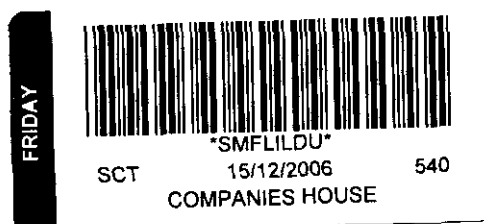


Scotland Yard Adventure Centre
Registered Charity number SCO 02538
(A Company Limited by Guarantee)

Report and Financial Statements

Year ended 31 March 2006

SC 101671



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Legal and administrative information

Registered No
101671

Management Committee

Maureen Patterson (Chairperson, resigned 16 November 2005, Acting Chairperson, from 8 April 2006)
Bruce R Patrick (Chairperson, appointed 16 November 2005, resigned 8 April 2006)
H A Joy Blakeney (Vice Chairperson)
Michael Dixon (Treasurer)
Jon Busby (Secretary)
Catriona M MacDermot
Heather F Wilson
Judith Conn (resigned 26 October 2005)
John Shaw
Morag Meldrum
George Lamb

Office

22 Eyre Place Lane
Edinburgh
EH3 5EH

Secretary

Jon Busby
The Yard
22 Eyre Place Lane
Edinburgh
EH3 5EH

Auditors

Anderson Ballantine
Tower Mains Studios
18d Liberton Brae
Edinburgh
EH16 6AE

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 2006. 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 additional support 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 who use the centre and its resources.

The management committee is required to adhere to the requirements of current legislation with special reference to children, including those with additional support needs.

Review of the year and future developments

As in previous years, The Yard has continued to provide a unique indoor and outdoor playground for children and young people with a range of additional support needs. These children and young people visit us throughout the year either with school groups, play schemes, families or carers. We also remain active with our annual community based projects. The Yard's Summer Festival, The Fringe Cavalcade Parade and the Bonfire Night Barbecue.

Developments during 2005/6

- Repainting and revamping of the Sound and Music Garden and ballcone was funded by Radio Forth and the children of The Edinburgh Academy
- Modernisation of The Yard's kitchen was funded by the Big Lottery as part of the funding for our After School Club project work
- Developing our website has been ongoing and will be a useful source of information – theyardscotland.org.uk

Clubs

- Our Thursday and Saturday family sessions (funded by Children in Need) have been as popular as ever with children and parents allowing everyone to relax or play in a non-discriminating atmosphere
- The Girls' Club goes from strength to strength and is now on Tuesday evenings alternating with the revamped Teenage Club
- The After School Club was established with funding from the Big Lottery and this has allowed us to operate an entirely new service for young people with additional support needs

P inc

- In 2005/06 our Play Inclusive team carried out more of their action research work in schools and voluntary sector clubs in Edinburgh and Fife. The results of the research carried out throughout the three year project will be published shortly
 - The funding from the Scottish Executive for this project ends in March 2007 and it is hoped that it may be possible to develop this area of work further in the future
-

Play schemes

- Play schemes were run in the February, Easter, Summer and October school holiday breaks with large numbers of children visiting The Yard. Children came both with their holiday play schemes and with their parents or carers

Staff

- Staff members throughout the year

Jon Busby (Director), Elaine Hogg (Administrator),
Sharon McGinty (Admin Assistant)

The Yard Playteam

Ivan Harper (Senior Playworker), Alice Brown (Deputy Senior Playworker)
Sudha Gaur, Louise Bell, Win Hatton, Bernardita Reyes, Elke Tietz, Jane Kaczynski

Susan McIntyre (Play Inclusive Co ordinator)

- Ewan Wilson was employed as an arts worker throughout the summer and was funded by a grant from Summer in the City
- As in past years we welcomed Danish students and this year we were joined by Kristoffer Bastrup and Susanne Andersen. All of these students have become highly valued members of our staff team
- We must not forget our team of volunteers who have ably supported the playteam throughout the year

Fundraising and Events

- An evening outing to Aberlady and the Kilspindie House Hotel entitled 'Tea at the Sea' raised £4,000
- For the first time our entry won the 1st Prize in the Festival Cavalcade with our Fantasy float. This was primarily due to a fantastic input from all staff, volunteers, our arts worker and not least of all the children who use The Yard
- The Summer Festival was treated to fantastic weather and was a very successful PR/fundraising day

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. The vital contribution of our funders is acknowledged more fully in our newsletter. The work of our fundraising sub committee is vital in raising both funds and awareness of The Yard and the management committee is extremely grateful for their work.

The management committee wishes to record their appreciation for the dedication and work of the staff and volunteers and 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.

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 VII of the Companies Act 1985 in the preparation of their report.

Members

At 31 March 2006 the members of the company totalled 62 (2005 58)

Management committee

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

Maureen Patterson (Chairperson, resigned 16 November 2005, Acting Chairperson from 8 April 2006)
 Bruce R Patrick (Chairperson, appointed 16 November 2005, resigned 8 April 2006)
 H A Joy Blakeney (Vice Chairperson)
 Michael Dixon (Treasurer)
 Jon Busby (Secretary)
 Catriona M MacDermot
 Heather F Wilson
 Judith Conn (resigned 26 October 2005)
 John Shaw
 Morag Meldrum
 George Lamb

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

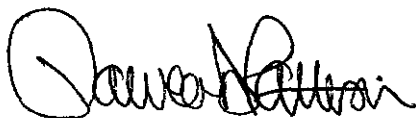
Volunteers

Many volunteers contribute time to Yard activities, particularly at weekends and in the evenings. We are very grateful 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 (Acting 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 2006 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Report of the Management Committee the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Report of the Management Committee is consistent with the financial statements, if the company 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 directors' remuneration and other transactions is not disclosed.

Basis of audit opinion

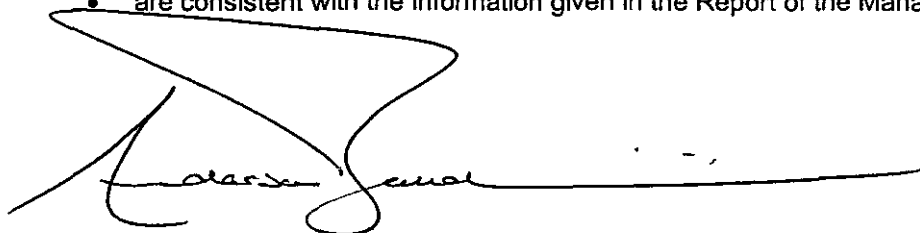
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the 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 or 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2006 and of its deficit for the year then ended, and
- have been properly prepared in accordance with the Companies Act 1985, and
- are consistent with the information given in the Report of the Management Committee.



Anderson Ballantine

Registered Auditors Date 3/11/06

Tower Mains Studios
18d Liberton Brae
Edinburgh, EH16 6AE

Statement of Financial Activities for the year ended 31 March 2006

	Unrestricted Funds £	Restricted Funds £	2006 Total £	2005 Total £
Incoming resources				
Donations and legacies	20,557	60,672	81,229	67,543
Activities in furtherance of the charity's objects				
Grants for children's activities	26,519	125,151	151,670	175,639
Activities for generating funds	22,402		22,402	7,684
Investment income	127		127	193
	69,605	185,823	255,428	251,059
Total incoming resources				
Cost of generating funds	(21,144)		(21,144)	(11,640)
Net incoming resources available for charitable application	48,461	185,823	234,284	239,419
Charitable expenditure				
Costs of activities in furtherance of charitable objectives				
Children's activities	7,631	152,362	159,993	166,403
Running costs and maintenance of premises	16,440		16,440	13,513
Management and administration	34,598	28,455	63,053	73,779
Total charitable expenditure	58,669	180,817	239,486	253,695
Total resources expended	79,813	180,817	260,630	265,335
Net incoming/(outgoing) resources before transfers	(10,208)	5,006	(5,202)	(14,276)
Transfer to general fund	10,208		10,208	14,505
Transfer from appeal fund		(10,208)	(10,208)	(14,505)
Building revaluation/(amortisation)		(13,000)	(13,000)	(13,000)
Net movement in funds for the year		(18,202)	(18,202)	(27,276)
Total funds at 1 April 2005		142,636	142,636	169,912
Total funds at 31 March 2006		124,434	124,434	142,636

Income and Expenditure for the year ended 31 March 2006

	2006 £	2005 £
Incoming resources		
Donations	81,229	67,543
Grants	150,455	174,778
Subscriptions	1,215	861
Interest received	127	193
Play session income	5,131	4,962
Sundry income	17,271	2,722
	-----	-----
	255,428	251,059
	-----	-----
Charitable expenditure		
Cost of generating funds	21,144	11,640
Children's activities	159,993	166,403
Running and maintenance costs	16,440	13,513
Management and administration expenses	63,053	73,779
	-----	-----
	260,630	265,335
	-----	-----
	--	--
Operating surplus/(deficit) for year	(5,202)	(14,276)
	=====	=====
Statement of total recognised gains and losses		
Operating deficit for the year	(5,202)	(14,276)
Building revaluation/(amortisation)	(13,000)	(13,000)
	-----	-----
Total gains and losses recognised since 31 March 2005	(18,202)	(27,276)
	=====	=====

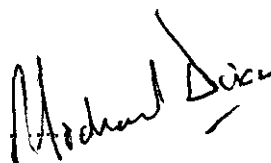
Accounting policies and notes on pages 11 to 17 form part of these accounts

Balance Sheet

	Note	2006 £	2005 £
Tangible fixed assets	4	104,000	117,000
			--
Current assets			
Sundry debtors and prepaid charges	5	15,953	12,134
Bank current account and cash in hand		10,019	9,951
Bank high interest/deposit account		19,226	35,439
		--	--
		45,198	57,524
		--	--
Current liabilities			
Creditors and accrued charges	6	16,309	13,328
Deferred income	7	8,455	18,560
		--	--
		24,764	31,888
		--	--
Net current assets		20,434	25,636
		--	--
Total assets less current liabilities		124,434	142,636
		=====	=====
Represented by.-			
Unrestricted funds			
General fund			
Restricted funds			
Project funds	8	18,932	13,926
Building Improvement fund	9		
Appeal fund	10	1,502	11,710
Revaluation reserve		104,000	117,000
		--	--
		124,434	142,636
		=====	=====

The accounts were approved by the management committee on 3/11/06 and signed on their behalf by

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 2006

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 at valuation	10%
Furniture and fittings	20%
Office equipment	20%
Play equipment	20%

(h) 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 8

(i) Appeal fund

This account contains funds raised from specific appeals which contribute substantial amounts to the charity's income. These funds can be released into the general fund only at the discretion of the management committee

(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

	2006 £	2005 £
Charge for the year	13,000	13,267
Charge to revaluation reserve	(13,000)	(13,000)
Charge to general fund		(267)
	=====	=====

3 Staff costs

	2006 £	2005 £
Wages and salaries	138,432	132,798
Social security costs	21,436	20,822
Pension contributions	13,948	13,692
Training, travel and recruitment	3,854	1,286
	-----	-----
	177,670	168,598
	=====	=====

The average number of full and part time staff employed during the year was 11

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

Staff costs include a charge of £9,945 (2005 £2,930 87) being non statutory sick pay and associated costs

4 Tangible fixed assets

	Buildings £	Furniture & fittings £	Play equipment £	Total £
Cost or valuation				
At 1 April 2005	130,000	8,641	22,096	160,737
Additions				
Reduced on revaluation	-- --	-- --	--	---
At 31 March 2006	130,000	8,641	22,096	160,737
	=====	=====	=====	=====
Depreciation				
At 1 April 2005	13,000	8,641	22,096	43,737
Charge for the year	13,000			13,000
Reduced on revaluation	-- --	--		--
At 31 March 2006	26,000	8,641	22,096	56,737
	=====	=====	=====	=====
Net book value				
At 31 March 2006	104,000			104,000
	=====	=====	=====	=====
At 31 March 2005	117,000			117,000
	=====	=====	=====	=====

The building is owned by the charity and stands on ground held on a ground lease dating from 1 April 1989 and expiring on 11 November 2014

The building was valued on 31 August 2004 by Hardies, a firm of independent professional surveyors. Their valuation of £130,000 takes account of the specialised use and the effect of the ground lease. The valuation was adopted in the accounts to 31 March 2004.

Amortisation is charged at 10% per annum to the revaluation reserve.

The original cost of construction was £393,121 and had been fully amortised by 1 April 2003.

5 Debtors

	2006 £	2005 £
Debtors	12,388	11,612
Prepayments	3,565	522
	-- --	-- --
	15,953	12,134
	=====	=====

6 Creditors and accrued charges

	2006 £	2005 £
Creditors	13,959	10,978
Accruals	2,350	2,350
	---	--
	16,309	13,328
	=====	=====

7. Deferred Income

	2006 £	2005 £
City of Edinburgh Council Easter Playscheme	455	510
Family open play sessions		13,150
Teenage/girls' clubs		4,500
Carrejo Charitable Trust		400
City of Edinburgh Council Community Safety Grant	8,000	
	-----	-- --
	8,455	18,560
	=====	=====

8 Project funds

	Opening Balance	Income	Expenditure	Closing Balance
	£	£	£	£
City of Edinburgh Council Playscheme Grants		2,520	2,520	
Summer Play scheme (Childcare Partnership)		13,438	13,438	
Donation for Summer Play		350	350	
Scottish Executive Children & Families		67,083	67,083	
Tricycles	520		236	284
Soft Play Equipment	870			870
Big Lottery Fund		17,877	17,877	
BBC Children in Need		20,800	20,800	
COE – Summer in the City		2,396	2,396	
Warner Trinity Active Steps		1,038	1,038	
Play Inclusive Workshop	3,730		3,730	
Part time Playworker Funds		23,650	23,650	
Silverhill Trust (Girls' Club Funds)		5,000	1,200	3,800
Girls' Club Funds		4,500	4,500	
Sandpit	7,037		1,087	5,950
Director				
Lloyds TSB Foundation for Scotland +				
The Henry Smith Charity + Garfield Weston		23,471	15,647	7,824
Percussion instruments	414		210	204
Spifox TOO	272		272	
Arts/music worker	1,083	500	1,583	
Salvation Army – Xmas Play Equip Funds		200	200	
Radio Forth Sound Music Worker Funds		3,000	3,000	
At 31 March 2006	13,926	185,823	180,817	18,932
At 31 March 2005	13,697	205,860	205,631	13,926

9 Building improvement fund

	2006 £	2005 £
Income kitchen refurbishment	5,345	
Expenditure – kitchen refurbishment	(5,345)	
	=====	=====

A building improvement fund has been established Funding from Big Lottery Fund was used to carry out kitchen refurbishment work in the year

10 Appeal Fund	2006 £	2005 £
Opening balance	11,710	26,215
Released to general fund	(10,208)	(14,505)
	----	--
At 31 March 2006	1,502	11,710
	=====	=====

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 2002 by a professionally qualified actuary using the "projected unit credit" method. The market value of the Scheme's assets at the valuation date was £12.8 million.

During the accounting period Scotland Yard Adventure Centre paid contributions at the rate of 9.9% until 30 September 2005 and 12% from 1 October 2005. Member contributions were 6%.

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	7.2
• 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 25% UK equities/75% index linked gilts for pensioner liabilities.

The valuation revealed a shortfall of assets compared with the value of liabilities of some £2.2 million (equivalent to a past service funding level of 85%). The ongoing future service joint contribution rate (i.e. employer and employee contributions) was assessed as 15.9% of pensionable salaries. In view of the past service shortfall it was agreed that employers would continue to pay contributions at the rate of 12% of pensionable salaries and that member contributions would be increased to 6% with effect from 1 April 2004.

New employers joining the Scheme, including Scotland Yard Adventure Centre, pay contributions at the ongoing employer future service contribution rate. 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.

New employers also pay an additional age loading if the average age of their members is higher than the average age of the Scheme membership. This loading 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, or, such earlier date as agreed between the SCVO Pensions Committee and the Scheme Actuary.

Scotland Yard Adventure Centre paid contributions at the rate of 9.9% being the current ongoing contribution rate until 30 September 2005. Scotland Yard Adventure Centre does not pay an age loading. From 1 October 2005 Scotland Yard Adventure Centre has paid contributions at 12% being the standard contribution rate per the most recent actuarial valuation.

On the basis of the valuation assumptions this pattern of contributions will be sufficient to eliminate the past service deficit by 30 September 2012.

The valuation as at 30 September 2005

12 Members liability

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