

10/671

Scotland Yard Adventure Centre
(A Company Limited by Guarantee)

Report and Financial Statements

Year ended: 31 March 2003



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COMPANIES HOUSE 31/10/03

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Legal and administrative information

Registered No:
101671

Management Committee

Maureen Patterson (Chairperson)
H A Joy Blakeney (Vice Chairperson)
Michael Dixon (Treasurer)
Catriona M MacDermot
Bruce R Patrick
Heather F Wilson
Judith Conn

Office

70 Eyre Place
Edinburgh
EH3 5EJ

Secretaries

Maclay Murray & Spens
3 Glenfinlas Street
Edinburgh
EH3 6AQ

Auditors

Anderson Ballantine
12 Rutland Square
Edinburgh
EH1 2BB

Bankers

Clydesdale Bank plc
20 Hanover Street
Edinburgh
EH2 2ZH

Pension Scheme Administrators

The Pension Trust
210-212 Borough High Street
London
SE1 1JX

Report of the Management Committee

The management committee present the Annual Report and the Audited Accounts for the year ended 31 March 2003. This report is prepared in accordance with the Memorandum and Articles of Association of the company and the recommendations of the Statement of Recommended Practice – Accounting and Reporting by Charities, and complies with the applicable law.

Constitution and objects

The company, which is a recognised charity in Scotland, is operated under the rules of its Memorandum and Articles of Association dated 17 October 1986. The management of the company is the responsibility of the management committee who are elected and co-opted under the terms of the Articles of Association.

The principal object of the company is the development, maintenance and management of a centre for adventure play designed for children and young people with a wide range of special needs and has remained unchanged from the previous year.

Principal policies to achieve objectives

It has been the policy of the charity to maximise the enjoyment and play experience of the children for whom it cares.

It should be noted that the management committee is required to adhere to the requirements of current legislation with special reference to children, including those with special needs.

Review of the year and future developments

As in previous years, The Yard has continued to provide a unique indoor and outdoor play ground for children and young people with disabilities or behavioural problems. These children and young people visit us either with school groups, playschemes, families or carers throughout the year. We also remain active with our annual community based projects: The Yard's Summer Festival Day, The Fringe Cavalcade Parade and the Bonfire Night BBQ.

- During 2002/2003 The Yard completed the first year of a three year programme supported by the National Lottery Community Fund which primarily funds the work undertaken by the playteam involving youth & family groups and also the volunteer programme. The Monday Night Girls' Club (13-18 year olds) has gone from strength to strength and now meets every two weeks rather than once a month. The young women can get together either at The Yard or they can venture further a field to the cinema, a restaurant or other leisure complex. This club encourages social interaction and builds the girls' confidence in a variety of social settings.
 - The Friday Afternoon Teenage Club (13 -16 year olds) encourages young people to mix with each other in a safe and friendly out-of-school environment where they can relax and interact as they wish while still allowing them the freedom to play on bikes or mess about in the art room. The Yard is a very familiar space for many of these young people, as they have been coming here since they were much younger, therefore they can behave here in a way seldom open to them in other settings.
 - The Yard aims to set up a Siblings' Club in 2003 and has started a pilot process with families already using The Yard.
 - Families can visit the Yard on Thursday evenings and all day on Saturdays. This provides an invaluable resource for parents and their children. The children, of all abilities, can play together, alone, with the play workers or with their parents. The informal group support which this affords to families is one of The Yard's great strengths.
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- Volunteers have always played an important role at The Yard. They have assisted the play workers with school groups and individuals, and also participated in the ongoing maintenance of our park and equipment. When the Maintenance Team Coordinator moved on in the summer of 2002 The Yard took the opportunity to re-assess the role of all volunteers. The Volunteer Centre Edinburgh, in conjunction with The Yard and its user groups, wrote a report on how Volunteer Management could most productively develop at The Yard over the next few years. This report recommended the employment of a Volunteer Manager, to cover all aspects of recruitment, training and support of Volunteers in their various capacities. The Yard gratefully acknowledges the financial support for the Maintenance Team Project by the Miss Agnes H Hunter's Trust and also the funding for the commissioning of the research report and for the first year's services of a full-time Volunteer Manager which comes from The Esmee Fairbairn Foundation. A Volunteer Manager was appointed in Spring 2003.

2002/2003 was also the first year of a two year pilot research project called Play Inclusive. This project is funded by the Scottish Executive's Special Educational Needs Innovation Grants Programme and has proved to be one of the most stimulating projects which The Yard has been involved in. It is a pilot scheme set up to establish whether freeplay (modelled on The Yard's experiences and practises) can assist with wider inclusion issues in a school playground setting. This involved a small outreach team of Yard play workers and a consultant Project Coordinator working with three very different schools over three terms. The aim was to discover how adaptable freeplay techniques can be in less well equipped and more barren settings.

The results, to date, have been extremely positive. The schools involved have benefited enormously in that they have seen, first hand, the effects on behaviour and social interaction which play can engender. The Yard has benefited too in that it has confirmed the value of play, in any setting, and shown the individual play workers how transferable their skills can be. The project carries on into 2004 and will culminate in the publication of a Research Report and a practical Handbook which will be circulated to all primary schools in Scotland.

On the strength of three year funding commitments from both The Lloyds TSB Foundation Scotland and the Henry Smith Charity a Development Manager was appointed in March 2002. Over the past year this post has allowed for a more strategic approach to The Yard's future in financial and project developmental terms.

The company continues to rely heavily on donations from trusts and foundations, corporate businesses and individuals all of whose generous support is greatly appreciated by the management committee. This vital contribution is acknowledged more fully in our separate Annual Report as is the financial assistance given by the City of Edinburgh Council's Culture and Leisure, Community Education and Social Work Departments and the Midlothian Council's Social Services Committee. The management committee also wishes to record their appreciation for the dedication and work of the staff and volunteers and to all those who have helped and in any way contributed to The Yard's successful year.

Annual accounts and reserves policy

The annual accounts are set out on pages 8 to 17. The general fund represents the unrestricted funds arising from past operating results. The fund is in deficit by £1,853. The management committee anticipate that this deficit will be recouped by 31 March 2004.

Building appeal fund, project funds and appeal fund

These are restricted in their use.

Small company exemptions

The management committee has taken advantage of the exemptions conferred by Part V11 of the Companies Act 1985 in the preparation of their report.

Members

At 31 March 2003 the members of the company totalled 35. (2002 - 59)

Management committee

The members of the management committee who served during the year were as follows:-

Maureen Patterson (Chairperson)
 H A Joy Blakeney (Vice Chairperson)
 Michael Dixon (Treasurer)
 Catriona M MacDermot
 Bruce R Patrick
 Alan T Rees MBE (resigned 20/11/ 2002)
 Judith Conn
 Heather Wilson

Management committee's responsibilities

Company law and the law applicable to charities in Scotland require the management committee to prepare financial statements for each financial year which give a true and fair view of the company's financial activities during the year and its financial position at the year end. In preparing financial statements, giving a true and fair view, 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 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 company will continue in business.

The management committee are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985. It is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Anderson Ballantine have indicated their willingness to accept re-appointment in accordance with Section 385 (1) of the Companies Act 1985.

Volunteers

Many volunteers contribute time to Yard activities, particularly at weekends and in the evenings. We are greatly indebted to these volunteers for their commitment and support.

Risk management

The management committee have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems are in place to mitigate our exposure to the major risks.

Approved by the management committee and signed on their behalf by:



Maureen Patterson (Chairperson)

Independent Auditors' Report to the members of Scotland Yard Adventure Centre

We have audited the financial statements of Scotland Yard Adventure Centre for the year ended 31 March 2003 which comprise of the Statement of Financial Activities, summary Income and Expenditure Account, Balance Sheet and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of management committee and auditors

The responsibilities of the members of the management committee (who are also the directors of Scotland Yard Adventure Centre for the purposes of company law) for preparing the Report of the Management Committee and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of the management committee's responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Management Committee is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding the remuneration of members of the management committee and other transactions between the members of that committee and the charity are not disclosed.

We read other information contained in the report of the management committee, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

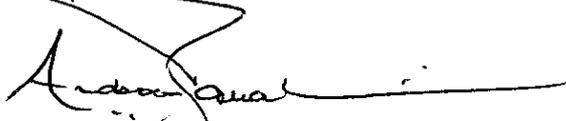
Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the management committee in the preparation of the financial statements and whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud, other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charity's affairs at 31 March 2003 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**Anderson Ballantine**

Registered Auditors

Date: 14 October 2003

12 Rutland Square
Edinburgh, EH1 2BB

Statement of Financial Activities for the year ended 31 March 2003

	Unrestricted Funds £	Restricted Funds £	2003 Total £	2002 Total £
Incoming resources				
Donations and legacies	30,335	45,038	75,373	80,214
Activities in furtherance of the charity's objects:				
Grants for children's activities	24,164	95,339	119,503	43,252
Activities for generating funds	10,240	32,571	42,811	13,761
Investment income	594	-	594	2,037
Total incoming resources	65,333	172,948	238,281	139,624
Cost of generating funds	(7,091)		(7,091)	(22,324)
Net incoming resources available for charitable application	58,242	172,948	231,190	116,940
Charitable expenditure				
Costs of activities in furtherance of charitable objectives:				
Children's activities	12,643	110,758	123,401	102,262
Running costs and maintenance of premises	6,511	7,683	14,194	22,548
Management and administration	27,127	25,000	52,127	46,428
Total charitable expenditure	46,281	143,441	189,722	171,238
Total resources expended	53,372	143,441	196,813	193,562
Net incoming/(outgoing) resources before transfers	11,961	29,507	41,468	(54,298)
Transfers in respect of fixed asset additions	-	-	-	-
Gains on investments	-	-	-	-
Building amortisation	-	(1,524)	(1,524)	(39,311)
Net movement in funds for the year	11,961	27,983	39,944	(93,609)
Total funds at 1 April 2002	(13,814)	27,033	13,219	106,828
Total funds at 31 March 2003	(1,853)	55,016	53,163	13,219

Income and Expenditure for the year ended 31 March 2003

	2003	2002
	£	£
Incoming resources		
Donations	75,373	80,214
Grants	119,138	41,862
Subscriptions	365	1,390
Interest received	594	2,037
Play session income	4,917	5,191
Sundry income	37,894	8,570
	-----	-----
	238,281	139,264
	-----	-----
Charitable expenditure		
Cost of generating funds	7,091	22,324
Children's activities	123,401	102,262
Running and maintenance costs	14,194	22,548
Management and administration expenses	52,127	46,428
	-----	-----
	196,813	193,562
	-----	-----
Operating surplus/(deficit) for year	41,468	(54,298)
	=====	=====

Recognised gains and losses

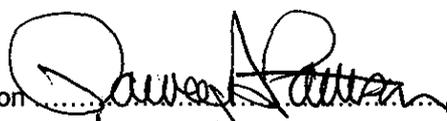
There are no gains or losses other than those in the Statement of Financial Activities. Accordingly no Statement of Recognised Gains and Losses has been prepared.

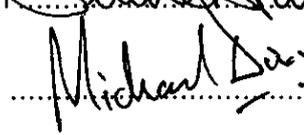
Accounting policies and notes on pages 11 to 17 form part of these accounts.

Balance Sheet

	Note	2003 £	2002 £
Tangible fixed assets	4	534	2,325
Current assets			
Sundry debtors and prepaid charges	5	1,639	1,523
Bank current account and cash in hand		36,291	5,212
Bank high interest/deposit account		50,926	83,088
		88,856	89,823
Current liabilities			
Creditors and accrued charges	6	(7,942)	(10,640)
Deferred income	7	(28,285)	(68,289)
		(36,227)	(78,929)
Net current assets		52,629	10,894
Total assets less current liabilities		53,163	13,219
Represented by:-			
Unrestricted funds			
General fund		(1,853)	(13,814)
Restricted funds			
Building appeal fund	8	7,820	9,344
Project funds	9	14,626	17,689
Appeal fund	10	32,571	-
		53,163	13,219
		53,163	13,219

The accounts were approved by the management committee on 8 October 2003 and signed on their behalf by:

Maureen Patterson (Chairperson)

Michael Dixon (Treasurer)

The accounting policies and notes on pages 11 to 17 form part of these accounts.

**Notes forming part of the financial statements
for the year ended 31 March 2003**

1. Accounting policies

(a) Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards, the Charities Accounts (Scotland) Regulations 1992 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) issued in October 2000.

(b) Donations, legacies and similar incoming resources

Donations, legacies and similar incoming resources are included in the year in which they are receivable which is when the charity becomes entitled to the resource.

(c) Grants receivable

Grants receivable are credited to the Statement of Financial Activities (SOFA) in the year for which they are received. Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received.

(d) Investment income and rental income

Income from investments and from rental income is included in the SOFA in the year in which it is receivable.

(e) 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 SOFA. The company is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

(f) Tangible fixed assets

Additions to furniture, fittings and play equipment costing less than £1,000 were accounted for on a replacement basis and charged in full to the appropriate expenditure heading.

(g) Depreciation

The cost of tangible fixed assets is depreciated by equal annual instalments over the expected useful lives of the assets as follows:-

Building and capital works	10 years
Furniture and fittings	5 years
Office equipment	5 years
Play equipment	5 years

(h) Building appeal fund

This represents donations received (net of expenses) specifically for the purpose of capital expenditure on building and capital works. This fund is released to revenue over the expected lives of the assets to which it relates.

(i) Project funds

This represents the movement during the year in funds made available for specific projects. Details of each individual fund are given in note 9.

(j) **Pension contributions**

Certain employees contribute to a defined benefit scheme. The company's contribution is charged to the general fund as incurred. Both employee and company contributions are invested separately from the company's assets. More information relating to the scheme is contained within note 11.

2. Depreciation

	2003 £	2002 £
Charge for the year	1,791	39,578
Released from building appeal fund (note 5)	(1,524)	(39,311)
Charge to general fund	(267)	(267)
	=====	=====

3. Staff costs

	2003 £	2002 £
Wages and salaries	111,408	107,394
Employer's social security costs	15,004	13,244
Employer's pension contributions	10,056	11,288
Training, travel and recruitment	3,482	5,880
	-----	-----
	139,950	137,806
	=====	=====

The average number of full and part time staff employed during the year was 9.

No member of the management committee or connected person received remuneration during the year.

Staff costs include a charge of £10,055 (2002 - £4,855) being non-statutory sick pay and associated costs.

4. Tangible fixed assets

	Buildings & capital works £	Furniture & fittings £	Play equipment £	Total £
Cost				
At 1 April 2002	393,121	8,641	22,096	423,858
Additions	-	-	-	-
	-----	-----	-----	-----
At 31 March 2003	393,121	8,641	22,096	423,858
	=====	=====	=====	=====
Depreciation				
At 1 April 2002	391,597	7,840	22,096	421,533
Charge for the year	1,524	267	-	1,791
	-----	-----	-----	-----
At 31 March 2003	393,121	8,107	22,096	423,324
	=====	=====	=====	=====
Net book value				
At 31 March 2003	-	534	-	534
	=====	=====	=====	=====
At 31 March 2002	1,524	801	-	2,325
	=====	=====	=====	=====

5. Debtors

	2003 £	2002 £
Sundry debtors	838	1,523
GAYE	801	-
	-----	-----
	1,639	1,523
	=====	=====

6. Creditors and accrued charges

	2003 £	2002 £
Trade creditors	5,592	8,877
Accruals	2,350	1,763
	-----	-----
	7,942	10,640
	=====	=====

7. Deferred Income

	2003 £	2002 £
Lloyds TSB Foundation for Scotland	13,000	23,000
Community Fund – National Lottery	-	28,267
Summer Playscheme	15,035	14,022
Agnes Hunter Trust	-	3,000
Dr Heti Davies	250	-
	-----	-----
	28,285	68,289
	=====	=====

8. Building appeal fund

	2003 £	2002 £
At 1 April 2002	9,344	48,655
Released to revenue	(1,524)	(39,311)
	-----	-----
At 31 March 2003	7,820	9,344
	=====	=====

9. Project funds

	Opening Balance	Income	Expenditure	Closing Balance
	£	£	£	£
Scottish Executive SEN Innovation Grant	-	24,781	24,781	-
Childcare Partnership	-	14,023	14,023	-
Tricycles	6,140	-	2,945	3,195
Soft Play Equipment	1,611	-	271	1,340
Summer Playscheme	1,428	-	1,428	-
Community Fund – National Lottery	-	56,535	56,535	-
Other Girl's Club Funds	2,367	2,250	2,367	2,250
Volunteer Co-ordinator	-	5,000	5,000	-
Volunteer Maintenance Team	4,683	3,000	7,683	-
Part Time Playworker	250	-	250	-
Sandpit	-	4,250	1,724	2,526
Lloyds TSB Foundation for Scotland	-	25,000	25,000	-
The Henry Smith Charity	-	5,120	775	4,345
Gardening Project	360	277	637	-
Percussion Instruments	970	-	-	970
Sensory Garden	-3	4	1	-
Cavalcade	-117	117	-	-
Quiet Room Project	-	11	11	-
SPIFOX	-	10	10	-
At 31 March 2003	<u>17,689</u>	<u>140,378</u>	<u>143,441</u>	<u>14,626</u>
At 31 March 2002	<u>18,745</u>	<u>61,226</u>	<u>62,282</u>	<u>17,689</u>

10. Appeal Fund

	2003 £	2002 £
Ball	32,571	-
At 31 March 2003	<u>32,571</u>	<u>-</u>

Net proceeds from the Ball organised in the year have been credited to the Appeal Fund.

11. Pension contributions**General**

Scotland Yard Adventure Centre participates in The Pensions Trust SCVO Final Salary Pension Scheme (the "Scheme"). The Scheme is a multi employer defined benefit scheme. The Scheme is funded and is contracted out of the state scheme.

The last formal valuation of the Scheme was performed at 30 September 1999 by a professionally qualified actuary using the "projected unit credit" method. The market value of the Scheme's assets at the valuation date was £8.7 million.

During the accounting period Scotland Yard Adventure Centre paid contributions at the rate of 9.9%. Member contributions varied between 4.0% and 5.0%.

It is not possible to identify the share of underlying assets and liabilities belonging to individual participating employers.

Due to the nature of the Scheme, the profit and loss account charge for the period under both SSAP24 and FRS17 represents the employer contribution payable.

Financial assumptions

The financial assumptions underlying the valuation were as follows:

	% pa
• Investment return on future contributions	6.6
• Investment return on accumulated assets	5.1
• Inflation rate	2.5
• Rate of salary increases	4.5
• Rate of pension increases	2.5

The accumulated assets of the Scheme were assumed to earn the same return as if they had been invested in a portfolio comprising 100% UK equities for non-pensioner liabilities and 50% UK equities/50% index-linked gilts for pensioner liabilities.

The valuation revealed a shortfall of assets compared with the value of liabilities of some £1.7 million (equivalent to a past service funding level of 84%). The employer's ongoing future service contribution rate, after allowing for changes in benefits, was assessed as 9.9% of pensionable salaries. In view of the past service shortfall the standard employer contribution rate was set at 12% of pensionable salaries with effect from 1 April 2001.

New employers joining the Scheme pay contributions at the ongoing future service contribution rate plus an additional loading if the average age of their members is higher than the average age of the Scheme membership. This rate applies from the date the employer joins the Scheme to the date of the second actuarial valuation of the Scheme following the date of joining, after which the employer pays the standard contribution rate as per the most recent actuarial valuation.

Scotland Yard Adventure Centre pays contributions at the rate of 9.9% being the current on-going contribution rate. Scotland Yard Adventure Centre does not pay an age loading. This rate will be payable until 31 March 2004 when Scotland Yard Adventure Centre will pay the on-going contribution rate per the September 2002 valuation. Scotland Yard Adventure Centre will pay contributions at the standard contribution rate per the most recent actuarial valuation from 1 October 2005.

Member contributions rates were also increased from 1 April 2001, and now vary between 4.0% and 5.0%. Member contributions will be fixed at 5.0% from 1 April 2004.

On the basis of the valuation assumptions this pattern of contributions will be sufficient to eliminate the past service deficit by 30 September 2011.

The next valuation will be as at 30 September 2002 and the results will be available before the end of 2003.

12. Members liability

Each member undertakes to contribute an amount not exceeding £1 in the event of the company being wound up.
