

FALKIRK OUT OF SCHOOL CARE NETWORK  
TRADING AS FIRST 4 KIDS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

GENERAL INFORMATION

FOR THE YEAR ENDED 31 MARCH 2018

LEGAL INFORMATION

Scottish Charity Number: SC030050

Address: Unit 4  
Grangemouth Enterprise Centre  
Falkirk Road  
Grangemouth  
FK3 8XS

Accountants: Atkinson & Co Limited  
Victoria House  
87 High Street  
Tillicoultry  
Clackmannanshire  
FK13 6AA

Bankers: Bank of Scotland  
Unit 15  
Howgate Shopping Centre  
Falkirk  
FK1 1HG

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2018

**TRUSTEES**

Ms D Martin	(Chairperson)	(Appointed Nov 17)
Ms J Sneddon	(Vice Chairperson)	(Appointed Nov 17)
Ms K Procek	(Treasurer)	(Appointed Nov 17)
Ms L McIntosh	(Secretary)	(Appointed Nov 17)
Ms K Baird		(Appointed Nov 17)
Ms R Carr		(Appointed Nov 17)
Ms H Davidson		(Appointed Nov 17)
Ms D Spencer		(Appointed Nov 17)
Ms K Gallacher		(Appointed Nov 17)
Ms Lauren Maley		(Appointed Nov 17)
Ms D Spencer		(Appointed Nov 17)
Ms R Webster		(Appointed Nov 17)

**STRATEGIC MANAGER**

Miss B Isdale

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Charity is constituted as an Association and governed by its Constitution which was set up by committee in 2003 and recognised as a Scottish Charity with effect from 12 April 2004.

Appointment and removal is in accordance with the constitution which requires that appointment is nominated and seconded at the AGM. Parents of the membership have automatic entitlement to be recruited and other interested parties can be co-opted by existing trustees at the AGM or within a minuted meeting with a seconder to the proposal. Removal of any trustee will be by unanimous agreement of the other trustees or by non-attendance at three consecutive meetings without reasonable cause.

**OBJECTIVES AND ACTIVITIES**

**Objectives**

The purpose of the charity is to provide the care and education of children in need of care after school hours and during school holidays and to promote the provision of facilities for recreation and other leisure time occupations of such children, in the interest of social welfare, with the object of improving their conditions of life, and to advance the education and training of persons providing care, educational and recreational facilities.

**Activities**

The charity's main activities include;

- Providing positive play opportunities for children of school age in need of play.
- Providing childcare to parents who are working, in training or in need of respite.
- To provide employment and training in childcare for staff.

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ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2018

**ACHIEVEMENTS AND PERFORMANCE**

- During the year 2017/18 we have provided childcare for 450 children, approximately 370 families. The number of people using First 4 Kids has reduced, research tells us this is due to economics, either children are being looked after by family members or parents have adjusted working hours to reduce childcare costs. When families leave the service, First 4 Kids gets praise and thanks for the care and fun children have had. Staff at the clubs have worked hard to implement the Girfec Principles alongside the playwork principles. Children are firmly at the centre of First 4 Kids ethos. We currently have 43 staff with 95% of them having attended training over the past year. First Aid Training, Food Hygiene, Manual Handling, Sensory Behaviour, Autism Awareness. Some staff are also working towards qualifications from SVQ's for Practitioners to Degree Level for Managers. There are 15 staff signed up to do their qualifications in the coming year. First 4 Kids has increased its use of Social Media to keep parents up to date with the fun children have when at club. The number of interactions with our Facebook has increased from 46 to 522, some posts / pictures can reach more than 1000 people when liked or shared.

**FINANCIAL REVIEW**

The year end 2018 accounts show a loss for the year of £5467

The total income for the year was £421,533

The total expenditure for the year was £427,000

The balance at the end of the year was £52,153

It is the Trustees' policy to hold funds equivalent to two months wages in reserve

The charity holds £40,000 in the reserve bank account for emergency and have plans to build on this reserve bank account and maintain this in order to facilitate two months working capital of £55,000 by April 2019.

**PLANS FOR FUTURE PERIODS**

The Charity intends to transfer to an incorporated body in the near future

**TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

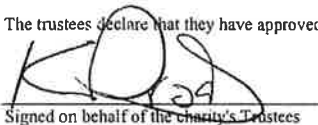
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Act (Scotland) Regulation 2006 (as amended), and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Declaration**

The trustees declare that they have approved the trustees report above



Signed on behalf of the charity's Trustees

Trustee name

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF THE  
FALKIRK OUT OF SCHOOL CARE NETWORK  
TRADING AS FIRST 4 KIDS

FOR THE YEAR ENDED 31 MARCH 2018

**Respective Responsibilities of Trustees and Examiner**

The trustees 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 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.

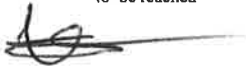
**Basis of Independent Examiner's Statement**

My examination was 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 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 any such matters. The procedures undertaken do not provide all the evidence which would be required in an audit, and consequently I do not express an audit opinion on the accounts.

**Independent Examiner's Statement**

In the course of my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect, the requirements:

1. - to ensure that proper accounting records are kept (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
  
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached



Neil Atkinson MA CA  
Institute of Chartered Accountants of Scotland

Victoria House  
87 High Street  
Tillicoultry  
FK13 6AA

10/5/2018  
Date

STATEMENT OF FINANCIAL ACTIVITIES  
 (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
 FOR THE YEAR ENDED 31 MARCH 2018

	Note	Unrestricted funds £	Restricted funds £	2018 Total £	2017 Total £
<b>Incoming resources</b>	3				
Incoming resources from generated funds					
Donations and legacies		-	-	-	-
Income from Charitable activities		421506	-	421506	417059
Income from investments		27	-	27	35
<b>Total income and endowments</b>		<u>421533</u>	<u>-</u>	<u>421533</u>	<u>417094</u>
<b>Expenditure on:</b>	5				
Charitable activities		287703	205	287908	293122
Other expenditure		139092	-	139092	134523
<b>Total expenditure</b>		<u>426795</u>	<u>205</u>	<u>427000</u>	<u>427645</u>
<b>Net (expenditure)/income and net movements in funds for the year</b>		(5262)	(205)	(5467)	(10551)
<b>Transfers between funds</b>		330	(330)	-	-
		<u>(4932)</u>	<u>(535)</u>	<u>(5467)</u>	<u>(10551)</u>
<b>Reconciliation of Fund</b>					
<b>Total funds brought forward</b>		57085	535	57620	68171
<b>Total funds carried forward</b>		<u>52153</u>	<u>-</u>	<u>52153</u>	<u>57620</u>

BALANCE SHEET

AS AT 31 MARCH 2018

	Note	Unrestricted funds £	Restricted funds £	2018 Total £	2017 Total £
<b>Fixed assets</b>					
Tangible assets	9	4012	-	4012	4708
<b>Current assets</b>					
Debtors	10	13732	-	13732	9729
Cash at bank and in hand		50287	27579	77866	85540
<b>Total current assets</b>		<u>64019</u>	<u>27579</u>	<u>91598</u>	<u>95269</u>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	11	15878	27579	43457	42357
<b>Net current assets</b>		<u>48141</u>	<u>-</u>	<u>48141</u>	<u>52912</u>
<b>Total Assets Less Current Liabilities</b>		<u>52153</u>	<u>-</u>	<u>52153</u>	<u>57620</u>
<b>Funds of the Charity</b>					
	13				
Unrestricted funds		52153	-	52153	57085
Restricted funds		-	-	-	535
<b>Total funds</b>		<u>52153</u>	<u>-</u>	<u>52153</u>	<u>57620</u>

Signed on behalf of the trustees

  
 \_\_\_\_\_  
 Signature

26/07/2018  
 \_\_\_\_\_  
 Date

  
 \_\_\_\_\_  
 Signature

9/8/18  
 \_\_\_\_\_  
 Date

FALKIRK OUT OF SCHOOL CARE NETWORK  
TRADING AS FIRST 4 KIDS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1. BASIS OF PREPARATION

Basis of Accounting

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The trust constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern

2. ACCOUNTING POLICIES

Incoming resources

These are included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to the resources; the Trustees are virtually certain they will receive the resources and the monetary value can be measured with sufficient reliability.

Where incoming resources have related expenditure (as with fundraising) the incoming resources and related expenditure are reported gross in the SoFA.

Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.

The value of any voluntary help is not included in the accounts but is described in the Trustee's Annual Report.

Investment income is included in the Accounts when receivable.

Expenditure and Liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Governance costs include the costs of the preparation and examination of Statutory Accounts, the costs of Trustee meetings and the cost of any legal advice to Trustees on governance or constitutional matters.

Assets and depreciation

Tangible fixed assets for use by the charity are capitalised if they can be used for more than one year.

They are valued at cost or a reasonable value on receipt.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life on the following bases:

Fixtures and fittings	15% per annum straight line method
Computer equipment	25% per annum straight line method

Taxation

The charity is exempt from tax on its charitable activities.

Fund Accounting

Unrestricted funds can only be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the object of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pensions

The charity operates a defined contribution pension scheme. Contributions payable for the year are charged in the statement of financial activities.

Deferred income

Incoming resources are recognised as deferred income to the extent that the charity does not have an unconditional entitlement to the resources at the end of the period.

Deferred income is receipts received in advance from services users to cover their higher child care costs during holidays.

The income is recognised once the service has been provided.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

3. ANALYSIS OF INCOMING RESOURCES

	Unrestricted funds £	Restricted funds £	2018 Total £	2017 Total £
<b>Income from Charitable activities</b>				
Fundraising events	3468	-	3468	3329
Childcare fees	418038	-	418038	413730
	<u>421506</u>	<u>-</u>	<u>421506</u>	<u>417059</u>
<b>Donations and legacies</b>				
Grants	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Income from investments</b>				
Bank Interest	27	-	35	35
	<u>27</u>	<u>-</u>	<u>35</u>	<u>35</u>

4. RELATED PARTY TRANSACTIONS

There was no related party transactions during the year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	2018 Total £	2017 Total £
Charitable expenditure				
Light and heat	-	-	-	521
Telephone	4897	-	4897	5329
Postage and stationery	3077	-	3077	3149
Advertising	471	-	471	1684
Consumables	11344	-	11344	14238
Travelling	1793	-	1793	2203
Trips and activities	815	97	912	966
Site resources	3787	108	3895	5685
Wages and staff training	229592	-	229592	231702
Employer's National Insurance	771	-	771	1234
Employer's Pension contributions	911	-	911	-
External Training	3749	-	3749	-
Rent	21218	-	21218	21301
Governance Costs (see note below and note 6)	5278	-	5278	5110
	<u>287703</u>	<u>205</u>	<u>287908</u>	<u>293122</u>
Governance costs				
Accountancy, payroll and human resources	5278	-	5278	5110
Other expenditure				
Wages and staff training	110617	-	110617	101341
Employer's National Insurance	6227	-	6227	6631
Employer's pension contributions	177	-	177	1126
Rent	10022	-	10022	11142
Cleaning	127	-	127	139
Insurance	3047	-	3047	2955
Sundries	18	-	18	61
Memberships	130	-	130	-
Equipment, hire and maintenance	3427	-	3427	6107
Health and safety	232	-	232	304
Services and legal	2750	-	2750	2136
Consultancy	140	-	140	595
Depreciation	1347	-	1347	1249
Bad debts	210	-	210	194
	<u>138471</u>	<u>-</u>	<u>138471</u>	<u>133980</u>
Finance:				
Bank charges	621	-	621	545

6. RESOURCES EXPENDED INCLUDE:

Fees for examination of the Accounts	240	-	240	300
Accountancy fees	600	-	600	540
Human resources advice fees	1750	-	1750	1750
Payroll processing fees	2568	-	2568	2520

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

	Unrestricted funds £	Restricted funds £	2018 £	2017 £
<b>7. PAID EMPLOYEES</b>				
<b>Staff Costs</b>				
Gross wages and staff training	340209	-	340209	333043
Employer's National Insurance costs	6998	-	6998	7865
Employer's Pension costs	1088	-	1088	1126
	<u>348295</u>	<u>-</u>	<u>348295</u>	<u>342034</u>

No employee received total emoluments of more than £60,000

Average number of full-time equivalent employees in the year

Care workers	14	17
Management	2	2
Administration	3	2
	<u>19</u>	<u>21</u>
Total amount paid to key management in year	<u>80505</u>	<u>71995</u>

There were no trustees' remuneration or other benefits for the year ended 31 March 2018 (2017: NIL).

There were no trustees' expenses paid for the year ended 31 March 2018 (2017: NIL).

**8. VOLUNTEERS**

First 4 Kids has volunteers in 3 categories

- 1 Management Committee members who are service users and give their time to act as trustees to the charity. Giving approximately 25 hours per year.
- 2 Secondary school children who are working towards Duke of Edinburgh Awards or Dynamic Youth Awards where volunteering experience is required. Usually a maximum of 20 hours per year.
- 3 Volunteer activity workers who wish to offer a skill to the charity for example, cookery, sports or crafts. Usually 10 hours per year.

**9. TANGIBLE FIXED ASSETS**

	Computer Equipment £	Fixtures & Fittings £	Total £
<b>Cost</b>			
As at 1 April 2017	2275	4535	6810
Additions	-	651	651
As at 31 March 2018	<u>2275</u>	<u>5186</u>	<u>7461</u>
<b>Depreciation</b>			
As at 1 April 2017	569	1533	2102
Charge for the year	569	778	1347
As at 31 March 2018	<u>1138</u>	<u>2311</u>	<u>3449</u>
<b>Net book value</b>			
As at 31 March 2018	<u>1137</u>	<u>2875</u>	<u>4012</u>
As at 31 March 2017	<u>1706</u>	<u>3002</u>	<u>4708</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

	Unrestricted funds £	Restricted funds £	2018 £	2017 £
<b>10. CURRENT ASSETS</b>				
Trade Debtors	<u>13732</u>	<u>-</u>	<u>13732</u>	<u>9729</u>

**11. CURRENT LIABILITIES**

Trade Creditors	5498	-	5498	6134
Taxation and social security costs	2241	-	2241	157
Accruals and deferred income	7850	-	7850	6508
Other creditors	289	27579	27868	29559
	<u>15878</u>	<u>27579</u>	<u>43457</u>	<u>42358</u>

**12. DEFERRED INCOME**

	Opening Balance £	Released from previous year £	Deferred in current year £	Closing Balance £
Childcare fees for holiday cover	<u>5667</u>	<u>(5667)</u>	<u>7011</u>	<u>7011</u>

**12. ANALYSIS OF CHARITABLE FUNDS**

Analysis of Fund Movements	Balance b/fwd £	Income £	Expenditure £	Transfer between funds £	Fund c/fwd £
Unrestricted fund	57085	421533	(426795)	330	52153
Restricted Funds: IGL Production Grant	535	-	(205)	(330)	-
<b>Total</b>	<u>57620</u>	<u>421533</u>	<u>(427000)</u>	<u>-</u>	<u>52153</u>

The restricted fund relates to a grant received from IGL Production to be used to buy site resources.

The transfer from the restricted fund is due to restricted grant expenditure being allocated to unrestricted in the prior year. This transfer also includes an overspend of £23 on the restricted grant

The deposit bank account is also a restricted fund. This bank account holds deposits received from service users, which are then repaid to them when they leave the childcare facility.

The asset and the liability are of equal amounts and both held separately in the balance sheet.