national programme on childminder retention and recruitment. Recognising the pressure on public funds, SCMA has also pro-actively worked to diversify our income and to tap into different funding streams to support our work by making childminding more relevant to different policy agendas and aligning our work more closely with a range of national priorities.

Financial Procedures

Our financial procedures are well developed; budgets are monitored regularly and there is a system in place to evaluate the results of our activities and support outcomes reporting throughout the organisation. Services we provide for our members continue to be developed and we will continue to closely monitor the finances.

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Reserves Policy
Total unrestricted reserves at the year-end amounted to £1,454,272 (2025: £1,300,955) this included £76,106 (2025; £68,930) of designated funds and £28,670 (2025: £21,975) of funds tied up in fixed assets leaving free reserves of £1,349,496 (2025; £1,210,050).

This level is required to provide a cushion of working capital equivalent of not less than one half of recurrent budgeted expenditure, which is considered necessary, as there can be significant fluctuations in cash flow, especially in relation to project activity and as a safeguard against unforeseen or adverse circumstances. During March/April 2026 we also developed a new Reserves Policy and this will be reviewed annually by the Scottish Executive Board.

SCMA has continued to invest from reserves in different areas to support childminding and created additional designated funds for specific purposes which will enable us to make greater use of our reserves to support new developments, our strategy and ongoing risk management.
SCMA had previously created Designated Funds to support the following areas –

- Professional learning & membership development
- Childminder & membership recruitment campaign
- National campaign to further promote childminding to parents and others
- Redevelopment of the SCMA website

During 2025/26 we created additional Designated Funds and released reserves to support a number of developments linked to our strategy –

- Neurodiversity Project
- HR Resource
- Voice of the Child Research
- Family Support

Investment Policy
Our investment policy with regard to any surplus funds is to retain them in interest bearing bank accounts. During March/April 2026 we also developed a new Investment Policy and this will be reviewed annually by the Scottish Executive Board.

Going Concern
We consider that SCMA currently has adequate resources, and that we will be able to continue to operate within our core income sources, for the foreseeable future. Accordingly the going concern basis continues to be adopted in preparing the financial statements.

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FUTURE PLANS

In May 2024 SCMA launched the second phase of our 10 year strategy 'Changing the Narrative: Strengthening Childminding, Supporting Families & Increasing Choice'. This represents a continuation and extension of our activities undertaken within our strategy and during 2024-2027 we have committed to –

- continue to represent and provide a voice for childminders
- strengthen membership support at all career stages -
    - further development of our childminding-specific CPL programme, documentation and policies
    - supporting members to diversify their business models to support sustainability
- continue to address the issues which have been causing childminders to leave the workforce
- deliver the national programme on retention and recruitment
- strengthen our family support and contribute to further development of all-age childcare
- continue to increase the profile and value of childminding

Our Key Strands of Activity will be underpinned by the following principles:

- Our values-based approach in which children and families are at the heart of all that we do.
- Supporting parental choice and working together with parents and communities.
- Using evidence to inform our, and others' activities, building consensus and creating impetus for change.
- Working in partnership with a range of stakeholders to maximise benefit and impact.
- Monitoring and evaluating our impact, progress against objectives and adapting our approach as required.
- Securing sustainable and diverse funding.
- Optimising our use of technology to support the delivery of, and enable wider participation in, our activities.
- Recognising that our members are our greatest resource.
- Valuing equality and diversity.
- Engaging, supporting, investing and developing our staff and practising Fair Work.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Association is a company limited by guarantee. It does not have share capital. The governing document is the Memorandum and Articles of Association dated 5 March 1993, as subsequently amended. It is registered as a Scottish charity. In the event of winding up, the liability of each member is limited to £1 each.

Organisational Structure

The Association is an independent organisation operating on a not-for-profit basis. At the Annual General Meeting a management committee is elected, this shall consist of a Convener, Treasurer and up to 15 ordinary members, these members shall be Scotland wide representatives, with a maximum of 3 from any one local authority area. The management committee is referred to as the Executive Board. The Executive Board, all of whom are volunteers and the majority of which are working childminders work under the leadership of the Convener.

There are approximately 45 members of staff who on a day-to-day basis work towards the Association's vision. The Leadership Team, led by the Chief Executive, is responsible for the Association reaching its vision and further advancing the Strategic Plan. This is completed annually in

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March/April at the Vision Review Weekend. There are also a number of projects which meet both funders' needs and also further develop services for childminding.

Induction and Training of Board Members
New members are inducted into their roles as Board members by means of being provided with a handbook, which includes guidance for trustees from the Scottish Council for Voluntary Organisations, and by having an induction meeting with a member of the Leadership Team before attending their first Board meeting. The handbook includes details of the roles, responsibilities and codes of conduct of the Chief Executive and Trustees. Trustees are each also support by an experienced and continuing member of the Board. All Board members are kept informed regularly on current tissues affecting the sector and the Association and on regulatory matters.

Key Management Responsibilities
The key management personnel for the purposes of the Charities SORP are the Executive Board (the trustees) and the Leadership Team. The trustees receive no renumeration for acting in that capacity but are reimbursed for expenses (detailed at note 13). The renumeration of the Leadership Team (and all other staff) is set by reference to the Scottish Joint Council pay scales.

Risk Management

Risk Management is increasingly practiced by organisations, including charities, to support good governance. In addition to being used to reduce risk, risk management can be very useful in positively identifying opportunities and informing organisational strategies. Following the launch of our risk-informed strategy in May 2021 and the experience of the pandemic it was considered appropriate to review our strategy and risk assessment annually. The Leadership Team and our managers reviewed these early 2024 and identified the following as our main risks at this time –

1. Reduction in the childminding workforce (high risk)
2. Reduction in SCMA membership (high risk)
3. Inequitable involvement of childminders in ELC delivery and development of all-age childcare (medium)
4. Reduction in funding and impact on services, children and families (medium-high risk)
5. Burnout: staff and members (medium risk)
6. Changing external environment (incl. political and financial) (medium risk)

Our SEB Members (as Trustees) were reassured that we have positively responded and a Risk Management Paper was shared with them at our March 2025 meeting when reviewing the annual operational plan and the Strategy for 2024-2027. This will also be shared with our auditor, as part of the audit process, to inform them of the action which we have taken linked to good governance. We will continue to review Risk Management on an ongoing basis as part of our annual plan.

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Scottish Childminding Association

Report of the Trustees for the Year Ended 31 March 2026

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number	Registered Charity number
SC010489	SC144696

Registered office
Argyll Court
Castle Business Park
Stirling
FK9 4TY

Presidency

J Hancock	President
J Addie	Vice President

Executive Board or Trustees

Name	Role/Local authority area	
Barbara Dennistoun	Convener	
John Addie	Treasurer	Appointed 25 June 2025
Nicole McKenna	Treasurer	Appointed 25 June 2025 Resigned 20 April 2026
Susan Mooney	Vice Convener/Orkney Islands	
Denise Murray	North Ayrshire	
Fiona Duncan-Kerr	Scottish Borders	Appointed 14 May 2026
Natalie Dickson	Scottish Borders	
Kirsty Ross	South Lanarkshire	Resigned 1 August 2025
Pauline Dunn	West Lothian	
Lyn Howie	West Lothian	
Linsey Philliban	West Lothian	Appointed 1 April 2025
Karen Baxter	Aberdeen City	
Christina Johnston	Orkney Islands	Appointed 1 April 2025
Margaret Stewart	Argyll and Bute	Co-optee
Katy Pollock	Argyll and Bute	Co-optee

Company Secretary
Louise Buchanan

Auditors
CT Audit Limited
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

Leadership Team

Graeme McAlister	Chief Executive
Janine Ryan (retired 31 March 2026)	Deputy Chief Executive and Director of Childminding Services
Louise Buchanan	Director of Corporate Services
Millie McLachlan	Director of Services Development

Bankers: Co-operative Bank, 206 St Vincent Street, Glasgow, G2 5SG

Solicitors: Brechin Tindal & Oats, 48 Vincent Street, Glasgow, G2 5HS

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STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 period. In preparing those financial statements, 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper 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 financial statements comply with the Companies Act 2006. 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.

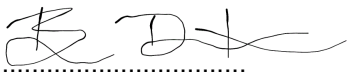
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees 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 trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ON BEHALF OF THE BOARD:



.....

B Dennistoun Trustee

Date: 1 September 2026

Docusign Envelope ID: E69A8AD7-104D-81CC-8317-41248920E3EE

Independent Auditors Report to the Trustees and Members of Scottish Childminding Association

Opinion

We have audited the financial statements of the Scottish Childminding Association (the 'charitable company') for the year ended 31 March 2026 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including 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 2026, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (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 Financial Reporting Council'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 qualified opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' 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 charitable company'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 other information comprises the information included in the trustees’ annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 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;
- certain disclosures of directors' remuneration specified by law are not made; or
- the trustees were not entitled to prepared the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees report and from the requirement to prepare a strategic report.

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

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

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 44(l)(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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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Auditor's responsibilities (continued)

Based on our understanding of the charitable company and the sector in which it operates, we considered that the principal risks of non-compliance with laws and regulations, and the extent to which that may have a direct effect on the financial statements, relate to the Companies Act 2006 and Scottish charity regulations. Audit procedures performed included:

- making enquiries of management about known or suspected instances of non-compliance with laws and regulations and instances of fraud;
- Reviewing any available correspondence with regulators including OSCR;
- reviewing minutes of board meetings;
- reviewing legal and other professional correspondence and invoices;
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

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 is available 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 trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Steven Smillie

Steven Smillie (Senior Statutory Auditor)
For and on behalf of CT Audit Limited
Chartered Accountants & Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

Date: 02 September 2026

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

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Scottish Childminding Association

Statement of Financial activities (including income and expenditure account)
For the year ended 31 March 2026

	Notes	Unrestricted 2026 £	Unrestricted 2025 Restated £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	651,420	700,796
Charitable activities	5		
Project & service delivery		3,251,348	3,336,489
Other trading activities	3	252,655	230,015
Investments	4	17,752	18,336
Total income		4,173,175	4,285,636
EXPENDITURE ON			
Cost of raising funds	6	229,544	210,236
Other trading activities	7	363,908	370,190
		593,452	580,426
Charitable activities	8		
Project & service delivery		3,363,352	3,447,371
Childminding Workforce Support		63,054	2,340
Total expenditure		4,019,858	4,030,137
NET INCOME		153,317	255,499
RECONCILIATION OF FUNDS			
Total funds brought forward		1,300,955	1,045,456
TOTAL FUNDS CARRIED FORWARD		1,454,272	1,300,955

All income and expenditure relate to unrestricted activities.

The notes on pages 20 to 28 form part of the financial statements.

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Scottish Childminding Association

Balance Sheet
As at 31 March 2026

	Notes	2026 £	2025 £
FIXED ASSETS			
Tangible assets	15	28,670	21,975
CURRENT ASSETS			
Stocks	16	8,467	8,467
Debtors	17	266,814	300,952
Cash at bank and in hand		1,395,387	1,007,565
Investments – cash on deposit		300,000	400,000
		1,970,668	1,716,984
CREDITORS			
Amounts falling due within one year	18	(545,066)	(438,004)
NET CURRENT ASSETS		1,425,602	1,278,980
TOTAL ASSETS LESS CURRENT LIABILITIES		1,454,272	1,300,955
NET ASSETS		1,454,272	1,300,955
FUNDS	20		
Unrestricted funds		1,454,272	1,300,955
TOTAL FUNDS		1,454,272	1,300,955

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies' regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 1 September 2026 and were signed on its behalf by:

J Addie
Trustee
02 September 2026

Company registration number: SC144696

The notes on pages 20 to 28 form part of the financial statements.

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Scottish Childminding Association

Cash Flow Statement
For the year ended 31 March 2026

	2026	2025
	£	£
Cash flows from operating activities		
Net income/expenditure for the period	153,317	255,499
Adjustments for:		
Depreciation charges	12,635	16,280
Interest received	(17,752)	(18,336)
(increase)/decrease in stocks	-	5,808
(increase)/decrease in debtors	34,138	(1,714)
Increase/(decrease) in creditors	(107,062)	(117,175)
Net cash provided by operating activities	289,400	140,362
Cash flows from investing activities		
Purchase of tangible fixed assets	(19,330)	(23,697)
Interest received	17,752	18,336
Net cash (used in) investing activities	(1,578)	(5,361)
Change in cash and cash equivalents in the reporting period	287,822	135,001
Cash and cash equivalents at the beginning of reporting period	1,407,565	1,272,564
Cash and cash equivalents at the end of the reporting period	1,695,387	1,407,565

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 April 2025	Cash flow	Non-cash movements	At 31 March 2026
	£	£	£	£
Net cash				
Cash at bank and in hand	1,007,565	287,822	100,000	1,395,387
Investment – cash on deposit	400,000	-	(100,000)	300,000
Total	1,407,565	287,822	-	1,695,387

The notes on pages 20 to 28 form part of the financial statements.

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1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The trustees are required to use certain key accounting estimates in preparing the financial statements, and to exercise judgement in the application of the following accounting policies. They do not consider that there are any matters arising in this regard that are so significant to the financial statements as to require separate disclosure.

The principal accounting policies applied in the preparation of these financial statements are set out below. They have been applied consistently to all years presented, unless otherwise stated.

Going concern

The financial statements have been prepared on a going concern basis. The trustees consider that SCMA currently has adequate resources, and that we will be able to continue to operate within our core income sources, for the foreseeable future.

Income

All income, including government and other grants, whether capital or revenue, is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, it is probable that the income will be received, the amount can be measured reliably, it is not deferred and any performance conditions attached have been met.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

Allocation and apportionment of costs

Expenditure which is directly attributable to specific activities is allocated accordingly. Staff and other costs attributable to more than one project or activity are apportioned between them by reference to time spent by staff and relative premises and computer support usage. Comparative figures are restated, where necessary, to ensure compatibility with the current period.

Costs of raising funds include the costs of attracting and administering voluntary and other income, and in providing services, publications and other benefits to members.

Expenditure on charitable activities includes costs relating to service agreements and to projects administered by Scottish Childminding Association on behalf of others.

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1. ACCOUNTING POLICIES (continued)

Governance costs are those incurred in fulfilling the constitutional and statutory requirements of the Association, including audit and other relevant professional costs and costs relating to the strategic management of the Association.

Tangible fixed assets

Except for equipment purchased for specific project delivery purposes and which is fully covered by the relative project funding, individual fixed assets costing £250 or more are capitalised at cost. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, on a straight-line basis over their expected useful economic lives as follows:

Furniture & Office Equipment	25% & 33.33% straight-line

Stocks

Stock includes purchased goods for resale and materials produced for members for sale or distribution in future periods. All stock is valued at the lower of cost and net realisable value on the first-in first-out basis.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general fund, which are available for use at the discretion of the Trustees for the general objectives of the Association, and which have not been designated for specific purposes. The trustees may decide that part of the unrestricted funds will be used in future for a specific purpose, and account for this by making transfers to appropriately designated funds.

Restricted funds 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.

Pension costs and other post-retirement benefits

The Association operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Association in an independently administered fund. Contributions payable for the year are charged in the Statement of Financial Activities.

Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period they are incurred. Charges incurred as a consequence of the termination or reversal of operating leases are recognised as an expense in the year in which the relevant event occurs. Incentives provided to enter into operating leases are treated as a reduction of the rental expense, and are allocated on a straight line basis over the lease term, or matched against termination payments if applicable.

Debtors and creditors due within one year

Debtors, prepayments, creditors and provisions are recognised at the transaction value, after taking account of any discounts or impairments.

Cash at bank and in hand

Cash at bank and cash in hand includes cash, bank current accounts, and bank deposits with a maturity date of 90 days or less from the date of opening. Cash deposits with longer notice periods are held within Investments – cash on deposit.

Financial instruments

SCMA only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. They are initially recognised at transaction value and subsequently measured at their settlement value.

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2. INCOME FROM DONATIONS AND LEGACIES

	2026 £	2025 £
Subscriptions & gift aid	286,602	270,410
Core funding	364,818	430,386
	651,420	700,796

Core funding is a contribution towards our core costs. This was provided by The Corra Foundation on behalf of Scottish Ministers from the Children, Young People & Families Early Intervention Fund and Adult Learning & Empowering Communities Fund.

3. INCOME FROM OTHER TRADING ACTIVIVITIES

	2026 £	2025 £
Project & service agreement administration	25,022	20,442
Sales of publications etc	16,168	26,149
Delivering training to members	211,465	183,425
	252,655	230,015

4. INCOME FROM INVESTMENTS

	2026 £	2025 £
Deposit account interest	17,752	18,336

5. INCOME FROM CHARITABLE ACTIVITIES

	2026 £	2025 £
Project & service agreement funding, excluding fees	3,251,348	3,336,489

6. EXPENDITURE ON RAISING FUNDS

	2026 £	2025 £
Practitioner insurance	154,999	133,970
Magazine & free publications	4,823	5,170
Other administration costs	57,087	54,816
Depreciation	12,635	16,280
	229,544	210,236

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7. EXPENDITURE ON OTHER TRADING ACTIVITIES

	2026 £	2025 £
Cost of publications sold	6,184	11,589
Support costs (Note 9)	357,724	358,601
	363,908	370,190

8. EXPENDITURE ON CHARITIABLE ACTIVITIES

Project & service agreement delivery	2026 £	2025 £
Staff costs	847,293	681,091
Childminder payments and other costs	1,770,155	2,015,471
Staff expenses – team leader services	3,663	3,842
Childminding Learning & Quality Review – direct costs	-	2,340
Childminder Recruitment Campaign – direct costs	1,729	-
Website development – direct costs	50,575	-
Neurodiversity project – direct costs	10,750	-
Support costs (Note 9)	742,241	746,967
	3,426,406	3,449,711

9. SUPPORT COSTS

2026	Project & service delivery £	Other trading activities £	Total £
Training & Development	13,804	10,414	24,218
Human Resources	495,865	330,576	826,441
Premises	53,395	13,349	66,744
Stationary & Printing	13,540	3,385	16,925
Computer Support	29,470	-	29,470
Governance Costs (note 10)	136,167	-	136,167
	742,241	357,724	1,099,965

2025	Project & service delivery £	Other trading activities £	Total £
Training & Development	17,743	13,385	31,128
Human Resources	490,173	326,782	816,955
Premises	48,544	12,136	60,680
Stationary & Printing	25,191	6,298	31,489
Computer Support	26,973	-	26,973
Governance Costs (note 10)	138,343	-	138,343
	746,967	358,601	1,105,568

Activity	**Basis of allocation**
Training & development	Direct attribution
Human resources	Time apportionment
Premises	Utilisation
Stationary & printing etc	Utilisation
Computer support	Utilisation
Governance costs	Time, utilisation & direct attribution

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10. GOVERNANCE COSTS

	2026 £	2025 £
Committee expenses	655	5,019
Conference & AGM costs	4,608	2,640
Legal & professional fees	12,214	21,430
Audit and Accountancy costs	26,191	17,846
Staff costs	92,469	91,408
	136,167	138,343

11. NET INCOME/(EXPENDITURE)

	2026 £	2025 £
Auditors' remuneration – Current year cost	22,374	17,846
Auditors' remuneration – prior year additional costs	3,817	-
Depreciation – owned assets	12,635	16,280

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2026 nor for the year ended 31 March 2025.

Trustees' expenses
Travel, out of pocket expenses and conference attendance costs amounting to £15,610 (2025 - £4,938) were reimbursed or paid on behalf of 8 (2025 - 5) members of the board.

13. STAFF COSTS

	2026 £	2025 £
Wages & salaries	1,480,560	1,368,852
Social security costs	172,016	121,732
Other pension costs	81,594	73,228
Life Insurance	7,317	8,922
	1,741,487	1,572,734

Other pension costs relate to defined contribution plans.

The average monthly number of employees during the year was as follows:

	2026	2025
Leadership team	4	4
Project workers	28	22
Administration support	14	17
	46	43

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STAFF COSTS (Cont.)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2026	2025
£60,001 - £70,000	2	1
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-

The total employee benefits of the key management personnel, including employers NI and pension, were £325,504 (2025 - £317,896).

14. TANGIBLE FIXED ASSETS

	Furniture & Office Equipment £
COST	
At 1 April 2025	115,306
Additions	19,330
At 31 March 2026	134,636
DEPRECIATION	
At 1 April 2025	93,331
Charge for year	12,635
At 31 March 2026	105,966
NET BOOK VALUE	
At 31 March 2026	28,670
At 31 March 2025	21,975

15. STOCKS

	2026 £	2025 £
Stocks	8,467	8,467

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16. DEBTORS, AMOUNTS FALLING DUE WITHIN ONE YEAR

	2026 £	2025 £
Grants & project funding	217,919	282,634
Prepayments and accrued income	48,895	18,318
	266,814	300,952

17. CREDITORS: AMOUNTS FLALING DUE WITHIN ONE YEAR

	2026 £	2025 £
Project & other funding in advance (see below)	393,307	279,199
Taxation and social security	38,723	32,408
Other creditors	52,826	81,269
Accrued expenses	60,210	45,128
	545,066	438,004

DEFERRED INCOME

	2026 £	2025 £
Project funding		
Balance at start of year	279,199	413,573
Incoming resources	393,307	279,199
Amounts released from previous years	(279,199)	(413,573)
Balance at end of year	393,307	279,199

Income has been deferred when it is for activities to be undertaken in a future financial year.

18. LEASING AGREEMENT

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2026 £	2025 £
Within one year	36,000	36,000
Between one and five years	159,000	15,000
	195,000	51,000

Operating lease payments recognised as an expense this year were: £36,000 (2025 - £30,000).

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19. MOVEMENT IN FUNDS

	At 1 Apr 2025 £	Incoming resources £	Resources expended £	Transfers between funds £	At 31 Mar 2026 £
Unrestricted funds					
General fund	1,232,025	4,173,175	(3,956,804)	(70,230)	1,378,166
Designated funds					
Childminder Learning & Quality Review	7,660	-	-	-	7,660
Childminder Recruitment Campaign	7,970	-	(1,729)	(2,570)	3,671
Promoting Childminding Campaign	20,000	-	-	-	20,000
Website Development Fund	33,300	-	(50,575)	35,000	17,725
Neurodiversity Fund	-	-	(10,750)	37,800	27,050
TOTAL FUNDS	1,300,955	4,173,175	(4,019,858)	-	1,454,272

Comparative for movement in funds

	At 1 Apr 2024 £	Incoming resources £	Resources expended £	Transfers between funds £	At 31 Mar 2025 £
Unrestricted funds					
General fund	972,486	5,470,637	(5,211,098)	-	1,232,025
Designated funds					
Childminder Learning & Quality Review	10,000	-	(2,340)	-	7,660
Childminder Recruitment Campaign	7,970	-	-	-	7,970
Promoting Childminding Campaign	20,000	-	-	-	20,000
Website Development Fund	35,000	-	(1,700)	-	33,300
TOTAL FUNDS	1,045,456	5,470,637	(5,215,138)	-	1,300,955

FUND DESCRIPTIONS

Childminder Learning & Quality Review - Strategy area: Workforce Learning & Quality; Membership
To support the development of an expanded membership offer by investing in our Continuous Professional Learning (CPL) review and strategy and committing to refreshing and updating our CPL offer, both in relation to content, format and accessibility and taking into account feedback from members.

Childminder Recruitment Campaign - Childminder Recruitment Campaign - Strategy area: Membership; Value of Childminding; This fund was set up to further the development of a Childminder Recruitment Campaign to recruit new childminders into the workforce.

Promoting Childminding Campaign - Strategy area: Membership; Value of Childminding
During 2022-2023 the Elected Members agreed to set up a fund specifically to be used for promoting childminding across Scotland.

Website Development Fund - As part of our ongoing strategy we are committed to re-develop our current website to ensure that it continues to provide a powerful online presence that better meets the needs of current members and to serve as an informative resource for parents / carers seeking local high quality, flexible childcare, as well as promoting our work and the benefits of childminding to stakeholders and the wider public.

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FUND DESCRIPTIONS (continued)

Neurodiversity Project Fund - A new project focusing on Neurodiversity and Inclusion in the Childminding Workforce which is being developed with Three Sisters Consultancy and supporting and understanding neurodiversity amongst childminders in Scotland, as well as SCMA staff.

20. CONTINGENT LIABILITIES

Various grants and project funding awards are subject to certain conditions being adhered to by the Association. If these are not complied with, the Association may be required to repay all or part of the funds received. It is not practical to make an estimate of the financial effect of this contingency.

21. RELATED PARTY DISCLOSURES

Under the Memorandum and Articles of Association SCMA indemnifies the trustees in respect of risks incurred in the performance of their duties. It also maintains indemnity insurance cover for the trustees.

Professional childminding and training fees of £16,772 (2025 - £62,172) were paid to 8 (2025 - 1) member of the Board. All payments were made on normal terms, and not by virtue of their positions as trustees.

22. TAXATION

As a registered charity the Association is exempt from tax on income and capital gains falling within Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives. No tax charges have arisen.

23. PRIOR PERIOD RESTATEMENT

During the year the trustees became aware that due to an internal error the income and expenditure reported in prior year had been overstated by £1,185,001, but this had no impact on the level of net income reported and has now been corrected.