

Scottish Charity No. SC035701
Scottish Company Registration No. SC269608

Out of the Box (Scotland) Limited

(a company limited by guarantee)

Directors' Report and Financial Statements
Year ended 30 June 2019



Out of the Box (Scotland) Limited

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Out of the Box (Scotland) Limited

Report of the Directors for the year ended 30 June 2019

The Directors (who are also Trustees for the purpose of Charity law) are pleased to present their report together with the financial statements of the company for the year ended 30 June 2019.

Registered and principal Office

15 Castle Heather Road
Inverness
Scotland
IV2 4EA

Bankers

Royal Bank of Scotland
29 Harbour Road
Inverness
IV1 1NU

Status of Charity and Governing Document

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

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

Aims and charitable objectives

The objects of the company shall be to promote the advancement of the Christian Faith and the worship of God in Scotland and elsewhere by any means whatsoever including but not by way of limitation the preaching and proclamation of the Christian Gospel using performing arts and the teaching of Christian doctrine and principles.

Directors and Office Bearers

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

Directors

Alasdair Morrison
Gillian Gunn
Alister Mackinnon (retired February 2019)
Eileen Morrison
Elaine K Watt
Andrew G Wilson (retired February 2019)
Elaine Kirkham
Geoffrey Todd
David Humphris (appointed February 2019)
Matthew Donn (appointed February 2019)

Company Secretary

Stephen R Cranston

Day to day management

Chris Watt

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

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

Out of the Box (Scotland) Limited

Report of the Directors for the year ended 30 June 2019

Achievements and performance

The charity employs a full-time Children's Worker, Chris Watt, and two part-time Associate Children's Workers, Carol Hutchison and Matthew Todd (employed from September 2018).

Chris, Carol and Matthew work with schools and churches across Scotland. They have worked with a number of schools leading assemblies and performing a Christmas musical during December 2018.

Matthew runs a weekly youth choir in Bishoppbriggs, with around 8 young people attending every week.

We worked closely with 5 individual churches, helping them lead a week long Holiday Club for the children of their local community over the Summer and October holidays. We also provided children's work training for all the volunteers at each of these events.

We produced a short film called 'Full Armour', working with a cast and crew of around 20 people. We also led a performing arts week called 'AMP'D', working with 24 young people aged 9 to 14.

We performed our Christmas Musical in 13 church venues across Scotland during December 2018. We performed in 4 schools in the Inverness area.

Outreach events and other puppet shows were performed throughout the year for churches or church groups around the Highlands, Aberdeenshire and the Central Belt of Scotland.

A number of fundraising events were organised including two quiz nights, a coffee morning and a 24 hour cycling challenge.

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

Financial review

There was a surplus for the year of £26,850 (2018: £5,823). This, when added to the funds brought forward of £19,739 (2018: £13,916) gives rise to total funds carried forward of £46,589 (2018: £19,739). The amounts held in each fund are shown in notes 16 and 17 of the accounts. The directors consider that sufficient funds are available in order to meet the immediate needs of the charity.

Reserves

It is the policy of the company to maintain unrestricted funds, ie, funds not committed or invested in fixed assets, at a level which equates to approximately three months unrestricted expenditure. This allows sufficient funds to enable the ongoing work of the company to be maintained. The general fund held at 30 June 2019 was £31,204 (2018: £14,807) and is more than the target level. Total reserves amounted to £46,589 (2018: £19,739).

Out of the Box (Scotland) Limited

Report of the Directors for the year ended 30 June 2019

Statement on risk

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

Future plans

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

Donated services and premises

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

We are grateful for the continued provision of our premises, donated to us by Rendon Catering Supplies Limited.

Statement of Directors' Responsibilities

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

In preparing those financial statements, the Directors are required to:

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

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

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

On behalf of the board



Alasdair Morrison
Chairman

Dated: 2 March 2020

Out of the Box (Scotland) Limited

Report of the Independent Examiner to the Trustees for the year ended 30 June 2019

I report on the accounts of the company for the year ended 30 June 2019 which are set out on pages 5 to 11.

Respective responsibilities of Trustees and examiner

The Charity's Trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.


Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations (as amended), and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended)have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Jonathan N Innes FCCA
Innes & Partners Limited
Chartered Certified Accountants
9 Ardross Street
Inverness
IV3 5NN

Date: 3 March 2020

 **Innes & Partners**
Chartered Certified Accountants

Out of the Box (Scotland) Limited

Statement of Financial Activities (incorporating Income and Expenditure Account)

For the year ended 30 June 2019

	Notes	General fund £	Designated fund £	Restricted fund £	2019 Total £	2018 Total £
Income						
Donations and legacies	2	48,335	11,300	10,510	70,145	36,796
Charitable activities	3	21,018	-	-	21,018	13,724
Other trading activities	4	468	-	-	468	814
Total income		69,821	11,300	10,510	91,631	51,334
Expenditure						
Charitable activities	5	51,460	3,147	10,174	64,781	45,511
Total expenditure		51,460	3,147	10,174	64,781	45,511
Net expenditure before transfers		18,361	8,153	336	26,850	5,823
Transfers	16,17	(1,964)	1,964	-	-	-
Net movement in funds after transfers		16,397	10,117	336	26,850	5,823
Total funds brought forward		14,807	4,932	-	19,739	13,916
Total funds carried forward	16,17	31,204	15,049	336	46,589	19,739
Represented by:						
Unrestricted fund	16					
General		31,204	-	-	31,204	14,807
Designated fund	16					
Designated assets		-	15,049	-	15,049	4,932
Restricted fund	17					
Associate children's worker fund		-	-	336	336	-
Total funds		31,204	15,049	336	46,589	19,739

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

Out of the Box (Scotland) Limited

(Registered No: SC269608)

Balance sheet

As at 30 June 2019

	Notes	General fund £	Designated fund £	Restricted fund £	2019 Total £	2018 Total £
Fixed assets						
Tangible assets	12	-	15,049	-	15,049	4,932
Total fixed assets		-	15,049	-	15,049	4,932
Current assets						
Debtors	14	1,258	-	-	1,258	1,801
Cash at bank and in hand		31,520	-	428	31,948	14,183
Total current assets		32,778	-	428	33,206	15,984
Liabilities						
Creditors: falling due within one year	15	(1,574)	-	(92)	(1,666)	(1,177)
Net current assets		31,204	-	336	31,540	14,807
Total assets less current liabilities		31,204	15,049	336	46,589	19,739
Total net assets		31,204	15,049	336	46,589	19,739
The funds of the Charity						
General fund	16	31,204	-	-	31,204	14,807
Designated fund	16	-	15,049	-	15,049	4,932
Restricted fund	17	-	-	336	336	-
Total charity funds		31,204	15,049	336	46,589	19,739

These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies' regime.

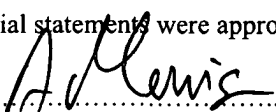
For the year ending 30 June 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities

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

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

The financial statements were approved by the Board on 2 March 2020 and signed on their behalf by:



 Alasdair Morrison (Chairman)

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

Out of the Box (Scotland) Limited

Notes to the Financial Statements for the year ended 30 June 2019

1. Accounting policies

Accounting convention

The financial statements have been prepared in accordance with 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 Section 1A – Small Entities), the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis of financial statements

The financial statements have been prepared on an accruals basis.

Income and debtors

All income is included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Debtors are valued at cost at the year end and adjusted for any amounts considered to be unrecoverable.

Expenditure and creditors

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 reliably. All expenditure is accounted for on an accruals basis. Creditors are valued at cost at the year end and split between amounts due in less than one year and amounts due in more than one year.

Pensions

The charity contributes to defined contribution pension schemes of the employees.

Tangible fixed assets

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

Equipment	25% on cost
Motor Vehicles	20% on cost

Statement of Financial Activities

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

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

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

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

Out of the Box (Scotland) Limited

Notes to the financial statements

For the year ended 30 June 2019

2. Donations and legacies	General fund £	Designated fund £	Restricted fund £	2019 Total £	2018 Total £
Donations	22,942	11,300	10,510	44,752	24,886
Gift Aid receivable	6,431	-	-	6,431	5,910
Grant	-	-	-	-	6,000
Legacy	18,962	-	-	18,962	-
	48,335	11,300	10,510	70,145	36,796

Income from donations and legacies was £70,145 (2018: £36,796) of which £48,335 was general (2018: £36,496), £11,300 was designated (2018: £nil) and £10,510 was restricted (2018: £300).

3. Charitable activities - income	General fund £	Designated fund £	Restricted fund £	2019 Total £	2018 Total £
Puppet shows and events	18,713	-	-	18,713	13,724
Fund raising	2,305	-	-	2,305	-
	21,018	-	-	21,018	13,724

Income from charitable activities was £21,018 (2018: £13,724) of which £21,018 was general (2018: £13,724), £nil was designated (2018: £nil) and £nil was restricted (2018: £nil).

4. Other trading activities	General fund £	Designated fund £	Restricted fund £	2019 Total £	2018 Total £
Bank interest	6	-	-	6	7
Other	462	-	-	462	807
Total trading income	468	-	-	468	814

Income from other resources was £468 (2018: £814) of which £468 was general (2018: £814), £nil was designated (2018: £nil) and £nil was restricted (2018: £nil).

5. Charitable activities - expenditure	Direct costs £	Support costs £	2019 Total £	2018 Total £
<i>Activity</i>				
Charitable activities (note 6/7)	58,385	6,396	64,781	45,511
	58,385	6,396	64,781	45,511
Of which:				
Relating to general fund	48,211	3,249	51,460	40,768
Relating to designated fund	-	3,147	3,147	2,243
Relating to restricted fund	10,174	-	10,174	2,500

Out of the Box (Scotland) Limited

Notes to the financial statements

For the year ended 30 June 2019

6. Direct costs	General fund £	Designated fund £	Restricted fund £	2019 Total £	2018 Total £
Staff costs (note 8)	33,997	-	10,174	44,171	33,558
Equipment and materials	692	-	-	692	1,634
Motor vehicle costs	5,077	-	-	5,077	1,422
Travel and accommodation	1,348	-	-	1,348	979
Publicity	193	-	-	193	656
Staff expenses	804	-	-	804	-
Events expenses	7,300	-	-	7,300	2,460
Profit on Sale of Van	(1,200)	-	-	(1,200)	-
	48,211	-	10,174	58,385	40,709

Expenditure from direct costs was £58,385 (2018: £40,709) of which £48,211 was general (2018: £40,409), £nil was designated (2018: £nil) and £10,174 was restricted (2018: £300).

7. Support costs	General fund £	Designated fund £	Restricted fund £	2019 Total £	2018 Total £
Professional fees	2,088	-	-	2,088	2,096
Office costs	26	-	-	26	-
Removal costs	-	-	-	-	262
Independent examination	660	-	-	660	660
Depreciation	-	3,147	-	3,147	1,185
Sundry expenses	475	-	-	475	599
	3,249	3,147	-	6,396	4,802

Expenditure from support costs was £6,396 (2018: £4,802) of which £3,249 was general (2018: £3,617), £3,147 was designated (2018: £1,185) and £nil was restricted (2018: £nil).

8. Staff costs and numbers	2019 £	2018 £
Gross salaries	42,068	32,188
Pension contributions	2,103	1,370
	44,171	33,558

The average number of employees during the year was 3 (2018: 2). There are no employees receiving more than £60,000.

9. Directors' remuneration and expenses

No Director received any remuneration or expenses in the year (2018: nil).

10. Liability of Members

The company is limited by guarantee, with the liability of each member limited to £1. There were 11 (2018: 11) members at 30 June 2019.

11. Related party transactions

There were no remunerations or expenses paid to the Trustees for their roles as trustees. However a salary of £21,696 (2018: £21,429) was paid to Chris Watt during the year for his role as children's worker, Chris is the husband of trustee Elaine Watt.

During the year, the charitable company paid fees to Phil Todd of £2,450 (2018: £1,250), for services rendered in connection with shows and events. A salary of £9,442 (2018: £nil) was paid to Matthew Todd for his role as a part time associate childrens worker. Matthew & Phil are brothers of Geoffrey Todd, Trustee.

Donations of £2,840 were received from Trustees (2018: £2,850).

Out of the Box (Scotland) Limited

Notes to the financial statements

For the year ended 30 June 2019

12. Tangible fixed assets

	Equipment	Motor vehicle	Total
<i>Cost</i>	£	£	£
At 1 July 2018	9,163	6,687	15,850
Additions	764	12,500	13,264
Disposals	-	(6,687)	(6,687)
At 30 June 2019	9,927	12,500	22,427
<i>Depreciation</i>			
At 1 July 2018	4,231	6,687	10,918
Charge for year	1,480	1,667	3,147
Eliminated on disposals	-	(6,687)	(6,687)
At 30 June 2019	5,711	1,667	7,378
<i>Net book value</i>			
At 30 June 2019	4,216	10,833	15,049
At 30 June 2018	4,932	-	4,932

13. Taxation

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

14. Debtors: amounts falling due within one year

	2019	2018
	£	£
Gift Aid debtor	1,258	1,801
	1,258	1,801

15. Creditors: amounts falling due within one year

	2019	2018
	£	£
Accrued expenses	1,040	871
Social security and other taxes	626	306
	1,666	1,177

Out of the Box (Scotland) Limited

Notes to the financial statements

For the year ended 30 June 2019

16. Unrestricted funds	Balance at 01.07.18 £	Income £	Expenditure £	Transfers £	Balance at 30.06.19 £
General fund	14,807	69,821	(51,460)	(1,964)	31,204
Designated fund					
Designated assets	4,932	11,300	(3,147)	1,964	15,049
Total unrestricted funds	19,739	81,121	(54,607)	-	46,253

Explanation of funds

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

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

17. Restricted fund	Balance at 01.07.18 £	Income £	Expenditure £	Transfers £	Balance at 30.06.19 £
Associate children's worker fund	-	10,510	(10,174)	-	336
Total restricted funds	-	10,510	(10,174)	-	336

Explanation of fund

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