

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 2021



Innes & Partners
Chartered Certified Accountants

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 2021

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 2021.

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
Eileen Morrison
Elaine K Watt
Elaine Kirkham
Geoffrey Todd
David Humphris
Matthew Donn
Alex MacQueen (appointed March 2021)

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 2021

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. Chris, Carol and Matthew work with schools and churches across Scotland.

Like many organisations, 2020/21 didn't pan out the way we hoped. Every church event and school visit in our diary was cancelled. In response to this challenge, we used the time we were given to create online videos and material for churches, schools and families to use at home. We produced and released over 30 videos on our YouTube channel which have been watched thousands of times.

We also spent the time writing and filming new Holiday Club material as well starting work on a project aimed at schools.

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 £7,620 (2020: £3,682). This, when added to the funds brought forward of £50,271 (2020: £46,589) gives rise to total funds carried forward of £57,891 (2020: £50,271). 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 2021 was £36,047 (2020: £30,778) and is more than the target level. Total reserves amounted to £57,891 (2020: £50,271).

Out of the Box (Scotland) Limited

Report of the Directors for the year ended 30 June 2021

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.

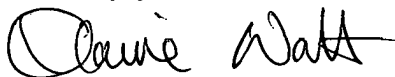
In preparing those financial statements, the Directors are required to:

- 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



Elaine K Watt
Director

Dated: 9 March 2022

Out of the Box (Scotland) Limited

Report of the Independent Examiner to the Trustees for the year ended 30 June 2021

I report on the accounts of the company for the year ended 30 June 2021 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.

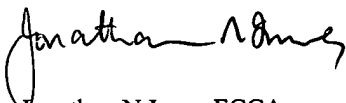
Independent examiner's statement

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: 9/3/2022

I+P 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 2021

| | Notes | General fund £ | Designated fund £ | Restricted fund £ | 2021 Total £ | 2020 Total £ |
|--|--------------|----------------------|-------------------------|-------------------------|--------------------|--------------------|
| Income | | | | | | |
| Donations and legacies | 2 | 50,548 | - | 15,800 | 66,348 | 47,267 |
| Charitable activities | 3 | 1,600 | - | - | 1,600 | 18,782 |
| Other trading activities | 4 | 501 | - | - | 501 | 1,310 |
| Total income | | 52,649 | - | 15,800 | 68,449 | 67,359 |
| Expenditure | | | | | | |
| Charitable activities | 5 | 44,624 | 4,189 | 12,016 | 60,829 | 63,677 |
| Total expenditure | | 44,624 | 4,189 | 12,016 | 60,829 | 63,677 |
| Net income/(expenditure) before transfers | | 8,025 | (4,189) | 3,784 | 7,620 | 3,682 |
| Transfers | 16,17 | (2,756) | 2,756 | - | - | - |
| Net movement in funds after transfers | | 5,269 | (1,433) | 3,784 | 7,620 | 3,682 |
| Total funds brought forward | | 30,778 | 12,227 | 7,266 | 50,271 | 46,589 |
| Total funds carried forward | 16,17 | 36,047 | 10,794 | 11,050 | 57,891 | 50,271 |
| Represented by: | | | | | | |
| Unrestricted fund | 16 | | | | | |
| General | | 36,047 | - | - | 36,047 | 30,778 |
| Designated fund | 16 | | | | | |
| Designated assets | | - | 10,794 | - | 10,794 | 12,227 |
| Restricted fund | 17 | | | | | |
| Associate children's worker fund | | - | - | 11,050 | 11,050 | 7,266 |
| Total funds | | 36,047 | 10,794 | 11,050 | 57,891 | 50,271 |

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 2021

| | Notes | General fund £ | Designated fund £ | Restricted fund £ | 2021 Total £ | 2020 Total £ |
|--|-------|----------------------|-------------------------|-------------------------|--------------------|--------------------|
| Fixed assets | | | | | | |
| Tangible assets | 12 | - | 10,794 | - | 10,794 | 12,227 |
| Total fixed assets | | - | 10,794 | - | 10,794 | 12,227 |
| Current assets | | | | | | |
| Debtors | 14 | 6,914 | - | - | 6,914 | 6,443 |
| Cash at bank and in hand | | 30,700 | - | 11,147 | 41,847 | 32,891 |
| Total current assets | | 37,614 | - | 11,147 | 48,761 | 39,334 |
| Liabilities | | | | | | |
| Creditors: falling due within one year | 15 | (1,567) | - | (97) | (1,664) | (1,290) |
| Net current assets | | 36,047 | - | 11,050 | 47,097 | 38,044 |
| Total assets less current liabilities | | 36,047 | 10,794 | 11,050 | 57,891 | 50,271 |
| Total net assets | | 36,047 | 10,794 | 11,050 | 57,891 | 50,271 |
| The funds of the Charity | | | | | | |
| General fund | 16 | 36,047 | - | - | 36,047 | 30,778 |
| Designated fund | 16 | - | 10,794 | - | 10,794 | 12,227 |
| Restricted fund | 17 | - | - | 11,050 | 11,050 | 7,266 |
| Total charity funds | | 36,047 | 10,794 | 11,050 | 57,891 | 50,271 |

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

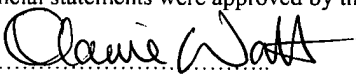
For the year ending 30 June 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 9 March 2022 and signed on their behalf by:


Elaine Watt (Director)

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 2021

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), 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 2021

| 2. Donations and legacies | General fund £ | Designated fund £ | Restricted fund £ | 2021 Total £ | 2020 Total £ |
|---------------------------|----------------------|-------------------------|-------------------------|--------------------|--------------------|
| Donations | 32,293 | - | 15,800 | 48,093 | 36,082 |
| Gift Aid receivable | 5,907 | - | - | 5,907 | 5,185 |
| Grant | 11,000 | - | - | 11,000 | 6,000 |
| Facebook donations | 1,348 | - | - | 1,348 | - |
| | 50,548 | - | 15,800 | 66,348 | 47,267 |

Income from donations and legacies was £66,348 (2020: £47,267) of which £50,548 was general (2020: £28,007), £nil was designated (2020: £nil) and £15,800 was restricted (2020: £19,260).

| 3. Charitable activities - income | General fund £ | Designated fund £ | Restricted fund £ | 2021 Total £ | 2020 Total £ |
|-----------------------------------|----------------------|-------------------------|-------------------------|--------------------|--------------------|
| Puppet shows and events | 1,600 | - | - | 1,600 | 18,782 |
| | 1,600 | - | - | 1,600 | 18,782 |

Income from charitable activities was £1,600 (2020: £18,782) of which £1,600 was general (2020: £18,782), £nil was designated (2020: £nil) and £nil was restricted (2020: £nil).

| 4. Other trading activities | General fund £ | Designated fund £ | Restricted fund £ | 2021 Total £ | 2020 Total £ |
|-----------------------------|----------------------|-------------------------|-------------------------|--------------------|--------------------|
| Bank interest | 10 | - | - | 10 | 8 |
| Inv Presb rent contribution | 225 | - | - | 225 | - |
| Other | 266 | - | - | 266 | 1,302 |
| Total trading income | 501 | - | - | 501 | 1,310 |

Income from other resources was £501 (2020: £1,310) of which £501 was general (2020: £1,310), £nil was designated (2020: £nil) and £nil was restricted (2020: £nil).

| 5. Charitable activities - expenditure | Direct costs £ | Support costs £ | 2021 Total £ | 2020 Total £ |
|--|----------------------|-----------------------|--------------------|--------------------|
| Activity | | | | |
| Charitable activities (note 6/7) | 53,861 | 6,968 | 60,829 | 63,677 |
| | 53,861 | 6,968 | 60,829 | 63,677 |

Of which:

| | | | | |
|-----------------------------|--------|-------|--------|--------|
| Relating to general fund | 41,845 | 2,779 | 44,624 | 47,186 |
| Relating to designated fund | - | 4,189 | 4,189 | 4,161 |
| Relating to restricted fund | 12,016 | - | 12,016 | 12,330 |

Out of the Box (Scotland) Limited

Notes to the financial statements

For the year ended 30 June 2021

| 6. Direct costs | General fund £ | Designated fund £ | Restricted fund £ | 2021 Total £ | 2020 Total £ |
|--------------------------|----------------------|-------------------------|-------------------------|--------------------|--------------------|
| Staff costs (note 8) | 35,918 | - | 12,016 | 47,934 | 47,431 |
| Equipment and materials | 1,585 | - | - | 1,585 | 679 |
| Motor vehicle costs | 2,283 | - | - | 2,283 | 1,524 |
| Travel and accommodation | 351 | - | - | 351 | 906 |
| Publicity | - | - | - | - | 56 |
| Staff expenses | 2,078 | - | - | 2,078 | 661 |
| Events expenses | - | - | - | - | 4,433 |
| Profit on Sale of Camera | (370) | - | - | (370) | - |
| | <u>41,845</u> | <u>-</u> | <u>12,016</u> | <u>53,861</u> | <u>55,690</u> |

Expenditure from direct costs was £53,861 (2020: £55,690) of which £41,845 was general (2020: £42,360), £nil was designated (2020: £nil) and £12,016 was restricted (2020: £12,330).

| 7. Support costs | General fund £ | Designated fund £ | Restricted fund £ | 2021 Total £ | 2020 Total £ |
|-------------------------|----------------------|-------------------------|-------------------------|--------------------|--------------------|
| Professional fees | 1,699 | - | - | 1,699 | 2,101 |
| Office costs | 420 | - | - | 420 | 54 |
| Independent examination | 660 | - | - | 660 | 660 |
| Depreciation | - | 4,189 | - | 4,189 | 4,161 |
| Sundry expenses | - | - | - | - | 1,011 |
| | <u>2,779</u> | <u>4,189</u> | <u>-</u> | <u>6,968</u> | <u>7,987</u> |

Expenditure from support costs was £6,968 (2020: £7,987) of which £2,779 was general (2020: £3,826), £4,189 was designated (2020: £4,161) and £nil was restricted (2020: £nil).

| 8. Staff costs and numbers | 2021 £ | 2020 £ |
|----------------------------|---------------|---------------|
| Gross salaries | 45,651 | 45,172 |
| Pension contributions | 2,283 | 2,259 |
| | <u>47,934</u> | <u>47,431</u> |

The average number of employees during the year was 3 (2020: 3). There are no employees receiving more than £60,000.

9. Directors' remuneration and expenses

No Director received any remuneration or expenses in the year (2020: nil).

10. Liability of Members

The company is limited by guarantee, with the liability of each member limited to £1. There were 9 (2020: 11) members at 30 June 2021.

11. Related party transactions

There were no remunerations or expenses paid to the Trustees for their roles as trustees. However a salary of £22,740 (2020: £22,184) 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 £1,840 (2020: £2,360), for services rendered in connection with shows and events. A salary of £10,933 (2020: £11,495) 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 £2,220 were received from Trustees (2020: £2,120).

Out of the Box (Scotland) Limited

Notes to the financial statements

For the year ended 30 June 2021

12. Tangible fixed assets

| | Equipment | Motor vehicle | Total |
|-------------------------|---------------|---------------|---------------|
| <i>Cost</i> | £ | £ | £ |
| At 1 July 2020 | – 11,266 | 12,500 | 23,766 |
| Additions | 3,247 | - | 3,247 |
| Disposals | (1,239) | - | (1,239) |
| At 30 June 2021 | 13,274 | 12,500 | 25,774 |
| <i>Depreciation</i> | | | |
| At 1 July 2020 | 7,372 | 4,167 | 11,539 |
| Charge for year | 1,689 | 2,500 | 4,189 |
| Eliminated on disposals | (748) | - | (748) |
| At 30 June 2021 | 8,313 | 6,667 | 14,980 |
| <i>Net book value</i> | | | |
| At 30 June 2021 | 4,961 | 5,833 | 10,794 |
| At 30 June 2020 | 3,894 | 8,333 | 12,227 |

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

| | 2021 | 2020 |
|-----------------|--------------|--------------|
| | £ | £ |
| Gift Aid debtor | 6,914 | 6,443 |
| | 6,914 | 6,443 |

15. Creditors: amounts falling due within one year

| | 2021 | 2020 |
|---------------------------------|--------------|--------------|
| | £ | £ |
| Accrued expenses | 1,020 | 900 |
| Social security and other taxes | 644 | 390 |
| | 1,664 | 1,290 |

16. Analysis of Net Assets Among Funds

| | Unrestricted Funds | Restricted Funds | Designated Funds | Total Funds 2021 |
|---------------------|--------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ |
| Fixed Assets | - | - | 10,794 | 10,794 |
| Current Assets | 37,614 | 11,147 | - | 48,761 |
| Current Liabilities | (1,567) | (97) | - | (1,664) |
| As at 30 June 2021 | 36,047 | 11,050 | 10,794 | 57,891 |
| | | | | |
| | Unrestricted Funds | Restricted Funds | Designated Funds | Total Funds 2020 |
| | £ | £ | £ | £ |
| Fixed Assets | - | - | 12,227 | 12,227 |
| Current Assets | 31,980 | 7,354 | - | 39,334 |
| Current Liabilities | (1,202) | (88) | - | (1,290) |
| As at 30 June 2020 | 30,778 | 7,266 | 12,227 | 50,271 |

Out of the Box (Scotland) Limited

Notes to the financial statements

For the year ended 30 June 2021

| 17. Unrestricted funds | Balance at 01.07.20 | Income | Expenditure | Transfers | Balance at 30.06.21 |
|--------------------------|------------------------|--------|-------------|-----------|------------------------|
| | £ | £ | £ | £ | £ |
| General fund | 30,778 | 52,649 | (44,624) | (2,756) | 36,047 |
| Designated fund | | | | | |
| Designated assets | 12,227 | - | (4,189) | 2,756 | 10,794 |
| Total unrestricted funds | 43,005 | 52,649 | (48,813) | - | 46,841 |

| | Balance at 01.07.19 | Income | Expenditure | Transfers | Balance at 30.06.20 |
|--------------------------|------------------------|--------|-------------|-----------|------------------------|
| | £ | £ | £ | £ | £ |
| General fund | 31,204 | 48,099 | (47,186) | (1,339) | 30,778 |
| Designated fund | | | | | |
| Designated assets | 15,049 | - | (4,161) | 1,339 | 12,227 |
| Total unrestricted funds | 46,253 | 48,099 | (51,347) | - | 43,005 |

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.

| 18. Restricted fund | Balance at 01.07.20 | Income | Expenditure | Transfers | Balance at 30.06.21 |
|----------------------------------|------------------------|--------|-------------|-----------|------------------------|
| | £ | £ | £ | £ | £ |
| Associate children's worker fund | 7,266 | 15,800 | (12,016) | - | 11,050 |
| Total restricted funds | 7,266 | 15,800 | (12,016) | - | 11,050 |

| | Balance at 01.07.2019 | Income | Expenditure | Transfers | Balance at 30.06.2020 |
|----------------------------------|--------------------------|--------|-------------|-----------|--------------------------|
| | £ | £ | £ | £ | £ |
| Associate children's worker fund | 336 | 19,260 | (12,330) | - | 7,266 |
| Total restricted funds | 336 | 19,260 | (12,330) | - | 7,266 |

Explanation of fund

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