

Scottish Charity No. SC035701
Scottish Company Registration No. SC269608

Out of the Box (Scotland) Limited
(a company limited by guarantee)

Directors' Report and Financial Statements
Year ended 30 June 2016

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Innes & Partners
Chartered Certified Accountants

Out of the Box (Scotland) Limited

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Out of the Box (Scotland) Limited

Report of the Directors for the year ended 30 June 2016

The Directors (who are also Trustees for the purpose of Charity law) are pleased to present their report together with the financial statements of the company for the year ended 30 June 2016.

Registered and principal Office

15 Castle Heather Road
Inverness
Scotland
IV2 4EA

Bankers

Royal Bank of Scotland
29 Harbour Road
Inverness
IV1 1NU

Status of Charity and Governing Document

Out of the Box (Scotland) Limited is a company limited by guarantee (Number SC269608) and is a registered Scottish charity (Number SC035701), governed by its Memorandum and Articles of Association.

In the event of the charity being wound up, each company member undertakes to contribute to the assets of the company such amounts as may be required, not exceeding £1.

Aims and charitable objectives

The principal aim of the charity is:

To promote the advancement of the Christian Faith and to worship God, in Scotland and elsewhere, by any means whatsoever, including the preaching and proclamation of the Christian Gospel, through puppetry, and by the teaching of Christian doctrine and principles.

Directors and Office Bearers

The Directors (who are also Trustees for the purpose of charity law) who served during the year were as follows:

Directors

Alasdair Morrison	(appointed as Chairman 29 February 2016)
Gillian Gunn	
Alister Mackinnon	
Scott McRoberts	(resigned as Chairman 29 February 2016)
Eileen Morrison	
Adrian Varwell	
Margaret Varwell	
Elaine K Watt	
Andrew G Wilson	

Company Secretary

Stephen R Cranston

Day to day management

Chris Watt

The Directors are in regular touch in order to decide management issues. Directors are appointed under the Memorandum and Articles of Association. One third of the Directors retire each year, by length of current appointment, and are eligible for re- election.

New Directors are appointed at the discretion of the Board. New Directors familiarise themselves with the Charity's values, aims and objectives together with its day-to-day operations, in addition to clarifying their statutory responsibilities as Directors of a company limited by guarantee and Trustees of a charity.

Out of the Box (Scotland) Limited

Report of the Directors for the year ended 30 June 2016

Achievements and performance

The charity employs a full-time Children's Worker, Chris Watt and a part-time Associate Children's Worker, Carol Hutchison.

Chris and Carol work with schools and churches across the North of Scotland. They have worked with a number of schools leading assemblies, puppet workshops, RME classes and performing puppet musicals.

We worked closely with 6 individual churches, helping them lead a week long Holiday Club for the children of their local community over the summer holidays. We also provided children's work training for all the volunteers.

In February 2016, we hosted a creative arts weeks for young people. 26 young people aged from 9 to 15 joined together to learn about acting, music, puppets and dance, which culminated in an end of event performance in front of friends and family.

In June 2016, we partnered with Urban Saints at their Spree in the Borders event, where we led the primary aged spiritual programme. This involved three one hour sessions which featured puppets, music and drama.

Outreach events and other puppet shows were performed throughout the year for churches or church groups around the Highlands.

The Directors are extremely grateful to a growing number of individuals and churches for their financial support.

Financial review

There was a deficit for the year of £5,757 (2015: £2,055). This, when added to the funds brought forward of £27,476 (2015: £29,531) gives rise to total funds carried forward of £21,719 (2015: £27,476). The amounts held in each fund are shown in notes 16 and 17 of the accounts. The directors consider that sufficient funds are available in order to meet the immediate needs of the charity.

Reserves

It is the policy of the company to maintain unrestricted funds, ie, funds not committed or invested in fixed assets, at a level which equates to approximately three months unrestricted expenditure. This allows sufficient funds to enable the ongoing work of the company to be maintained. The general fund held at 30 June 2016 was £18,666 (2015: £22,316) and is more than the target level. Total reserves amounted to £21,719 (2015: £27,476).

Statement on risk

The Board regularly reviews the financial and non-financial risks that the charity faces, and action has been taken to mitigate these risks, including regular reviews of insurance and health and safety procedures.

Future plans

The Management Committee hopes that the charity will continue to develop its work with schools and churches in the North of Scotland.

Out of the Box (Scotland) Limited

Report of the Directors for the year ended 30 June 2016

Donated services and premises

During the year, over 50 hours of volunteer time was donated to the charity. Without these volunteers, the charity would not be able to operate at the capacity it currently does. We are very grateful for the time and experience these volunteers have gifted to us.

Our premises are donated by one of the company employees and his wife. We are grateful for the use of these premises.

Statement of Directors' Responsibilities

Charity law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of the charity's affairs and of its incoming resources and application of resources, including its surplus or deficit for that year, and which have been properly prepared from and are in agreement with the accounting records of the charity and comply with relevant disclosure requirements.

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 business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the charity's financial position and enable the Directors to ensure that the financial statements comply with the Companies Act 2006. The Directors are also responsible for taking such steps as are reasonably open to them to safeguard the charity's assets and to prevent and detect fraud and other irregularities.

The Director's Report has been prepared having taken advantage of the small companies' exemption in the Companies Act 2006.

On behalf of the board



Alasdair Morrison
Director/Chairman

Dated: 22 February 2017

Out of the Box (Scotland) Limited

Report of the Independent Examiner to the Trustees for the year ended 30 June 2016

I report on the accounts of the company for the year ended 30 June 2016 which are set out on pages 5 to 11.

Respective responsibilities of Trustees and examiner

The Charity's Trustees (who are also the directors of the company for the purposes of company law) 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 (as amended). The charity Trustees consider that the audit requirement of 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 statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning 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 the course of 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 (as amended), and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended)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.



Jonathan N Innes FCCA
Innes & Partners Limited
Chartered Certified Accountants
5 Ardross Terrace
Inverness
IV3 5NQ

Date: 28 February 2017

 **Innes & Partners**
Chartered Certified Accountants

Out of the Box (Scotland) Limited

Statement of Financial Activities (incorporating Income and Expenditure Account)

For the year ended 30 June 2016

	Notes	General fund £	Designated fund £	Restricted fund £	2016 Total £	2015 Total £
Income						
Donations and legacies	2	26,792	-	500	27,292	28,869
Charitable activities	3	12,126	-	-	12,126	11,672
Other trading activities	4	11	-	-	11	11
Total income		38,929	-	500	39,429	40,552
Expenditure						
Charitable activities	5	42,390	2,296	500	45,186	42,607
Total expenditure		42,390	2,296	500	45,186	42,607
Net expenditure before transfers		(3,461)	(2,296)	-	(5,757)	(2,055)
Transfers	16,17	(189)	189	-	-	-
Net movement in funds after transfers		(3,650)	(2,107)	-	(5,757)	(2,055)
Total funds brought forward		22,316	5,160	-	27,476	29,531
Total funds carried forward	16,17	18,666	3,053	-	21,719	27,476
Represented by:						
Unrestricted fund	16					
General		18,666	-	-	18,666	22,316
Designated fund	16					
Designated assets		-	3,053	-	3,053	5,160
Restricted fund	17					
Associate children's worker fund		-	-	-	-	-
Total funds		18,666	3,053	-	21,719	27,476

The notes on pages 7 to 11 form part of these financial statements.

Out of the Box (Scotland) Limited

(Registered No: SC269608)

Balance sheet

As at 30 June 2016

	Notes	General fund £	Designated fund £	Restricted fund £	2016 Total £	2015 Total £
Fixed assets						
Tangible assets	12	-	3,053	-	3,053	5,160
Total fixed assets		-	3,053	-	3,053	5,160
Current assets						
Debtors	14	2,610	-	-	2,610	3,292
Cash at bank and in hand		17,022	-	-	17,022	19,882
Total current assets		19,632	-	-	19,632	23,174
Liabilities						
Creditors: falling due within one year	15	(966)	-	-	(966)	(858)
Net current assets		18,666	-	-	18,666	22,316
Total assets less current liabilities		18,666	3,053	-	21,719	27,476
Total net assets		18,666	3,053	-	21,719	27,476
The funds of the Charity						
General fund	16	18,666	-	-	18,666	22,316
Designated fund	16	-	3,053	-	3,053	5,160
Restricted fund	17	-	-	-	-	-
Total charity funds		18,666	3,053	-	21,719	27,476

These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) and with the provisions applicable to companies subject to the small companies' regime.

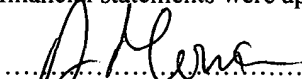
For the year ending 30 June 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of the accounts.

The financial statements were approved by the Board on 27 February 2017 and signed on their behalf by:


Alasdair Morrison (Director/Chairman)

The notes on pages 7 to 11 form part of these financial statements.

Out of the Box (Scotland) Limited

Notes to the Financial Statements for the year ended 30 June 2016

1. Accounting policies

Accounting convention

The financial statements are prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015), the Statement of Recommended Practice - Accounting & Reporting by Charities (FRSSE SORP 2015), the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

Basis of financial statements

The financial statements have been prepared on an accruals basis.

Income

All income is included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Equipment	25% on cost
Motor Vehicles	20% on cost

Statement of Financial Activities

For the purpose of the Statement of Financial Activities as shown on page 5, funds are defined as follows:

Unrestricted funds comprise income received for the objects of the company without further specified purpose and are available as general funds.

Designated funds comprise those funds which have been earmarked by the directors for particular purposes in agreement with the charitable objectives.

Restricted funds comprise income which has been received for the objects of the company and specified for a restricted purpose within these objects by the donor.

Out of the Box (Scotland) Limited

Notes to the financial statements

For the year ended 30 June 2016

2. Donations and legacies	General fund £	Designated fund £	Restricted fund £	2016 Total £	2015 Total £
Donations	21,207	-	500	21,707	24,854
Gift Aid receivable	5,585	-	-	5,585	4,015
	<u>26,792</u>	<u>-</u>	<u>500</u>	<u>27,292</u>	<u>28,869</u>

Income from donations and legacies was £27,292 (2015: £28,869) of which £26,792 was general (2015: £26,369), £nil was designated (2015: £nil) and £500 was restricted (2015: £2,500).

3. Charitable activities - income	General fund £	Designated fund £	Restricted fund £	2016 Total £	2015 Total £
Puppet shows and events	12,126	-	-	12,126	11,439
Fund raising	-	-	-	-	233
	<u>12,126</u>	<u>-</u>	<u>-</u>	<u>12,126</u>	<u>11,672</u>

Income from charitable activities was £12,126 (2015: £11,672) of which £12,126 was general (2015: £11,672), £nil was designated (2015: £nil) and £nil was restricted (2015: £nil).

4. Other trading activities	General fund £	Designated fund £	Restricted fund £	2016 Total £	2015 Total £
Bank interest	11	-	-	11	11
Total trading income	<u>11</u>	<u>-</u>	<u>-</u>	<u>11</u>	<u>11</u>

Income from other resources was £11 (2015: £11) of which £11 was general (2015: £11), £nil was designated (2015: £nil) and £nil was restricted (2015: £nil).

5. Charitable activities - expenditure	Direct costs £	Support costs £	2016 Total £	2015 Total £
<i>Activity</i>				
Charitable activities (note 6/7)	40,430	4,756	45,186	42,607
	<u>40,430</u>	<u>4,756</u>	<u>45,186</u>	<u>42,607</u>

Out of the Box (Scotland) Limited

Notes to the financial statements

For the year ended 30 June 2016

6. Direct costs	General fund	Designated fund	Restricted fund	2016 Total	2015 Total
	£	£	£	£	£
Staff costs (note 8)	32,753	-	500	33,253	33,341
Equipment and materials	157	-	-	157	162
Travel and accommodation	3,299	-	-	3,299	2,468
Publicity	594	-	-	594	212
Insurance	1,401	-	-	1,401	729
Events expenses	1,726	-	-	1,726	2,167
	39,930	-	500	40,430	39,079

Expenditure from direct costs was £40,430 (2015: £39,079) of which £39,930 was general (2015: £36,579), £nil was designated (2015: £nil) and £500 was restricted (2015: £2,500).

7. Support costs	General fund	Designated fund	Restricted fund	2016 Total	2015 Total
	£	£	£	£	£
Professional fees	830	-	-	830	306
Office costs	79	-	-	79	72
Independent examination	600	-	-	600	450
Depreciation	-	2,296	-	2,296	2,243
Sundry expenses	951	-	-	951	457
	2,460	2,296	-	4,756	3,528

Expenditure from support costs was £4,759 (2015: £3,528) of which £2,460 was general (2015: £1,285), £2,296 was designated (2015: £2,243) and £nil was restricted (2015: £nil).

8. Staff costs and numbers	2016	2015
	£	£
Gross salaries	32,941	32,987
Employer's NI	312	354
	33,253	33,341

The average number of employees during the year was 2 (2015: 2). There are no employees receiving more than £60,000.

9. Directors' remuneration and expenses

No Director received any remuneration or expenses in the year (2015: nil).

10. Liability of Members

The company is limited by guarantee, with the liability of each member limited to £1. There were 9 (2015: 9) members at 30 June 2016.

11. Related party transactions

No transactions were made with related parties during the year (2015: nil).

Out of the Box (Scotland) Limited

Notes to the financial statements

For the year ended 30 June 2016

12. Tangible fixed assets

	Equipment	Motor vehicle	Total
<i>Cost</i>	£	£	£
At 1 July 2015	3,624	6,687	10,311
Additions	189	-	189
At 30 June 2016	3,813	6,687	10,500
<i>Depreciation</i>			
At 1 July 2015	1,140	4,011	5,151
Charge for year	953	1,343	2,296
At 30 June 2016	2,093	5,354	7,447
<i>Net book value</i>			
At 30 June 2016	1,720	1,333	3,053
At 30 June 2015	2,484	2,676	5,160

13. Taxation

No liability to UK Corporation Tax arises in the light of the company's charitable status.

14. Debtors: amounts falling due within one year

	2016	2015
	£	£
Gift Aid debtor	2,610	3,292
	2,610	3,292

15. Creditors: amounts falling due within one year

	2016	2015
	£	£
Accrued expenses	600	495
Social security and other taxes	366	363
	966	858

Out of the Box (Scotland) Limited

Notes to the financial statements

For the year ended 30 June 2016

16. Unrestricted funds	Balance at 01.07.15 £	Income £	Expenditure £	Transfers £	Balance at 30.06.16 £
General fund	22,316	38,929	(42,390)	(189)	18,666
Designated fund					
Designated assets	5,160	-	(2,296)	189	3,053
Total unrestricted funds	27,476	38,929	(44,686)	-	21,719

Explanation of funds

The General fund represents all income and expenditure relating to the primary focus activities of the charitable company, other than those for which funding is designated or restricted.

The Designated assets fund represents the net book value of the fixed assets held by the company.

17. Restricted fund	Balance at 01.07.15 £	Income £	Expenditure £	Transfers £	Balance at 30.06.16 £
Associate children's worker fund	-	500	(500)	-	-
Total restricted funds	-	500	(500)	-	-

Explanation of fund

The Associate children's worker fund represents money received specifically to pay the salary of this worker.