



Alexander Sloan
Accountants and Business Advisers

Company Registration No. SC215331 (Scotland)
(a company limited by guarantee)

EAST POLLOKSHIELDS OUT OF SCHOOL CARE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Charity Registration No. SC023161 (Scotland)



EAST POLLOKSHIELDS OUT OF SCHOOL CARE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees'	Lynn McDonald Kirsty Seonaid McKechnie Stephen Moran Helen Oxley Ruth Steel
Secretary	Angela Whyte
Charity number (Scotland)	SC023161
Company number	SC215331
Principal address	c/o Pollokshields Primary School 241 Albert Drive Glasgow G41 2NA
Auditor	Alexander Sloan 180 St Vincent Street Glasgow G2 5SG
Bankers	Bank of Scotland 236 Albert Drive Glasgow G41 2NL

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

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EAST POLLOKSHIELDS OUT OF SCHOOL CARE

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees' present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and Activities

The objectives of the charity as contained within the governing document are:

- To promote the care and education of children and primarily children who attend school in East Pollokshields ("the Operating Area") and associated secondary schools in need of care during out-of-school hours and during school holidays and to promote the provision of facilities for the recreation and other leisure time occupations of such children in the interests of social welfare with the purpose of improving their conditions of life and to enable parents to work or pursue further/higher education or training.
- To advance education amongst the residents of the Operating Area, particularly among young people and the unemployed.
- To promote and/or provide training in skills of all kinds particularly skills as will assist those of the Operating Area in obtaining paid employment.
- To promote, establish and operate other schemes of a charitable nature for the benefit of the community within the operating area.

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

At the end of the financial year the service was in comparatively stable financial health given the impact of the Covid-19 restrictions on income. While the aim of self-sustainability remains the long-term aim, it should be recognised that ongoing impacts of the pandemic on service users mean that this will likely be further away than previously anticipated. The response to the pandemic required the temporary closure of the service for part of March 2020 through to August 2020 and again from January 2021 to March 2021 during which time no parental fees were charged.

In the absence of parental fees during the closures, EPOSC relied primarily on Government support for businesses impacted by the pandemic restrictions, reserves, and GCC core funding, to ensure that staffing costs and any ongoing contract costs were met. Effective use of available funding such as the furlough scheme and negotiations on ongoing contract costs helped to limit the overall impact on the reserves during these periods.

Broader funding for activities and specialised equipment had previously been secured and with agreement from funders this was either redirected to support core running costs or deferred to be spent when the service re-opened. Although the service was open during the autumn half-term, ongoing restrictions meant that outings and activities outside of the school were not possible.

The service is managed and run professionally by Angela Whyte and her staff. Angela's hard work and positive focus on limiting the financial impacts of the closures and ongoing restrictions has helped to keep the services financially tenable throughout the challenges of the past twelve months. Angela proactively managed down costs wherever possible while limiting any negative impact on staff and the children using the service.

At the end of March 2021 EPOSC was supporting 35 families in the East Pollokshields community managing their childcare requirements and supporting people in further education, training, and employment. This is a significant reduction on previous levels and is a direct result of the ongoing Covid-19 restrictions. This reduction has meant some difficult staffing decisions and two posts were made redundant to ensure that staffing levels were in line with requirements for the number of service users. Despite this, and the continued uncertainty, supporting and developing staff members to ensure the quality of the service remains a key focus. Continuing to flexibly manage and respond to changes and requirements of services users will be important in securing the long-term financial health of the service.

The manager and board have worked flexibly over the past twelve months to make decisions quickly and will continue to do so as required. The Board recognise that the five-year business plan from 2020/21 to 2025, which focussed on progress towards self-sustainability will likely require significant review and refinement in light of the impact of Covid-19.

EPOSC continue to engage an external company to assist in enhancing our Health and Safety processes and further developing our HR procedures and policies. This has been particularly essential to help navigate the evolving recommendations and requirements in relation to good hygiene and effective social distancing during the pandemic, while also recognising the impact that some of these measures could have on the emotional wellbeing of the children using the service. The service continues to ensure the management team has all of the support required to deliver a safe environment for the children and their families. The service has had one additional short closure due to a confirmed covid-19 case. The service followed all the appropriate protocols and there were no identifiable transitions between service users.

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Despite the challenges of the year, the service remains focussed on continuing to focus on ensuring that the 'Curriculum for Excellence', United Nations Convention on the Rights of the Child (UNCRC) and getting it Right for Every Child (GIRFEC) ethos is reflected in their work and supporting those children who attend the service to develop as individuals.

Looking forward, the focus for the coming year will be on continuing to recover from and mitigate the ongoing impacts of the Covid-19 pandemic, this may involve staffing and service changes to protect the long-term financial sustainability of the service. Opportunities to develop the service in terms of increasing the numbers of users and attracting more parents and carers to the board may prove more difficult due to ongoing uncertainties. The Board continues to work with Angela and her team to ensure that EPOSC meets all legal and regulatory requirements as well as making sure the service can continue to provide a fantastic service for parents, carers, and children in the local community.

Thanks are due to Angela and the EPOSC staff team and to my fellow board members for all their hard work and support during the year; it has been greatly appreciated.

Financial review

The charity had a negative net movement in funds of £4,434 (2020: positive movement of £19,296) for the year and has accumulated reserves of £104,904 (2020: £109,338) at the balance sheet date.

It is the policy of the Charity to maintain unrestricted funds at a level to provide sufficient funds to cover at least nine months running costs of the charity

The Trustees' has assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The organisation is an incorporated Scottish charity governed by its Memorandum & Articles of Association.

The Trustees', who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Lynn McDonald
Kirsty Seonaid McKechnie
Stephen Moran
Helen Oxley
Ruth Steel

Before the AGM a letter is sent to parents and carers encouraging them to become Trustees. At the AGM the Chairperson explains the Trustees Responsibilities and requests nominations for Trustees. The Trustees are appointed at the AGM.

None of the Trustees' has any beneficial interest in the company. All of the Trustees' are members of the company and guarantee to contribute £1 in the event of a winding up.

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Auditor

A resolution proposing that Alexander Sloan, Accountants and Business Advisers, be reappointed as auditors of the charitable company will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Trustees' annual report report was approved by the Board of Trustees'.

Angela Whyte

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Angela Whyte

Secretary 2/12/2021

Dated:

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

STATEMENT OF TRUSTEES' ANNUAL REPORT RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees', who are also the directors of East Pollokshields Out of School Care for the purpose of company law, are responsible for preparing the Trustees' Annual Report Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees' to prepare financial statements for each financial 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, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees' are required to:

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

The Trustees' are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS AND TRUSTEES OF EAST POLLOKSHIELDS OUT OF SCHOOL CARE

Opinion

We have audited the financial statements of East Pollokshields Out of School Care (the 'Charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' annual report use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees' with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees' are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF EAST POLLOKSHIELDS OUT OF SCHOOL CARE

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' annual report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees'

As explained more fully in the statement of Trustees' annual report responsibilities, the Trustees', who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees' determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees' are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees' either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Directors and other management, and from our wider knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charities SORP (FRS 102) and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF EAST POLLOKSHIELDS OUT OF SCHOOL CARE

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and OSCR.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Allison Devine

**Allison Devine (Senior Statutory Auditor)
for and on behalf of Alexander Sloan**

2/12/2021
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**Accountants and Business Advisers
Statutory Auditor**

**180 St Vincent Street
Glasgow
G2 5SG**

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF EAST POLLOKSHIELDS OUT OF SCHOOL CARE

Alexander Sloan is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

Current financial year

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
	Notes					
<u>Income and endowments from:</u>						
Donations and legacies	3	40,841	-	50,789	91,630	64,446
Income from charitable activities	4	42,211	-	-	42,211	144,686
Total income		83,052	-	50,789	133,841	209,132
<u>Expenditure on:</u>						
Cost of charitable activities	5	78,744	8,742	50,789	138,275	189,836
Net income for the year/ Net movement in funds		4,308	(8,742)	-	(4,434)	19,296
Fund balances at 1 April 2020		49,857	59,481	-	109,338	90,042
Fund balances at 31 March 2021		54,165	50,739	-	104,904	109,338

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 13 to 22 form an integral part of these financial statements.

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Prior financial year

		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £
	Notes			
<u>Income and endowments from:</u>				
Donations and legacies	3	54,446	10,000	64,446
Income from charitable activities	4	144,686	-	144,686
Total income		199,132	10,000	209,132
<u>Expenditure on:</u>				
Cost of charitable activities	5	185,847	3,989	189,836
Net income for the year/ Net movement in funds		13,285	6,011	19,296
Fund balances at 1 April 2019		50,561	39,481	90,042
Fund balances at 31 March 2020		63,846	45,492	109,338

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 13 to 22 form an integral part of these financial statements.

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

BALANCE SHEET

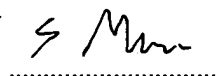
AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	10	3,832		11,493	
Cash at bank and in hand		136,932		121,100	
		<u>140,764</u>		<u>132,593</u>	
Creditors: amounts falling due within one year	11	(35,860)		(23,255)	
Net current assets			<u>104,904</u>		<u>109,338</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	14	50,739		45,492	
General unrestricted funds		<u>54,165</u>		<u>63,846</u>	
			<u>104,904</u>		<u>109,338</u>
			<u>104,904</u>		<u>109,338</u>

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

2/12/2021

The financial statements were approved by the Trustees' on



Stephen Moran
Trustee

The notes on pages 13 to 22 form an integral part of these financial statements.

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

East Pollokshields Out of School Care is a charitable company limited by guarantee and incorporated in Scotland. The registered office address and principal place of business is Pollokshields Primary School, 241 Albert Drive, Glasgow, Lanarkshire, G41 2NA.

The principal activity of the charity is the provision of out of school childcare services.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's [governing document], the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees' have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees' continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees' in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured or estimated reliably.

Liabilities are measured on recognition at historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date. The exception is that certain financial instruments must be adjusted to their present value; these include financial liabilities where settlement is deferred for more than 12 months after the reporting date.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Charitable activities

Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities. The costs of charitable activities presented in the Statement of Financial Activities includes the costs of both direct service provision and the payments of grant awards if applicable.

Support costs

Support costs are incurred supporting the charity's activities and include expenditure associated with administrative and finance functions, business support, HR, IT and governance. These support functions are shared across the charity's activities and are apportioned across those activities in order to arrive at the full cost for each reported activity. The method of apportionment adopted by the charity are outlined in the notes to the financial statements.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees' are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

One of our key assumptions relates to our ability to operate our childcare facilities and hence generate income, without further substantial periods of lock-down or disruption/restriction upon the number of children which we can accommodate within our club.

Our financial projections, which support our going concern assessment, are based on an estimated number of children attending each day together with the operation of our traditional holiday programmes.

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £
Donations and gifts	5,236	-	5,236	-	-	-
Grants	35,605	50,789	86,394	54,446	10,000	64,446
	<u>40,841</u>	<u>50,789</u>	<u>91,630</u>	<u>54,446</u>	<u>10,000</u>	<u>64,446</u>

4 Income from charitable activities

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Parents' fees	<u>42,211</u>	<u>144,686</u>

5 Cost of charitable activities

	2021 £	2020 £
Staff costs	112,553	154,796
Premises costs	4,048	5,977
Running costs	12,949	19,975
Legal and professional	3,855	4,100
Accountancy costs	1,023	983
Governance costs	3,847	4,005
	<u>138,275</u>	<u>189,836</u>
	<u>138,275</u>	<u>189,836</u>
Analysis by fund		
Unrestricted funds - general	78,744	185,847
Unrestricted funds - designated	8,742	3,989
Restricted funds	50,789	-
	<u>138,275</u>	<u>189,836</u>

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the charity's auditor:	2021	2020
	£	£
Audit of the annual accounts	3,847	4,005
	<u> </u>	<u> </u>

7 Trustees' Emoluments

None of the Trustees' (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

8 Employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
	10	11
	<u> </u>	<u> </u>
Employment costs	2021	2020
	£	£
Wages and salaries	103,325	144,874
Social security costs	6,324	5,492
Other pension costs	2,904	4,430
	<u> </u>	<u> </u>
	<u>112,553</u>	<u>154,796</u>

The remuneration of key management personnel during the year, including wages and salaries, and employer's contributions to national insurance and pensions, was £36,830 (2020: £39,249).

9 Pension Costs

The company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £2,904 (2020 - £4,430),

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	1,239	10,136
Other debtors	2,593	1,357
	<u>3,832</u>	<u>11,493</u>

11 Creditors: amounts falling due within one year

	2021	2020
	£	£
Childcare Fee Account balances	25,913	20,335
Accruals and deferred income	9,947	2,920
	<u>35,860</u>	<u>23,255</u>

Childcare Fee Account balances includes £25,913 (2020 : £20,335) of fee income received before the year end which has been either paid in advance by families for use of the Clubs and activities after 31st March 2021 or represents deposits paid by families when they join the service, which will be returned/utilised when a child is due to leave the service.

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

12 Restricted funds

The income funds of the charity include restricted funds comprising the following balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Income	Balance at 1 April 2020	Income	Expenditure	Balance at 31 March 2021
	£	£	£	£	£
Job Retention Scheme Fund	-	-	21,846	(21,846)	-
Summer Hub 2020 Fund	-	-	19,467	(19,467)	-
First Port Fund	-	-	9,476	(9,476)	-
	<u>-</u>	<u>-</u>	<u>50,789</u>	<u>(50,789)</u>	<u>-</u>

Purposes of Restricted Funds

Job Retention Scheme Fund

The Job Retention Scheme Fund has been established by a grant received from the UK Government. Eligible employers can apply to HMRC for a grant towards the employment costs of eligible individuals who are temporarily not working, or not working their usual hours, due to the Covid-19 pandemic, and who meet the eligibility requirements of being furloughed.

Summer Hub 2020 Fund

The Summer Hub 2020 Fund has been established by a grant received from Glasgow City Council in order for the Out of School Care to open as a 'Hub' due to the impact of COVID-19. The grant is to fund the care of children of keyworkers and costs associated with the hub.

First Port Fund

The Third Sector Resilience Fund (TSRF) is a £20m emergency fund for charities, community groups, social enterprises and voluntary organisations working in Scotland. The fund supports organisations that already deliver services and products but find themselves in financial difficulties directly as a result of the coronavirus pandemic. The grant is to fund essential costs of the charity.

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

13 Analysis of net assets between funds

Fund balances at 31 March 2021 are represented by:
Current assets/(liabilities)

Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted funds	Designated funds	Total
2021	2021	2021	2021	2020	2020	2020
£	£	£	£	£	£	£
68,154	36,750	-	104,904	63,846	45,492	109,338
68,154	36,750	-	104,904	63,846	45,492	109,338

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds					
	Balance at 1 April 2019	Income	Expenditure	Balance at 1 April 2020	Expenditure	Balance at 31 March 2021
	£	£	£	£	£	£
Redundancy Fund	36,750	-	-	36,750	-	36,750
Outdoor Experimental Learning for Children Fund	2,731	10,000	(3,989)	8,742	(8,742)	-
	<u>39,481</u>	<u>10,000</u>	<u>(3,989)</u>	<u>45,492</u>	<u>-</u>	<u>36,750</u>

Purposes of Designated Funds

Redundancy Fund

The redundancy fund is a designated fund set aside to be used in the event of the close down of the charity. This fund covers redundancy costs as well as professional fees associated with any closure.

Outdoor Experimental Learning for Children Fund

The Outdoor Experimental Learning for Children Fund has been established by a grant received from Awards for All in order to run a series of activities for children and young people throughout school holidays. The grant is to fund sessional costs, sustenance, transports for outings, market and promotion, trips and activities for Summer, October, February and midterms and Easter of out school weeks.

15 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	4,392	4,392
Between two and five years	12,444	14,640
	<u>16,836</u>	<u>19,032</u>

16 Related party transactions

During the year, the Trustees of East Pollokshields Out of School Care used the charity's childcare. The value of services used during the year was £ 8,696 (2020: £13,529).

All agreements for Trustees are on standard terms.

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

17 Ethical Matters

In common with many other charities of our size and nature, we use our auditors to assist with the preparation of the financial statements.

18 Going concern

East Pollokshields Out of School Care reported a deficit of £4,434 for the year ended 31 March 2021, decreasing reserves to £104,904. Ordinarily, the charity's main source of income is childcare fees. The continued generation of parent fees is crucial to the viability of the Charity.

The Covid-19 pandemic continues to have a severe impact on the charity's ability to generate the same level of parent fees as in previous years. The Trustees have responded to this by taking measures to reduce its cost base. Unfortunately this has led the Trustees making difficult decisions to make redundancies. The charity also continues to explore other funding sources to bolster income and aid the Charity through the continuing pandemic.

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

		2021		2020
	£	£	£	£
<u>Income</u>				
UF Donations and gifts	5,236		-	
Government grant income	35,605		54,446	
Designated grant income	-		10,000	
RF Government grant income	50,789		-	
		91,630		64,446
<u>Other income</u>				
Parent Fees	42,211		144,686	
		(42,211)		144,686
Total income		133,841		209,132
Total expenditure		(138,275)		(189,836)
Net surplus for the year		(4,434)		19,296

EAST POLLOKSHIELDS OUT OF SCHOOL CARE

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

	£	2021 £	£	2020 £
<u>Charitable activities</u>				
<u>Staff costs</u>				
Wages and salaries	52,536		144,874	
Social security costs	6,324		5,492	
Staff pension costs defined contribution	2,904		4,430	
Salary costs met from JRS	50,789		-	
		112,553		154,796
<u>Premises costs</u>				
Rent	748		661	
Insurance	1,026		1,144	
Cleaning	244		245	
Equipment Leasing	2,030		3,927	
		4,048		5,977
<u>Running costs</u>				
Printing, postage and stationery	2,925		1,439	
Telephone	2,450		2,471	
Training costs	1,691		593	
Advertising and marketing	13		154	
Subscriptions	114		-	
General expenses	1,339		4,437	
Education and Play Equipment	1,914		2,910	
Snacks	602		2,541	
Uniforms	1,397		625	
Outings	504		4,805	
		12,949		19,975
<u>Legal and professional</u>				
Consultancy fees	3,855		4,100	
		3,855		4,100
<u>Accountancy fees</u>				
Payroll fees	1,023		983	
		1,023		983
<u>Governance costs</u>				
Audit fees	3,847		4,005	
		3,847		4,005
Total charitable activities expenditure		138,275		189,836
Total expenditure		138,275		189,836