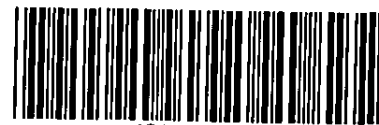


COMPANY NUMBER: SC190828
CHARITY NUMBER: SC028660

HOPSCOTCH CHILDREN'S CHARITY
A COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2011

WEDNESDAY



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COMPANIES HOUSE

HOPSCOTCH CHILDREN'S CHARITY

YEAR ENDED 31 OCTOBER 2011

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HOPSCOTCH CHILDREN'S CHARITY

DIRECTORS:

D W Taylor
A Thomson
S MacLeod
G Harkes

SECRETARY:

R M E McKay

COMPANY NUMBER:

SC190828

CHARITY NUMBER:

SC028660

REGISTERED ADDRESS:

42 Silverknowes Road
Edinburgh
EH4 5LF

INDEPENDENT EXAMINER

John McLeod,
Director of Audit, Tax and Advisory
RSM Tenon Limited
160 Dundee Street
Edinburgh
EH11 1DQ

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 2011

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 2011.

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

Hopscotch Children's Charity has been providing free breaks for severely disadvantaged children for 12 years.

Whilst we have extended our season it has also been a challenging year for us financially as the current economic climate becomes more difficult for everyone and all charities are now competing for less money. We feel it is more important than ever to help vulnerable children and we are always continuing to strive to find ways of reaching those who are most in need, and to seek funding to enable our work to continue.

Thanks to donations from the Postcode Lottery, SpiFox, the National Lottery Awards for All, Michael Bargeton Memorial Fund, and the Tartan Army Children's Charity we upgraded our kitchen and shower facilities at Ardvullin. The new kitchen has ensured that the young people have a much more enjoyable and safer cooking and eating experience which in turn helps to develop young people's social and cooking skills.

This year we have commissioned a consultant to undertake a research project to identify the short and long term benefits of a HopScotch break on young people. All groups visiting us this year have contributed towards this research, along with former participants, and the results of the research should be published in early 2012.

As we look forward to 2012 we plan to run another 31 week programme, funding permitted, and fundraise for a purpose-built indoor games room.

We are very grateful to all the Trusts, Companies and individuals who gave so generously to our cause in 2011, without them we would not be able to provide one young person with a much needed break away.

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.

HOPSCOTCH CHILDREN'S CHARITY

REPORT OF THE DIRECTORS YEAR ENDED 31 OCTOBER 2011

DIRECTORS

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

Derek William Taylor
Anne Thomson
Sascha MacLeod
Grace Harkes

BENEFICIAL INTEREST

The directors have no beneficial interests in the assets of the charity.

RELATED PARTIES

Derek William Taylor is also a director of The Seedling Foundation, a charitable company incorporated in England and Wales.

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 charity 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.

HOPSCOTCH CHILDREN'S CHARITY

REPORT OF THE DIRECTORS YEAR ENDED 31 OCTOBER 2011

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.

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 £19,509, which approximates to the equivalent of one months operating expenditure, is satisfactory given the dependable source of donation and grant income.

The directors have examined the requirement to maintain free reserves and concluded that the most appropriate level is between three and five months operational expenditure.

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

2012 and signed on their behalf by:



Derek William Taylor
Director

HOPSCOTCH CHILDREN'S CHARITY

INDEPENDENT EXAMINER'S REPORT TO THE BOARD OF DIRECTORS OF HOPSCOTCH CHILDREN'S CHARITY YEAR ENDED 31ST OCTOBER 2011

I report on the accounts of the company for the year ended 31 October 2011.

Respective responsibilities of Trustees and examiner

As the charity's trustees you are responsible for the preparation of the accounts; you consider that an audit is not required. It is my responsibility to state, on the basis of procedures specified in the Charities Accounts (Scotland) Regulations 2006 whether particular matters have come to our attention.

Basis of independent examiner's report

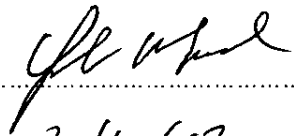
Our examination was carried out in accordance with the Charities Accounts (Scotland) Regulations 2006.

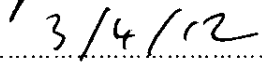
An examination includes a review of the accounting records kept by the company and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. 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.

Independent examiner's statement

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 adequate for the purposes of the company and to prepare accounts which accord with the accounting records 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.

Examiner: 

Date: 

John McLeod, CA - Director, Audit, Tax and Advisory
Relevant Professional Body: Institute of Chartered Accountants of Scotland

RSM Tenon Limited
160 Dundee Street
EDINBURGH
EH11 1DQ

HOPSCOTCH CHILDREN'S CHARITY

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 OCTOBER 2011

	Note	Unrestricted Funds £	Restricted Funds £	2011 £	2010 £
Incoming resources:					
Donations, legacies and similar incoming resources	2	121,077	15,000	136,077	154,942
Investment income	3	8,580	-	8,580	4,482
Total incoming resources		129,657	15,000	144,657	159,424
Costs of generating funds	4	8,787	-	8,787	8,656
Charitable expenditure:					
Costs of activities in furtherance of the charity's objects	5	88,817	27,923	116,740	91,176
Support costs	6	32,027	5,000	37,027	30,213
Governance costs	7	2,737	-	2,737	1,933
Total charitable expenditure		123,580	32,923	156,503	123,322
Total resources expended		132,367	32,923	165,290	131,978
Net incoming/(outgoing) resources before transfers		(2,710)	(17,923)	(20,634)	27,446
Net movements in the funds		(2,710)	(17,923)	(20,634)	27,446
Total funds brought forward		22,219	439,569	461,788	434,342
Total funds carried forward		19,509	421,646	441,154	461,788

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 2011

	Notes	2011 £	2010 £
FIXED ASSETS			
Tangible assets	10	438,866	440,781
CURRENT ASSETS			
Debtors	11	3,850	3,617
Cash at bank and in hand		<u>3,792</u>	<u>43,558</u>
		7,642	47,175
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	12	<u>5,354</u>	<u>26,168</u>
NET CURRENT ASSETS		<u>2,288</u>	<u>21,007</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>441,154</u>	<u>461,788</u>
FUNDS			
Unrestricted funds		19,509	22,219
Restricted funds			
Property	15	365,268	365,268
Building improvements	15	22,821	24,232
Equipment	15	4,800	4,800
Playground	15	11,745	13,050
Minibus	15	17,012	27,219
Research project	15	<u>0</u>	<u>5,000</u>
		<u>441,154</u>	<u>461,788</u>

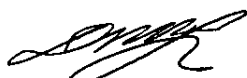
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the period by virtue of section 477(1), and that no member or members have requested an audit pursuant to section 476 (1)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

These financial statements were approved by the directors and authorised for issue on 26/2 2012, and are signed on their behalf by:


Derek William Taylor
Director

HOPSCOTCH CHILDREN'S CHARITY

YEAR ENDED 31 OCTOBER 2011

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 2006.

Exemption from Cash Flow

The company has taken advantage of the exemptions in FRS 1 from the requirement to produce a cashflow 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 2011

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, Office Equipment, and Building Improvements	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 1985 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	2011	2010
		£	£
	Unrestricted funds:		
	Donations	<u>121,077</u>	<u>125,710</u>

HOPSCOTCH CHILDREN'S CHARITY

YEAR ENDED 31 OCTOBER 2011

NOTES TO THE FINANCIAL STATEMENTS

3 Investment income	2011	2010
	£	£
Ardvullin rental income	8,561	4,467
Bank interest received	19	15
	<u>8,580</u>	<u>4,482</u>
4 Fundraising expenditure	2011	2010
	£	£
Wages	7,902	7,450
Advertising and publicity	885	1,206
	<u>8,787</u>	<u>8,656</u>
5 Direct charitable expenditure - provision of holidays	2011	2010
	£	£
Travel and minibus hire	9,982	9,029
Wages	36,315	30,022
Heat, light, and telephone	10,592	17,368
Property rates	1,473	1,248
Property repairs	1,934	4,639
Cleaning and laundry	2,567	2,330
Depreciation	6,892	3,553
Sundry equipment	3,114	708
Other holiday costs	15,947	10,622
	<u>88,817</u>	<u>79,519</u>
6 Support costs	2011	2010
	£	£
Office rent	6,600	6,600
Office salaries	6,444	5,513
Office expenses	2,800	5,684
Office equipment rental	4,258	2,898
Printing, stationery and advertising	1,532	2,264
Insurances	4,045	4,505
Research project	1,750	0
General expenses	72	105
Health and safety	4,370	2,078
Training	155	666
Recruitment	0 -	100
	<u>32,027</u>	<u>30,213</u>

HOPSCOTCH CHILDREN'S CHARITY

YEAR ENDED 31 OCTOBER 2011

NOTES TO THE FINANCIAL STATEMENTS

7 Governance costs	2011	2010
	£	£
Legal and professional fees	1,296	492
Accountancy fees	1,441	1,441
	<u>2,737</u>	<u>1,933</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 company had an average of 4 employees (2010: 3) during the year. Gross emoluments paid to employees during the year were £50,660 (2010: £42,985). No employee received remuneration of more than £50,000 in the year or previous year. The increase in salary costs reflect the extended season incurred as well as the increased off-season rental of Ardvullin.

Lloyds TSB made a donation of £4,500 (2010: £1,500) towards employee costs.

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	Office Equipment	Building Improvements	Adventure Playground	Total
	£	£	£	£	£	£	£
COST							
As at 01.11.10	365,268	69,828	16,885	3,209	37,937	50,027	543,154
Additions	-	-	7,358	-	20,543	-	27,901
At 31.10.11	365,268	69,828	24,243	3,209	58,480	50,027	571,055
DEPRECIATION							
As at 01.11.10	-	42,609	16,885	3,209	8,309	31,361	102,373
Charge for year	-	10,207	1,900	-	12,706	5,003	29,816
At 31.10.11	-	52,816	18,785	3,209	21,015	36,364	132,189
NBV at 31.10.11	365,268	17,012	5,458	-	37,465	13,663	438,866
NBV at 01.11.10	365,268	27,219	-	-	29,628	18,666	440,781

Office 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 2011

NOTES TO THE FINANCIAL STATEMENTS

11 Debtors	2011	2010
	£	£
Sundry debtors and prepayments	<u>3,850</u>	<u>3,617</u>

12 Creditors: Amounts falling due within one year	2011	2010
	£	£
Trade creditors	-	8,453
Accruals and deferred income	<u>5,354</u>	<u>17,715</u>
	<u>5,354</u>	<u>26,168</u>

13 Financial Commitments

At 31 October 2011 the company was committed to making the following payments under non-cancellable operating leases:

	2011	2010
	£	£
Operating leases which expire:		
Within two to five years	<u>2,380</u>	<u>2,380</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 4 members (2010: 4 members) of the company during the year.

HOPSCOTCH CHILDREN'S CHARITY

YEAR ENDED 31 OCTOBER 2011

NOTES TO THE FINANCIAL STATEMENTS

15 Restricted funds	Opening balance	Incoming resources	Outgoing resources	Transfers	Closing balance
	£	£	£	£	£
Property fund	365,268	-			365,268
Building improvements fund	24,232	10,000	(11,411)	-	22,821
Equipment fund	4,800	-	-	-	4,800
Playground fund	13,050	-	(1,305)	-	11,745
Minibus fund	27,219	-	(10,207)	-	17,012
Research project fund	5,000	5,000	(10,000)	-	-
	<u>439,569</u>	<u>15,000</u>	<u>(32,923)</u>	<u>-</u>	<u>421,646</u>

Analysis of restricted funds by net assets at 31 October 2011

Fixed Assets	- Ardvullin Centre	365,268
	- Building Improvements	22,821
	- Playground	11,745
	- Minibus	17,012
Current Assets;	- Equipment	4,800
		<u>421,646</u>

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

The Buildings Improvement fund comprises donations received in this and previous years specifically in respect of the future refurbishment of Ardvullin.

The Equipment fund relates to income received specifically for the purchase of small pieces of equipment for the charity. Any restriction imposed by the donor is lifted on purchase of the equipment by the charity.

The Playground and Minibus funds relate to income received in the year ended 31 October 2009 in respect of capital expenditure.

16 Related Parties

There were no related party transactions in the year (2010:nil)