

HOPSCOTCH CHILDREN'S CHARITY

DIRECTORS:

Derek William Taylor
Anne Thomson
Sascha Macleod
Grace Emerton
Mike Timmins
Darren Scoon

SECRETARY:

R M E McKay

COMPANY NUMBER:

SC190828

CHARITY NUMBER:

SC028660

REGISTERED ADDRESS:

42 Silverknowes Road
Edinburgh
EH4 5LF

INDEPENDENT EXAMINER:

John McLeod, Partner
Mazars LLP
Apex 2
97 Haymarket Terrace
Edinburgh
EH12 5HD

BANKERS:

The Royal Bank of Scotland plc
12 North - West Circus Place
Edinburgh
EH3 6SX

SOLICITORS:

Lindsays WS
Caledonian Exchange
19A Canning Street
Edinburgh
EH3 8HE

HOPSCOTCH CHILDREN'S CHARITY

REPORT OF THE DIRECTORS YEAR ENDED 31 OCTOBER 2014

The directors, who are also trustees for the purpose of charity law, have pleasure in presenting their report and the audited financial statements for the year ended 31 October 2014.

The company is limited by guarantee having no share capital and is governed by a Memorandum and Articles of Association dated 12 February 1999. The company is registered as a charity in Scotland with the charity registration number SC028660.

The directors have elected to dispense with the use of the word 'Limited' from the company name.

PRINCIPAL ACTIVITIES, BUSINESS REVIEW AND FUTURE DEVELOPMENTS

Our 2014 programme commenced on 23rd March and ran for 32 weeks until 31st October, providing 314 children with a respite break at Ardvullin. For many of the children it was the first time they had left their home area, and as the majority of the children are young carers, it is also the first time they have had a respite from their caring responsibilities at home. For other children this will probably have been their only holiday and the chance to experience what in our opinion, every child should be entitled to – the chance to enjoy a carefree break in a safe and caring environment where they can make new friends, have fun and experience the beauty of the countryside.

We welcomed Anna Marshall, our new Project Worker to the team. With Anna's background working at outdoor education centres, and as a teaching assistant at a special needs school, she was the ideal candidate for this role. Due to Anna's confidence and enthusiasm she was quickly up and running in the role of Project Worker. Her energy, organisational skills and caring nature ensured that she was an instant hit with the children.

We worked with organisations from the Highlands, Ayrshire, Strathclyde, Stirlingshire, Tayside, Lanarkshire, Midlothian and Aberdeenshire to identify children most in need. North Ayrshire Young Carers, Bingham Community Centre, Highland Young Carers in Edinburgh and Barnardos visited us for the first time.

As well as continuing to provide the old favourites such as horse riding, canoeing and indoor climbing we have also added another beach trip to our list of activities. Camusdarach is situated near Arisaig and is a beautiful beach with long sand dunes and gorgeous clear waters. We can combine a visit to this beach with a stop at Glenfinnan to see the viaduct and the 'Harry Potter' steam train.

Building work to our new porch at Ardvullin is underway, and roofline work is due to start in January. We should have a lovely new entrance and watertight building to welcome visitors to Ardvullin by the start of the new season in 2015.

We were invited by Athena Asset Management and David Sleigh Racing to bring some groups to Knockhill Racing to experience the excitement of the race track. HopScotch have been delighted to take along some small groups of children and staff from local organisations and groups for this very special opportunity. This season we have taken four groups along, who were shown very generous hospitality by Athena Asset Management, David Sleigh Racing and Burnett Motorsports. The children also had the chance to meet the racing drivers and even do a circuit on the race track. As you can imagine, the children had an incredible time. One of the boys who came along said "It's the best day of my life!". It's been an enormous success, and we are so grateful to everyone involved who gave the children such a unique and memorable time.

We were delighted to be selected as Charity of the Year for Baillie Gifford, Johnston Smillie, Coulter Property, Hymans Robertson and CareerBuilder. The financial and in kind support we have received from our corporate sponsors has been immeasurable, enabling us to utilise IT equipment, access training courses, raise awareness of our work and provide financial support which goes directly to providing Scotland's most vulnerable children with a respite break.

We would like to thank the many charitable trusts who continue to support us including the Crerar Trust, Nancie Massey Charitable Trust, the Rozelle Trust, the Clipper Foundation, the R S MacDonald Trust, the Barbara Ward Children's Trust, Volant Charitable Trust through Foundation Scotland, W A Cargill Fund, Lloyds TSB Foundation for Scotland and the Souter Charitable Trust.

Our 2015 programme will run from Monday 23 March until Friday 30 October. We hope to make many more happy childhood memories for children who desperately need a break in 2015.

The total cost of providing our 2015 Programme is £136,500. In 2015 we are also fundraising for a playbarn at Ardvullin which will give children a fun and therapeutic play area, and enable us to offer further centre based team focussed activities whatever the weather.

HOPSCOTCH CHILDREN'S CHARITY

REPORT OF THE DIRECTORS YEAR ENDED 31 OCTOBER 2014

DIRECTORS AND TRUSTEES

The directors of the charitable company are its trustees for the purposes of charity law and throughout this report are collectively referred to as the directors. As set out in the Articles of Association the directors have the power at any time to appoint and remove directors, subject to the number of directors of the company to always be at least two.

The charity is administered by a Management Committee which meets regularly throughout the year.

DIRECTORS

The directors who held office during the year were as follows:

Derek William Taylor
Anne Thomson
Sascha Macleod
Grace Emerton
Mike Timmins (appointed 2nd October 2014)
Darren Scoon (appointed 21 May 2014)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the company for the year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RISK MANAGEMENT

The directors have assessed the major risks to which the charity is exposed, in particular those relating to the operations and finances of the charity, and are satisfied that systems are in place to mitigate exposure to the major risks.

HOPSCOTCH CHILDREN'S CHARITY

REPORT OF THE DIRECTORS YEAR ENDED 31 OCTOBER 2014

RESERVES POLICY


The unrestricted reserve fund represents the unrestricted funds arising from past operating results. It also represents the free reserves of the charity. The directors are satisfied that the unrestricted fund balance of £36,546, which approximates to the equivalent of two months operating expenditure, is satisfactory given the dependable source of donation and grant income.

SPECIAL EXEMPTIONS

Advantage has been taken in the preparation of the report of the directors of the special exemptions applicable to small companies conferred by Part 15 of the Companies Act 2006.

APPROVAL

The report of the directors was approved by the Board on 7 March 2015 and signed on their behalf by:



Derek William Taylor
Director

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF HOPSCOTCH CHILDREN'S CHARITY

I report on the accounts of the company for the year ended 31 October 2014, which are set out on pages 6 to 13.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND INDEPENDENT EXAMINER

The charity's directors are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The directors consider that the audit requirement of the regulation 10 (1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44 (1) (c) of the Act and to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the company and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as directors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the accounts.

In connection with my examination, no matter has come to my attention:

1) which gives me reasonable cause to believe that in any material respect the requirements:

to keep accounting records in accordance with Section 44 (1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and

to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



John McLeod, Partner
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EH12 5HD

9/3/2015

HOPSCOTCH CHILDREN'S CHARITY

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 OCTOBER 2014

	Note	Unrestricted Funds £	Restricted Funds £	2014 £	2013 £
Incoming resources:					
Donations, legacies and similar incoming resources	2	124,113	23,515	147,628	161,673
Investment income	3	8,326	-	8,326	8,835
Total incoming resources		132,439	23,515	155,954	170,508
Costs of generating funds	4	15,122	-	15,122	12,286
Charitable expenditure:					
Costs of activities in furtherance of the charity's objects	5	87,536	6,788	94,324	106,630
Support costs	6	45,823	-	45,823	37,404
Governance costs	7	4,204	-	4,204	3,788
Total charitable expenditure		137,563	6,788	144,351	147,822
Total resources expended		152,685	6,788	159,473	160,108
Net(outgoing)/incoming resources before transfers		(20,246)	16,727	(3,519)	10,400
Transfers		4,800	(4,800)	-	-
Net movement in funds		(15,446)	11,927	(3,519)	10,400
Total funds brought forward		51,992	384,491	436,483	426,083
Total funds carried forward		36,546	396,418	432,964	436,483

The statement of financial activities includes all gains or losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

HOPSCOTCH CHILDREN'S CHARITY

BALANCE SHEET AS AT 31 OCTOBER 2014

	Notes	£	2014	£	2013	£
FIXED ASSETS						
Tangible assets	10			414,543		400,702
CURRENT ASSETS						
Debtors	11		5,125		5,138	
Cash at bank and in hand			37,934		32,553	
			<u>43,059</u>		<u>37,691</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	12		<u>24,638</u>		<u>1,910</u>	
NET CURRENT ASSETS				<u>18,421</u>		<u>35,781</u>
TOTAL ASSETS LESS CURRENT				<u>432,964</u>		<u>436,483</u>
FUNDS						
Unrestricted funds				36,546		51,992
Restricted funds						
Property fund	15		365,268		365,268	
Building improvements fund	15		23,515		5,483	
Playground fund	15		7,635		8,940	
Equipment fund	15		-		4,800	
				<u>432,964</u>		<u>436,483</u>


The directors are satisfied that there company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the period by virtue of section 477(1), and that no member or members have requested an audit pursuant to section 476 (1) to (3) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with sections 386 and 387 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit and loss for the financial period in accordance with the requirements of section 396, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

Advantage has been taken in the preparation of the financial statements of the special exemptions conferred by part 15 of the Companies Act 2006 on the grounds that the company qualifies as a small company.

The financial statements were approved by the directors on 7 March 2015 and signed on their behalf by:


Derek William Taylor
Director

HOPSCOTCH CHILDREN'S CHARITY

YEAR ENDED 31 OCTOBER 2014

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

Basis of Accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards and Statement of Recommended Practice – Accounting and Reporting by Charities, as revised by Update Bulletin 1 (January 2005). They are drawn up in accordance with the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 and the Charities Accounts (Scotland) Regulations 1992.

Exemption from Cash Flow

The company has taken advantage of the exemptions in FRS 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Grants and donations

Grants and donations are credited to the income and expenditure account when they become due and there is a reasonable expectation of receipt, except as follows:

- When donors specify that donations and grants given to the charity must be used in future periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions for entitlement, this income is included in incoming resources when receivable.

Investment income and rental income

Income from investments and from rental income is included in the Statement of Financial Activities in the year in which it is receivable.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities with the exception of salary costs which are allocated between charitable, fundraising and administration costs on the basis of time spent by each employee in each cost category.

The company is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

HOPSCOTCH CHILDREN'S CHARITY

YEAR ENDED 31 OCTOBER 2014

NOTES TO THE FINANCIAL STATEMENTS

Tangible Fixed Assets

Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset, net of anticipated disposal proceeds, over its expected useful life as follows:

Heritable Property	Nil
Furniture and Fittings, Equipment, and Building Improvements	10% - 33% straight line
Motor Vehicles	25% straight line
Adventure Playground	10% straight line

No depreciation is provided on the company's heritable property. It is the directors' belief that the residual value of the property is at least equal to the book value. Having regard to this, it is considered that the depreciation of any such property as required by the Companies Act 2006 and standard accounting practice would not be material either in the current year or in aggregate.

Heritable property is reviewed for impairment at the end of each year in accordance with the requirements of FRS 11. An impairment review comprises a comparison of the carrying amount of the asset with its recoverable amount, being the higher of net realisable value and value in use. An asset is impaired to the extent that the carrying value exceeds the recoverable amount.

Any impairment loss required to be identified is recognised in the statement of financial activities.

Fund Accounting

Unrestricted general funds can be used by the charity in accordance with the charitable objects at the discretion of the directors.

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.

Further explanations of the nature and purpose of each fund is included in the notes to the financial statements.

2	Grants and donations receivable	2014	2013
		£	£
	Donations	<u>147,628</u>	<u>161,673</u>

The following funders donated £5,000 or over during 2014:

The Crerar Hotels Trust, R S MacDonald Trust, Lloyds TSB, The Barbara Ward Foundation, Baillie Gifford
The National Lottery Awards for All, Volant Charitable Trust through Foundation Scotland and
The Robertson Trust.

HOPSCOTCH CHILDREN'S CHARITY

YEAR ENDED 31 OCTOBER 2014

NOTES TO THE FINANCIAL STATEMENTS

3	Investment income	2014	2013
		£	£
	Ardvullin rental income	8,304	8,813
	Bank interest received	22	22
		<u>8,326</u>	<u>8,835</u>
4	Fundraising expenditure	2014	2013
		£	£
	Salaries	11,182	9,537
	Advertising and publicity	3,940	2,749
		<u>15,122</u>	<u>12,286</u>
5	Direct charitable expenditure - provision of holidays	2014	2013
		£	£
	<u>Unrestricted</u>		
	Travel and minibus hire	13,709	9,963
	Salaries	34,293	35,707
	Heat, light, and telephone	9,159	7,608
	Property rates	2,932	2,883
	Property repairs	4,679	4,120
	Cleaning and laundry	4,238	5,889
	Depreciation	4,852	3,638
	Sundry equipment	3,243	9,191
	Other holiday costs	10,431	13,595
		<u>87,536</u>	<u>92,594</u>
	<u>Restricted</u>		
	Depreciation	6,788	14,306
6	Support costs	2014	2013
		£	£
	Office rent	6,600	6,600
	Office salaries	8,825	7,802
	Office expenses	3,214	3,836
	Office equipment rental	4,400	4,935
	Printing, stationery and advertising	1,658	2,778
	Insurances	8,619	5,315
	Research project	255	794
	General expenses	1,104	1,006
	Health and safety	7,822	4,338
	Training	1,018	0
	Marketing	2,308	0
		<u>45,823</u>	<u>37,404</u>

HOPSCOTCH CHILDREN'S CHARITY

YEAR ENDED 31 OCTOBER 2014

NOTES TO THE FINANCIAL STATEMENTS

7 Governance costs

	2014	2013
	£	£
Legal and professional fees	2,614	2,228
Accountancy fees	1,590	1,560
	<u>4,204</u>	<u>3,788</u>

8 Taxation

No provision for corporation tax has been made due to the charitable status of the company.

9 Employees and employee costs

The charity had five employees (2013: four employees) during the year. Gross emoluments paid to employees during the year were £54,300. (2013: £53,047).

No employee received remuneration of more than £60,000 (2013: none).

None of the directors received any remuneration during the year for serving as directors of the company nor were they reimbursed for any expenses incurred.

10 Tangible Fixed assets

	Heritable Property £	Motor Vehicles £	Furniture and Fittings £	Equipment £	Building Improvements £	Adventure Playground £	Total £
COST							
As at 01.11.13	365,268	69,828	25,064	5,009	58,480	53,023	576,672
Additions	-	-	1,966	-	23,515	-	25,481
At 31.10.14	365,268	69,828	27,030	5,009	81,995	53,023	602,153
DEPRECIATION							
As at 01.11.13	-	69,828	23,910	4,403	36,975	40,854	175,970
Charge for year	-	-	1,522	606	7,487	2,025	11,640
At 31.10.14	-	69,828	25,432	5,009	44,462	42,879	137,610
NBV at 31.10.14	365,268	-	1,598	-	37,533	10,144	414,543
NBV at 01.11.13	365,268	-	1,154	606	21,505	12,169	400,702

Equipment is used in an administrative and fundraising capacity. All other fixed assets are used in direct charitable activities.

HOPSCOTCH CHILDREN'S CHARITY

YEAR ENDED 31 OCTOBER 2014

NOTES TO THE FINANCIAL STATEMENTS

11	Debtors	2014 £	2013 £			
	Sundry debtors and prepayments	5,125	5,138			
		<u>5,125</u>	<u>5,138</u>			
12	Creditors: Amounts falling due within one year	2014 £	2013 £			
	Trade creditors	19,428	0			
	Accruals and deferred income	5,210	1,910			
		<u>24,638</u>	<u>1,910</u>			
13	Financial Commitments					
	At 31 October 2014 the company was committed to making the following payments under non-cancellable operating leases:					
		Other 2014 £	2013 £			
	Operating leases which expire:					
	Within one year	0	3,216			
	Within two to five years	2,680	3,059			
		<u>2,680</u>	<u>6,275</u>			
14	Members					
	The charity is a company limited by guarantee and has no share capital. All members, including directors, are liable to pay £1 each towards liabilities, in the event of winding up.					
	There were 6 members (2013: 4 members) of the company during the year.					
15	Restricted funds	Opening balance £	Incoming resources £	Outgoing resources £	Transfers £	Closing balance £
	Property fund	365,268	-	-	-	365,268
	Building improvements fund	5,483	23,515	(5,483)	-	23,515
	Equipment fund	4,800	-	-	4,800	-
	Playground fund	8,940	-	(1,305)	-	7,635
		<u>384,491</u>	<u>23,515</u>	<u>(6,788)</u>	<u>-</u>	<u>396,418</u>

HOPSCOTCH CHILDREN'S CHARITY

YEAR ENDED 31 OCTOBER 2014

NOTES TO THE FINANCIAL STATEMENTS

Analysis of restricted funds by net assets at 31 October 2014

	£
Fixed Assets	
- Property fund	365,268
- Building Improvements fund	23,515
- Playground fund	7,635
	<u>396,418</u>

The Property fund relates to the transfer of Ardvullin House, Ardour to the charity with the condition that the property is to be used solely for the purposes of the charity.

The Building Improvements fund comprises donations received specifically in respect of building improvements to be made to the Ardvullin property, less depreciation on the related assets.

The Playground fund relates to income received specifically for the purchase of playground equipment for the charity, less depreciation on the related assets.

The Equipment fund has been transferred to unrestricted funds, as it has been utilised in previous years.

16 Related Parties

There were no related party transactions in the year (2013:nil)