

**COMPANY NUMBER: SC190828**  
**CHARITY NUMBER: SC028660**

---

**HOPSCOTCH CHILDREN'S CHARITY**

**A COMPANY LIMITED BY GUARANTEE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 OCTOBER 2015**

# HOPSCOTCH CHILDREN'S CHARITY

YEAR ENDED 31 OCTOBER 2015

## CONTENTS

---

	<b>Page</b>
Administrative Information	1
Report of the Directors	2 - 4
Independent Examiner's Report to the Board of Directors	5
Statement of Financial Activities (Incorporating Income and Expenditure Account)	6
Balance Sheet	7
Notes to the Financial Statements	8 - 13

---

## 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 2015

---

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 2015.

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 2015 programme commenced on 23 March and ran for 30 weeks until 30 October, providing 294 children with a respite break at Ardvullin. All the children did something for the first time, which will help develop resilience and improve their skills in how they cope with the world around them. The list of new experiences is substantial, being away from home, sharing rooms with other children, having the time and space to play outdoors, helping and supporting others, decision making and working as a team. A particular part of the break that all of the children were involved in was making their own meals. This involved them working in smaller groups with supervision of staff in making breakfast, lunch, dinner and supper. Whilst initially some of the children were not particularly keen to do this, by the end of the week the children were eager to be involved and have jobs assigned by staff. A major part of this was about developing team work, enhancing listening skills and improving the childrens' social skills.

The High Wire Adventure and Seaxplorer (boat trip) have been very popular additions to the activities. The groups have really loved the Seaxplorer as it not only gives the children a great adrenaline rush speeding around on the boat but also allows them to hear historic and mystic stories from the area plus learn about local sea life. Sometimes there are even interesting creatures found in the creel nets and one group got to see a baby shark. Anna Marshall, our Project Worker, successfully completed the necessary Trail Leader Cycle Course and we were able to add biking to our list of activities within the grounds of Ardvullin - this has been an added bonus with one child learning how to ride her bike. We will be looking to develop this activity next year by introducing a simple bike obstacle course.

We worked with organisations from the Highlands, West Lothian, Strathclyde, Stirlingshire, Tayside, Lanarkshire, Midlothian and Aberdeen-shire to identify children most in need. Gorbals Youth Café, Broxburn Family and Children's Centre, Fife Young Carers and Glasgow West Carers Centre visited us for the first time.

Our new porch and roofline work at Ardvullin was completed in February and we now have a lovely new entrance and watertight building.

We were delighted to be selected as Charity of the Year for Baillie Gifford Investment Managers, Johnston Smillie, Coulter Property, Investec Wealth & Investment and Marks & Spencer, Princes Street, Edinburgh. 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.

Our 2016 programme will run from Monday 21 March until Friday 28 October, and the total cost of providing our programme is £164,400. We are hoping to increase our programme to 33 weeks to include a week break for a group in February. In 2016 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.

We hope to make many more happy childhood memories for children who desperately need a break in 2016.

# HOPSCOTCH CHILDREN'S CHARITY

## REPORT OF THE DIRECTORS YEAR ENDED 31 OCTOBER 2015

---

### 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  
Darren Scoon

### 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 2015

---

### 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 £73,201, which approximates to the equivalent of four to five 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 11 February 2016 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 2015, 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  
Mazars LLP  
Apex 2  
97 Haymarket Terrace  
Edinburgh  
EH12 5HD

25/2/16

# HOPSCOTCH CHILDREN'S CHARITY

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 OCTOBER 2015

	Note	Unrestricted Funds £	Restricted Funds £	2015 £	2014 £
<b>Incoming resources:</b>					
Donations, legacies and similar incoming resources	2	217,946	12,815	230,761	147,628
Investment income	3	10,815	-	10,815	8,326
<b>Total incoming resources</b>		<b>228,761</b>	<b>12,815</b>	<b>241,576</b>	<b>155,954</b>
Costs of generating funds	4	16,039	-	16,039	15,122
<b>Charitable expenditure:</b>					
Costs of activities in furtherance of the charity's objects	5	137,919	3,657	141,576	94,324
Support costs	6	35,793	-	35,793	45,823
Governance costs	7	2,355	-	2,355	4,204
<b>Total charitable expenditure</b>		<b>176,067</b>	<b>3,657</b>	<b>179,724</b>	<b>144,351</b>
<b>Total resources expended</b>		<b>192,106</b>	<b>3,657</b>	<b>195,763</b>	<b>159,473</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>36,655</b>	<b>9,158</b>	<b>45,813</b>	<b>(3,519)</b>
<b>Transfers</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>36,655</b>	<b>9,158</b>	<b>45,813</b>	<b>(3,519)</b>
<b>Total funds brought forward</b>		<b>36,546</b>	<b>396,418</b>	<b>432,964</b>	<b>436,483</b>
<b>Total funds carried forward</b>		<b>73,201</b>	<b>405,576</b>	<b>478,777</b>	<b>432,964</b>

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 2015

	Notes	2015		2014	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	10		412,531		414,543
<b>CURRENT ASSETS</b>					
Debtors	11		-		5,125
Cash at bank and in hand		80,543		37,934	
		<u>80,543</u>		<u>43,059</u>	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>					
	12		<u>14,297</u>		<u>24,638</u>
<b>NET CURRENT ASSETS</b>					
			<u>66,246</u>		<u>18,421</u>
<b>TOTAL ASSETS LESS CURRENT</b>					
			<u><u>478,777</u></u>		<u><u>432,964</u></u>
<b>FUNDS</b>					
Unrestricted funds	15		73,201		36,546
Restricted funds					
Property fund	16		365,268		365,268
Building improvements fund	16		33,978		23,515
Playground fund	16		6,330		7,635
			<u>478,777</u>		<u>432,964</u>

The directors are satisfied that the 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.

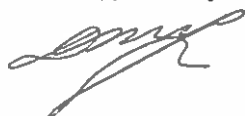
The directors acknowledge their responsibilities for:

- (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 or 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 11 February 2016 and signed on their behalf by:

Derek William Taylor  
Director



# HOPSCOTCH CHILDREN'S CHARITY

YEAR ENDED 31 OCTOBER 2015

## 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 the Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice, "Accounting and Reporting by Charities (revised 2005), and the Companies Act 2006.

#### **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 2015

## 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.

<b>2</b>	<b>Grants and donations receivable</b>	<b>2015</b>	<b>2014</b>
		£	£
	Donations	<u>217,946</u>	<u>147,628</u>

Funders who donated £5,000 or over during 2015 included:

The Volant Charitable Trust through Foundation Scotland, Baillie Gifford Investment Managers, The Moffat Charitable Trust, Aberdeen Asset Management Charitable Foundation, The R S MacDonald Charitable Trust, The Rozelle Trust, Lloyds TSB Foundation for Scotland and Walter Scott & Partners.

Donations received from Baillie Gifford Investment Managers totalled £35,249 as their charity of the year.

# HOPSCOTCH CHILDREN'S CHARITY

YEAR ENDED 31 OCTOBER 2015

## NOTES TO THE FINANCIAL STATEMENTS

3 Investment income	2015	2014
	£	£
Ardvullin rental income	10,781	8,304
Bank interest received	34	22
	<u>10,815</u>	<u>8,326</u>
4 Fundraising expenditure	2015	2014
	£	£
Salaries	11,632	11,182
Advertising and publicity	4,407	3,940
	<u>16,039</u>	<u>15,122</u>
5 Direct charitable expenditure - provision of holidays	2015	2014
	£	£
<u>Unrestricted</u>		
Travel and minibus hire	17,253	13,709
Salaries	43,870	34,293
Heat, light, and telephone	5,368	9,159
Property rates	2,996	2,932
Property repairs	34,909	4,679
Cleaning and laundry	4,005	4,238
Depreciation	6,933	4,852
Sundry equipment	5,775	3,243
Other holiday costs	14,845	10,431
	<u>135,954</u>	<u>87,536</u>
<u>Restricted</u>		
Depreciation	3,657	6,788
6 Support costs	2015	2014
	£	£
Office rent	6,600	6,600
Office salaries	8,491	8,825
Office expenses	4,582	3,214
Office equipment rental	3,216	4,400
Printing, stationery and advertising	871	1,658
Insurances	5,349	8,619
Research project	1,965	255
General expenses	829	1,104
Health and safety	2,129	7,822
Training	266	1,018
Marketing	3,172	2,308
Bank charges	288	-
	<u>37,758</u>	<u>45,823</u>

# HOPSCOTCH CHILDREN'S CHARITY

YEAR ENDED 31 OCTOBER 2015

## NOTES TO THE FINANCIAL STATEMENTS

7 Governance costs	2015	2014
	£	£
Legal and professional fees	675	2,614
Accountancy fees	1,680	1,590
	<u>2,355</u>	<u>4,204</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 (2014: five employees) during the year. Gross emoluments paid to employees during the year were £63,993. (2014: £54,300).

No employee received remuneration of more than £60,000 (2014: 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 £
<b>COST</b>							
As at 01.11.14	365,268	69,828	27,030	5,009	81,995	53,023	602,153
Additions	-	-	6,402	-	2,176	-	8,578
Disposals	-	(29,000)	-	-	-	-	(29,000)
At 31.10.15	<u>365,268</u>	<u>40,828</u>	<u>33,432</u>	<u>5,009</u>	<u>84,171</u>	<u>53,023</u>	<u>581,731</u>
<b>DEPRECIATION</b>							
As at 01.11.14	-	69,828	25,432	5,009	44,462	42,879	187,610
Charge for year	-	-	3,033	-	5,532	2,025	10,590
On disposals	-	(29,000)	-	-	-	-	(29,000)
At 31.10.15	<u>-</u>	<u>40,828</u>	<u>28,465</u>	<u>5,009</u>	<u>49,994</u>	<u>44,904</u>	<u>169,200</u>
NBV at 31.10.15	<u>365,268</u>	<u>-</u>	<u>4,967</u>	<u>-</u>	<u>34,177</u>	<u>8,119</u>	<u>412,531</u>
NBV at 01.11.14	<u>365,268</u>	<u>-</u>	<u>1,598</u>	<u>-</u>	<u>37,533</u>	<u>10,144</u>	<u>414,543</u>

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 2015

## NOTES TO THE FINANCIAL STATEMENTS

11 Debtors	2015	2014
	£	£
Sundry debtors and prepayments	-	5,125
	<u>-</u>	<u>5,125</u>
12 Creditors: Amounts falling due within one year	2015	2014
	£	£
Trade creditors	2,161	19,428
Accruals and deferred income	12,135	5,210
	<u>14,296</u>	<u>24,638</u>

### 13 Operating Lease Commitments

At 31 October 2015 the company was committed to making the following payments under non-cancellable operating leases:

	Other	
	2015	2014
	£	£
Operating leases which expire:		
Within one year	-	-
Within two to five years	9,280	9,280
	<u>9,280</u>	<u>2,680</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 (2014: 6 members) of the company during the year.

15 Unrestricted funds	Opening balance	Incoming resources	Outgoing resources	Transfers	Closing balance
	£	£	£	£	£
General	36,546	211,892	(192,106)	-	56,332
Designated	-	16,869	-	-	16,869
	<u>36,546</u>	<u>228,761</u>	<u>(192,106)</u>	<u>-</u>	<u>73,201</u>

The designated funds represent income to be used for the following year's programme.

# HOPSCOTCH CHILDREN'S CHARITY

YEAR ENDED 31 OCTOBER 2015

## NOTES TO THE FINANCIAL STATEMENTS

16	Restricted funds	Opening balance	Incoming resources	Outgoing resources	Transfers	Closing balance
		£	£	£	£	£
	Property fund	365,268	-	-	-	365,268
	Building improvements fund	23,515	12,815	(2,352)	-	33,978
	Playground fund	7,635	-	(1,305)	-	6,330
		<u>396,418</u>	<u>12,815</u>	<u>(3,657)</u>	<u>-</u>	<u>405,576</u>

### Analysis of restricted funds by net assets at 31 October 2015

Fixed Assets	- Property fund	£
	- Building Improvements fund	365,268
	- Playground fund	33,978
		<u>6,330</u>
		<u>405,576</u>

The Property fund relates to the transfer of Ardvullin House, Ardgour 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.

### 17 Related Parties

There were no related party transactions in the year (2014:nil)