



**SMART PLAY NETWORK  
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT and FINANCIAL STATEMENTS**

**For the year ended 31 March 2020**



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**SMART PLAY NETWORK**  
**(A Company Limited by Guarantee)**

**REFERENCE and ADMINISTRATIVE DETAILS**  
**For the year ended 31 March 2020**

<b>Name of charity:</b>	Smart Play Network	
<b>Scottish Charity Number</b>	SC042505	
<b>Company Number</b>	SC401334	
<b>Board of Trustees (Directors)</b>	Michelle Davitt (Chair) Iain Highley (Treasurer) Geoff Sumner (Resigned 4 August 2020) Carol Notman (Resigned 28 October 2019) Deborah Jans Clare Jamieson (Appointed 19 September 2019) Francois Roshdy (Resigned 11 June 2019) Esther Stringer (Resigned 11 June 2019)	
<b>Chief Executive Officer</b>	Lesley Fox	
<b>Registered office and principal address</b>	16 Constitution Street Edinburgh EH6 7BT  From 1 <sup>st</sup> January 2020: Unit 40, Castlebrae Business Centre Peffer Place Edinburgh EH16 4BB  Telephone: 0131 554 2620 Website: <a href="http://www.smartplaynetwork.org">www.smartplaynetwork.org</a>	
<b>Bankers</b>	The Co-operative Bank plc	CAF Bank Ltd
	PO Box 250 Delf House Southway Skelmersdale WN8 6WT	25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
<b>Solicitors</b>	Morton Fraser LLP Quartermile Two 2 Lister Square Edinburgh EH3 9GL	
<b>Auditor</b>	Chiene + Tait LLP Chartered Accountants and Statutory Auditor 61 Dublin Street Edinburgh EH3 6NL	

## **SMART PLAY NETWORK**

### **TRUSTEES' ANNUAL REPORT** **For the year ended 31 March 2020**

The Trustees (who are also the Directors of the company for the purposes of company law) present their Report together with the financial statements and the independent auditor's report for the year ended 31 March 2020.

#### **Objectives and activities**

Smart Play Network is established for the public benefit through supporting and aiding in the establishment and support of play and other services including but not limited to toy libraries, free play services and services providing resources for play for the purpose of:

- a. providing the best available play opportunities, toys and resources that reflect the cultural diversity of service users and that challenge gender, ethnic and disabled stereotypes;
- b. promoting the value and benefits of play in assisting the all-round development, wellbeing and health of children from birth, including disabled children and young people, those with additional support needs and those living in disadvantaged circumstances;
- c. promoting the social integration of disabled children and young people, those with additional support needs and those living in disadvantaged circumstances;
- d. supporting parents, carers and other agencies in giving children the best start in life;

all with a view to the prevention and relief of poverty, the advancement of education and the advancement of citizenship and community development.

#### **Structure, Governance and Management**

The charity is a charitable company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. The company is registered in Scotland and was set up on 9 June 2011. The National Association of Toy & Leisure Libraries was wound up in 2011 and the assets relating to Scotland were transferred to Smart Play Network on 30 August 2011. The company is governed by a Memorandum and Articles of Association and was registered with the Office of the Scottish Charity Regulator (OSCR) on 10 August 2011 under charity number SC042505.

#### **The Board of Trustees**

The minimum number of trustees is three and the maximum number is ten.

The Board of Trustees may co-opt trustees as an addition to the board or if any elected Trustee retires or is otherwise unable to continue as a Trustee providing the maximum number of Trustees is not exceeded.

Following their initial appointment, each trustee will serve for the period until the next anniversary date and will then retire but be eligible for re-election. Members may serve on the Board of Trustees for a maximum of two consecutive terms and must then stand down for a minimum of one year before being eligible for re-election.

The trustees who have served during the period under review are set out on page 1.

#### **Trustee induction and training**

When appointed, new trustees are provided with an information pack containing copies of the governing documents, annual report, strategic plan and other supporting papers. Training on specific topics is made available as required.

#### **Trustee meetings**

The trustees meet every three months and ad-hoc as required.

#### **Volunteers**

Volunteers have provided valuable assistance in a number of areas of our work. Smart Play Network benefits from a number of short and long-term volunteers within our project settings. The Trustees very much appreciate the valuable contribution our volunteers make.

## SMART PLAY NETWORK

### TRUSTEES' ANNUAL REPORT (continued) For the year ended 31 March 2020

#### Protection of Vulnerable Groups Act Scotland 2007

The Trustees of Smart Play Network take their responsibilities seriously regarding the above act and have robust procedures and policies in place. We carry out PVG scheme checks on all our staff and volunteers working regularly with children and ensure that we keep up to date with changes in legislation.

#### Achievements and Performance

Smart Play Network is a membership organisation and also runs a number of direct delivery services for children, families and play practitioners.

#### Membership Services

- Advice and support in setting up projects
- Guidance sheets with practical solutions for success
- New videos with practical ideas for low cost play activities
- One to one support via visits where possible
- Targeted information via email
- Workshops and Networking events
- Training in free play, play topics and topical workshops
- An introduction to competitive and tailored insurance services
- The latest information on funding sources in Scotland
- A range of policy templates
- Support in monitoring and evaluation

Our membership continues to increase and currently sits at 292 - 18 new members this year. Our membership is varied and is made up of groups and organisations from parent groups, through to schools and local play organisations. We have in membership 30 toy libraries, 84 schools and nurseries, 136 Play Services and 42 Individuals. Support for members has remained consistent with demand being at its highest in the run up to the COVID 19 Lockdown on the 23<sup>rd</sup> March. At this time for example, toy libraries sought advice around their concerns around gathering families and toy loans. We therefore issued guidance about infection control cleaning, closures and suspensions of loans. Our website has had significant traffic this year with over 13,000 page views with nearly 10,000 of these being unique. Smarter analytics show this to be lower than last year, but we are confident that this is a more realistic expectation of traffic, with social media now being widely used for quick access to relevant information. A new social media strategy has meant regular 2 posts per day and increased use of Twitter and Instagram which has resulted in a remarked increase in our followers across all platforms.

Our newsletters and network blogs were very well received and cover a wide range of topics from our activity and across the sector and funding landscape. Further support for members has been through our training courses for which members continue to receive discounted places. We held seven training courses in the first three quarters of 2019/20, training 252 practitioners. With the recruitment of a full time Training Co-ordinator this year, we were able to plan our series of free networking events. Our first event was for members who completed our Play in A Pod programme, who gathered in Fife in February 2020. Sadly, the further two events that were planned for March 2020 had to be cancelled but we intend to re-schedule those in due course. These will be for our Toy Library members and for schools offering Active Play sessions. Members tell us that we are meeting their needs with many responses to our monthly newsletters and blogs and positive engagement with our social media platforms. 100% of those that responded to our annual survey found our information informative and useful and 96% used our information to improve and inform their practice and delivery. We recorded 82 separate incidences of tailored support this year.

In addition, we help to raise the profile of our member projects and services through:

- Attendance at key National Conferences and events
- Contributing to National and local policy
- Displays at relevant events
- Meetings with policy makers in our sector
- A presence on key committees and forums
- Response to consultations in the sector
- Working in partnership for strength and visibility

## **SMART PLAY NETWORK**

### **TRUSTEES' ANNUAL REPORT (continued)** **For the year ended 31 March 2020**

Smart Play Network remain active members of a number of groups and forums which discuss and shape policy. As key participants in Scotland's Play Council Strategy Group, we have worked with a range of partners to liaise with the Scottish Government on issues relating to play opportunities for children, children's rights and funding for play in Scotland. As close partners with the Scottish Government through our PlayTalkRead roadshow, we have been able to work alongside the SG Campaign Parent Club, where we promote their campaign and website. In addition, PlayTalkRead has carried the Parent Club message the length and breadth of Scotland this past year visiting all of the 32 local authorities. Through the roadshow and our Parent Club branded vehicles, we have been able to distribute thousands of support materials for families developed by ourselves and parent club in a successful and impactful partnership.

At all forums and in meetings or consultations, we continue to try our best to represent our members' views and that of the Play Sector. This has ensured that play and children's right to play are at the heart of policy decisions and strategic work. We represent grassroots projects that otherwise would not have a voice at this level. We also feedback information to our members via our newsletters, discussions and information sheets.

#### **Our Portfolio of direct delivery projects**

##### **Play Plus Toy Library (PPTL)**

This year we welcomed 65 new members which is our biggest increase to date. This is mainly due to members bringing in friends, Health Visitor referrals and the removal of scaffolding off the building highlighting our banner. We delivered 32 sessions and 4 summer sessions. 884 toys were borrowed and we welcomed 80 new children.

- Feedback from members thanking us for helping their children to prepare for nursery and school – especially with learning to share.
- Seeing children's confidence improve going from shy and dependant on their adult to being independent and asking us for the particular toys they would like to borrow
- Four very popular summer sessions with 125 children attending. There was a real family focus this year with families taking part in activities together rather than the adults standing back and watching. We also had a lot of new families come along with babies to meet other families in the area.
- Despite a few challenges (having to use different rooms while work was taking place at our venue, heating problems, staff shortages due to illness) our team have worked really hard to ensure the Toy Library remained open and our members have continued to enjoy our sessions.

Our presence has saved families money with more members borrowing as opposed to buying. Waste has been reduced with members quoting this as one of the reasons they originally joined. Toy waste, from plastic toys, is a concern for our families and they tell us that our service supports them to be more environmentally kind as well as their children learning about reduce, re-use and re-cycle.

Through our diversity of membership, we all benefit from engaging with parents, grandparents, childminders, different nationalities, religions and beliefs. Everyone is very supportive to each other with many new relationships having been forged that extend beyond the toy library into community life.

##### **Smart Play Rangers**

Our Smart Play Rangers have faced challenges this year with funding, service reductions and restrictions to our regular play sites. Through all this, they have managed to remain a consistent and valued presence in the Magdalene and Bingham communities of Edinburgh, developing new partnerships and strengthening relationships. Our successes include;

## SMART PLAY NETWORK

### TRUSTEES' ANNUAL REPORT (continued) For the year ended 31 March 2020

- Supporting 277 children at our drop in sessions despite reducing our delivery from 4 sessions per week to 2 sessions per week.
- Delivering 2 hugely successful Family Fun Days, funded the committee at Community Renewal, which saw 250 children attend with their families.
- Ensuring that the children they work with had access to at least one meal per day through partnering with the 'Holiday Hunger' initiative during school holidays.
- Developing our local relationships further with St Ninians Primary School in Edinburgh by delivering loose parts free play sessions at the start of the year and then 'Active Play' training to some of their staff and pupils towards the end of the year. 64 children and staff per week participated in the Active Play sessions over 7 weeks and 153 pupils took part in the loose parts and free play sessions.
- Junior Play Rangers is still a popular ambition our children. 70 children achieved their JPR certificate/award.

Despite some concerns expressed about unsafe play areas in their community, 50% of children and parents who were surveyed felt they were more confident in playing outside more due to attending play ranger sessions. 93% of children stated they were more active as a result of coming to play rangers, 88% of children felt improved self-esteem and confidence and encouragingly. 50% of parents felt more involved with their child's play.

#### **Play On Wheels (POW)** (Fife, Dundee and Angus)

In August 2019 we said a sad but proud farewell to our long standing project Play On Wheels (Dundee, Fife and Angus). We concluded work with Kingspark school for children with additional support needs in Dundee, where pupils now enjoy more free play in the school day. School staff have moved away from being risk adverse and are more confident to allow a range of new play opportunities taking a risk benefit approach. Four long term Fife projects drew to a close with partners Link UP, Pathead/Gallatown nursery schools, Nourish and Valley Primary school, ending with a fantastic Family Fun Day to celebrate the success of the partnership. We delivered a busy two week Easter holiday programme offering 12 sessions (8 open /4 closed) in Kirkcaldy, Rosyth and Inverkeithing and, completed two 9 week projects at Torbain primary school and Baby Café - Cottage Family Centre as well as weekly loose parts taster sessions facilitated at Dunnikier primary school throughout June. Key summer events involvement including National Play Day in Letham Glen and the Big Lunch Picnic in Kirkcaldy showcased our work. In the last few months of delivery, POW teams supported an incredible 2,576 children, 417 practitioners and 189 parents / carers.

The Legacy and impact of the POW programme was captured on video highlighting our many successes and wonderful partnerships throughout the years.

#### **PlayTalkRead (PTR)**

It has been a fantastic year for PlayTalkRead with the team seeing the ongoing benefits of our re-brand under the Parent Club banner and the success of our remodeled Community Outreach and Sensory tours. Bertie our sensory lorry had a facelift to the interior with new equipment and resources. Staff reported that the overall experience in the lorry was greatly improved for both staff and families alike. In Aberdeen a parent replicated our sensory wall in her home after attending our sessions. Staff felt more motivated to work inside the wonderful space and it inspired a wider range of activities for the families to participate in during their time with us. Bonnie our smaller vehicle supported enhanced delivery with the pod extension giving a lot more space, Families settled quickly and felt very comfortable in the space. The team became more confident in identifying and resolving technical issues quickly, reducing any issues that normally impact on the tours. Bonnie has also provided us with the opportunity to attend more events in rural areas and has proven to be a great addition to the range of vehicles that PTR have. The events that we have attended this year were carefully planned with more diversity than in prior years and have focused on free entry, and for families that meet our grant guidelines. The PlayTalkRead programme has benefited from the wider SPN team joining them at the Castlebrae Offices. This has led to a wider understanding all round across our programmess of work. Sharing of resources, staffing and systems has made us more efficient meaning the impact of losing our Programme Manager has been lessened.

## SMART PLAY NETWORK

### TRUSTEES' ANNUAL REPORT (continued) For the year ended 31 March 2020

#### Key Stats:

- This year we visited 228 venues over 202 dates.
- In total 21,533 people visited the vehicles (1,827 males, 7,633 females, 11,490 children and 583 practitioners), which represents an average of 107 per day.
- 99% of visitors thought that the activities on board were relevant to them and their child.
- 97% of visitors left having obtained different ideas that they could use with their child at home.
- 17 different events in 10 different local authorities.

Through our engagement with 7,497 families we have been able to improve awareness of the benefits of playing, talking and reading with our children. Parents tell us that they will use our ideas at home (97%) and that they will play with their children more (96%). Families have gained new knowledge of other support groups in their area and learned of a range of ways to strengthen their relationships through play. Through our community and sensory tours, families have benefited from sustained engagement and tell us that their children have grown in confidence over the weeks. Adults tell us of their own confidence in using everyday items for play more and how they have reduced their inhibitions to read out loud and sing.

#### Smart Play Dundee

This new project started in September 2019. Eight schools, who prioritise play as part of their curriculum, combined their Pupil Equity Funding (PEF) alongside Dundee City Council contributing Attainment Challenge funding to fund this new project. Our aim was to increase the confidence of teachers, staff and pupils to incorporate play as part of the curriculum as well as using play as a tool to increase pupil inclusion and an intervention to support pupil mental health and wellbeing.

Staff within all these schools became confident in running loose parts play sessions by themselves, and taking the initiative to do so when SPN were not present. We supported and identified planning outcomes for each school, so the play was targeted initially to those most in need. Schools were open to suggestions and trying new play ideas and we provided specific staff training in play practice and theory for each school, with three other schools attending and making use of that knowledge. Overall, we engaged with seven schools who received loose parts play practitioner training, four schools received playground games training for practitioners. This resulted in eight schools running loose parts play sessions during lunch times and one using Play Champions at lunchtimes. We engaged with 1,438 children and trained and supported 91 practitioners. We were particularly pleased to have supported older pupils who were eager to run Play Champion sessions for the younger pupils in the school at lunchtimes. Schools are now;

- Investing money in play opportunities, including training, play resources, waterproof suits etc.
- Developing play strategies and identifying how they can use play to support pupils and the school culture
- Much more confident in encouraging and supporting play.
- Using play to support specific children to develop skills, experiences, and learning.

#### Training

Over the past year we have looked to positively engage with a number of organisations. These have been from schools and communities as well as individuals – all of which have used Smart Play Network as a gateway to supplementing their knowledge towards play. We have helped these communities with greater access to resources, education that helps target their specific aims and objectives but more importantly, providing the tools to create vividly engaging and rewarding experiences for children. By providing greater opportunity to discuss hurdles as well as successes, we look to create a safe environment for discussion which helps those taking part in gaining confidence and understanding of what healthy play (and attitudes towards play look like). This is then used practically through 'hands-on' training.

Our aim is that these tools are then implemented in a way that it has a supremely positive impact on the children and environments these children use.

## SMART PLAY NETWORK

### TRUSTEES' ANNUAL REPORT (continued) For the year ended 31 March 2020

After delivery of 7 training courses, 5 Play in a Pod programmes and a successful Networking event, we have received feedback from over 250 separate evaluations. Feedback has been both constructive and enlightening. People have reported feeling more “confident” and “Can't wait to try out new ideas!”. They also feel that not only does loose play have an overtly beneficial impact on children they believe that they should “Allow the children to take risks and develop my confidence in doing so”. By staff and parents believing that they should “Take more of a step back during play”, they allow “...the environment around children's play... [has the] potential to be more”.

From the feedback, by demonstrating what engaging looks like, we are having a beneficial impact on schools, communities, parents and ultimately, children's lives.

#### **Financial review**

The financial results are set out on pages 14 - 25.

Total income in the General Fund decreased from £152,808 in the previous year to £139,856. Investment income in the General Fund was £440 compared with £373 in 2019.

Restricted Fund income and expenditure by fund is shown in Note 13. Total restricted income amounted to £489,001 (2019: £659,009).

The total cost of charitable activities was £694,557 compared to an amount of £757,455 spent in 2019.

The overall financial position remains healthy with net funds being £489,777 at 31 March 2020 (2019: £555,227). Of this £233,389 (2019: £260,066) is attributable to the unrestricted funds and £256,388 (2019: £295,161) to restricted funds. Of the £233,389 (2019: £260,066) unrestricted funds, £69,125 (2019: £91,312) relates to designated funds as outlined in notes 13.

#### Policy on reserves

In the Trustees view, the reserves should provide the charity with adequate financial stability and the means for it to meet its charitable objectives for the foreseeable future.

The Trustees feel that an appropriate level of reserves should equate to approximately 12 months of overheads (core running costs). The current free reserves of the charity are £164,264 (2019: £168,754). This represents 11.5 months of projected core running costs based on our planned budgets for 2020/2021. The trustees review the amount of reserves that are required to ensure that they are adequate to fulfil the charity's continuing obligations on a quarterly basis.

The trustees have adopted a moderate approach to risk in the investment of the charity's fund with reserves being invested in cash.

#### Risk management/assessment

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems and procedures have been put in place to lessen and closely monitor these risks. Our Risk Register is examined and updated quarterly at Trustee meetings. This year, our focus was mainly on a number of programmes of work and specifically gaps between the end of project funding with the potential to lose key members of staff. Trustees allocated funding to retain these staff members meaning we were able to keep our key skills and hit the ground running with new work when funding came through. We also recognised some risk in our office move with a break in operations and were concerned about the reducing numbers of Trustees due to valid personal reasons – for this, we developed a full Trustee Recruitment Plan which, whilst the implementation of this was delayed by COVID-19, is ready to go when we return to capacity.

## SMART PLAY NETWORK

### TRUSTEES' ANNUAL REPORT (continued) For the year ended 31 March 2020

#### Plans for future periods

Our proposed outcomes for our core work will remain the same as last year due to the extension of our three-year funding award from the Children and Young People's Early Intervention Fund to March 2021. However, due to the situation around COVID-19 and the uncertainty of when our delivery will be able to return to normality, we will constantly review our organisational and project outcomes, targets and activities in response to emerging announcements by the Scottish Government. In short, we will remain flexible and adapt our services to best meet the needs of our beneficiaries in new and innovative ways whilst keeping our staff safe. We will await the outcome of our application to a new fund (Families and Communities Fund) in the summer of 2020.

#### Plans for future periods (continued)

##### Core Outcomes

- Members ability to deliver sustainable, quality and inclusive play opportunities for children is increased.
- More play projects are set up (including play rangers, toy libraries and free play opportunities).
- Early Years and Play Policy is better informed through Smart Play Network's links with the wider grassroots play sector.
- The wider children's sector has increased knowledge of play and have access to existing models of good practice.

##### Governance

We continue to benefit from our skilled Board of Trustees and do plan to strengthen this by the addition of at least another 3 members of the Board. However, the COVID-19 pandemic has delayed our plans to recruit and induct using our newly developed induction process. As soon as it reasonably possible, we will be taking forward these plans.

This year, we engaged a specialist in Charity Governance to develop with us a number of new key documents. These were due to be finalised in March alongside our recruitment programme but have also been delayed. Going forward we will be strengthening our everyday Governance practice, by incorporating the following;

- Scheme of Reservations and Delegations – details and mechanisms of the delegation of the powers of the Board of Trustees to the CEO and throughout the organisation.
- Standing orders – a more detailed look at our Articles of Association and how these translate into the working practices of Smart Play Network.
- Trustee Recruitment and Induction – clear guidelines on the process of appointing new Trustees and a full induction process to support them to understand the organisation and their roles and responsibilities within it.

Trustees held a General Meeting on the 19th of September 2019, incorporating this with a short programme of presentations from staff at Craigour Primary School in Edinburgh and Sharon Smith, our staff member from Play on Wheels. Members who attended voted and approved the adoption of a revised Articles of Association for Smart Play Network, with modernised language and a new and improved system to recruit and appoint members of the Board of Trustees. Members also voted to appoint our Auditors Chiene and Tait for the year 2019 /2020. The new Articles of Association were sent to and approved by the Office of Scottish Charity Regulator.

In addition to this, we will explore and consider any opportunities that arise which work towards us achieving our overall aims and objectives for children and families.

## **SMART PLAY NETWORK**

### **TRUSTEES' ANNUAL REPORT (continued)** **For the year ended 31 March 2020**

#### **COVID-19 Statement**

In mid-March 2020, it became apparent that we were heading into very uncertain times as a nation, organisation and staff team. We therefore began preparations for Lockdown which meant to us at the time, a period of home working for those who could and a cease in activity of all our project work. We therefore appointed a staff member to assess the technology requirements of staff and our stock of items such as laptops and phones to facilitate home working. We set up finance systems online and converted all our authorisation paper based forms to electronic. We also took up an offer from our finance software provider of a 3-month online trial. We notified all our projects and beneficiaries of our closure and asked staff to remain at home from Monday 22<sup>nd</sup> March. Much of the first week or two was taken up with cancellations of pre-booked travel, ferries, hotels and delivery of the PTR team and also developing home working plans for our teams. We did not furlough any staff as it quickly became apparent that our teams could be of huge benefit to the children and families in Scotland that were facing difficult circumstances which would be heightened by long periods at home. Some key work;

- Development of new programme of work for PlayTalkRead partnering with foodbanks and Local Authority teams in Edinburgh to deliver play activity packs directly to children most in need.
- A strong online presence across project and core teams to support our beneficiaries (including members) with guidance and advice on dealing with changing activities and priorities.
- An enhance online presence for families, posting at least twice daily, craft and play ideas that could be replicated in the home for none or very little cost. These in the form of play cards, videos and storytelling.

All staff adapted extremely well to their new circumstances and developed highly innovative ways to adjust their working practices and delivery. Our funders were amazing in their support – providing us reassurance about any changes we would need to make to our outcomes and activities and relieving pressure on us by the non-requirement of year end reports which would have taken up valuable time. We are very happy to say that our quick thinking and careful planning has not hampered any of our funding streams or priorities going in to 2020 / 2021. In fact, this experience has highlighted a number of new opportunities and positive practice change that we will be taking beyond the Covid-19 crisis.

The key management personnel of the charity comprise the Trustees and the Chief Executive.

## SMART PLAY NETWORK

### TRUSTEES' ANNUAL REPORT (continued) For the year ended 31 March 2020

#### Statement of Trustees' Responsibilities

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing those 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 2015 (FRS 102);
- 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 trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005. 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.

#### Statement as to disclosure to our auditors

In accordance with company law, as the company's directors, the Trustees have confirmed that:

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

#### Auditors

A resolution to reappoint Chiene + Tait LLP, Chartered Accountants, as auditors will be put to the members at the General Meeting.

This report, which has been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies, was approved by the trustees on 3<sup>rd</sup> September 2020, and signed on their behalf by:-

Michelle Davitt  
Director / Trustee (Chair)

Iain Highley  
Director / Trustee (Treasurer)

### **Opinion**

We have audited the financial statements of Smart Play Network (the 'charity') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheets and the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charity's affairs as at 31 March 2020, 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### **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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of financial statements which 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 charity 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 regulations made under that Act.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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 auditor's 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.

Jeremy M Chittleburgh CA (Senior Statutory Auditor)  
For and on behalf of Chiene + Tait LLP  
Chartered Accountants and Statutory Auditor  
61 Dublin Street  
Edinburgh  
EH3 6NL

2020

*Chiene + Tait LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.*

## SMART PLAY NETWORK

### STATEMENT of FINANCIAL ACTIVITIES (including Income and Expenditure Account) For the year ended 31 March 2020

	Notes	Un- Restricted Funds £	Restricted Funds £	2020 Total Funds £	Un- restricted Funds £	Restricted Funds £	2019 Total Funds £
<b>Income from:</b>							
Donations and legacies	3	722	-	722	1,123	-	1,123
Charitable activities	3	138,694	489,001	627,695	151,312	659,009	810,321
Investments		440	-	440	373	-	373
Other income		250	-	250	-	-	-
<b>Total income</b>		140,106	489,001	629,107	152,808	659,009	811,817
<b>Expenditure on:</b>							
Charitable activities	4	163,502	531,055	694,557	141,861	615,594	757,455
<b>Total expenditure</b>		163,502	531,055	694,557	141,861	615,594	757,455
<b>Net income/(expenditure)</b>		(23,396)	(42,054)	(65,450)	10,947	43,415	54,362
Transfers between funds	13	(3,281)	3,281	-	5,299	(5,299)	-
<b>Net movement in funds</b>		(26,677)	(38,773)	(65,450)	16,246	38,116	54,362
<b>Reconciliation of funds</b>							
Total funds brought forward		260,066	295,161	555,227	243,820	257,045	500,865
<b>Total funds carried forward</b>		233,389	256,388	489,777	260,066	295,161	555,227

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended 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 17 to 25 form part of these financial statements.

## SMART PLAY NETWORK

### BALANCE SHEET As at 31 March 2020

	Notes	£	2020 £	£	2019 £
<b>Fixed assets</b>					
Tangible assets	10		103,830		133,175
<b>Current assets</b>					
Debtors	11	26,735		63,777	
Cash at bank and in hand		400,127		399,089	
		-----		-----	
		426,862		462,866	
<b>Liabilities: amounts due within one year</b>	12	(40,915)		(40,814)	
		-----		-----	
Net current assets			385,947		422,052
			-----		-----
<b>Total assets less current liabilities</b>			489,777		555,227
			-----		-----
<b>Net assets</b>			489,777		555,227
			=====		=====
<b>The funds of the charity:</b>					
<b>Unrestricted funds</b>					
General Fund	13		164,264		168,754
Designated Funds	13		69,125		91,312
			-----		-----
<b>Total unrestricted funds</b>			233,389		260,066
<b>Restricted funds</b>	13		256,388		295,161
			-----		-----
<b>Total charity funds</b>			489,777		555,227
			=====		=====

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual financial statements required by the Companies Act 2006 and are for circulation to members of the charity.

The financial statements were approved by the trustees on 3<sup>rd</sup> September 2020, and are signed on their behalf by:

Michelle Davitt  
Director / Trustee (Chair)

Iain Highley  
Director / Trustee (Treasurer)

The notes on pages 17 to 25 form part of these financial statements.

**SMART PLAY NETWORK**

**STATEMENT of CASH FLOW**  
**For the year ended 31 March 2020**

	Notes	£	2020 £	£	2019 £
<b>Cash flows from operating activities</b>					
Cash provided by operations	17		12,171		59,514
<b>Investing activities</b>					
Purchase of tangible fixed assets		(13,573)		(118,359)	
Proceeds on disposal of fixed asset investment		2,000		-	
Interest received		440		373	
		-----		-----	
<b>Net cash generated from investing activities</b>			(11,133)		(117,986)
			-----		-----
<b>Net (decrease)/increase in cash and cash equivalents</b>			1,038		(58,472)
Cash and cash equivalents at beginning of year			399,089		457,561
			-----		-----
<b>Cash and cash equivalents at end of year</b>			400,127		399,089
			=====		=====

**Analysis of changes in net debt**

	At the start of the year £	Cash Flows £	At Year-End £
Cash	399,089	1,038	400,127
	-----	-----	-----
Total	399,089	1,038	400,127
	=====	=====	=====

The notes on pages 17 to 25 form part of these financial statements.

## SMART PLAY NETWORK

### NOTES to the ACCOUNTS

For the year ended 31 March 2020

#### 1. Company information

Smart Play Network is a company limited by guarantee incorporated in Scotland with registered company number SC401334. The registered office is 16 Constitution Street, Edinburgh, EH6 7BT and from 1<sup>st</sup> January 2020, Unit 40, Castlebrae Business Centre, Peffer Place, Edinburgh EH16 4BB. The financial statements have been presented in Pounds Sterling as this is the functional and presentational currency of the charity.

#### 2. Accounting Policies

##### **Basis of Preparation**

The financial statements have been prepared under the historical cost convention with items recognise at cost or transaction value unless otherwise stated in the relevant notes to the financial statements. They have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities and Accounts (Scotland) Regulations 2006 (as amended), the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and the requirements of the SORP 'Accounting and Reporting by Charities: Statement of Recommended Practice for charities preparing their financial statements in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 incorporating changes made by Update Bulletin 1 issued on 2 February 2016 and Bulletin 2 issued on 5 October 2018.

The charity constitutes a public benefit entity as defined by FRS 102.

##### **Going Concern**

The financial statements have been prepared on a going concern basis. The trustees have assessed the charity's ability to continue as a going concern and have reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these financial statements and consider that there are no material uncertainties relating to going concern. The Trustees have additionally addressed going concern in light of Covid-19 and do not consider that it affects the company's ability to continue as a going concern.

##### **Income**

###### Grants receivable

Grants received, including capital grants, are reflected in the Statement of Financial Activities when relevant conditions for entitlement have been met, it is probable they will be received, and the amounts can be quantified with sufficient reliability. Where donors specify that grants are for particular purposes, this income is included in incoming resources within restricted funds when receivable. Where grants are specifically made for the performance of charitable activities in a period subsequent to the year-end they are deferred and excluded from the Statement of Financial Activities.

###### Donations, legacies and similar income

Donations, legacies and similar income is included in the year in which it is receivable, which is when the charity becomes entitled to the income, it is probable that it will be received, and the amount can be measured reliably.

###### Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

##### **Governance costs**

Governance costs comprise those costs which involve public accountability of the charity, its compliance with regulation and good practice.

##### **Expenditure**

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities, with the exception of support costs which have been allocated to activities in proportion to estimated usage of the resources during the year. Costs of charitable activities consist of those applied by the charity in meeting its charitable objectives. Within support costs are governance costs, which include the costs of general governance of the charity as opposed to direct management inherent in meeting charitable objectives, and are those associated with strategic, constitutional and statutory requirements.

## SMART PLAY NETWORK

### NOTES to the ACCOUNTS (continued) For the year ended 31 March 2020

#### 2. Accounting Policies (continued)

##### **Tangible Fixed Assets**

These are capitalised if they can be used for more than one year and cost over £500.

They are initially capitalised at cost, plus any incidental costs of acquisition.

##### **Depreciation**

Depreciation is provided at rates calculated to write off the cost, less any estimated residual value, over the useful expected life of the asset as follows:

Motor vehicles – 25% per annum  
Equipment – 25% per annum

##### **Fund Accounting**

###### Unrestricted funds

Unrestricted funds are grants, donations and other incoming resources received or generated for the charitable purposes of the organisation. They can be used at the discretion of the trustees for any of the charity's purposes.

###### Designated funds

Designated funds are unrestricted funds of the charity which have been earmarked or set aside by the trustees for particular purposes. For Smart Play Network, the designated fixed asset fund holds the value of unrestricted fixed assets.

###### Restricted funds

Restricted funds can only be used for particular restricted purposes within the object of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund held by the charity is included in note 16.

##### **Pension**

Pension contributions are made to an approved defined contribution pension scheme. These are charged to the Statement of Financial Activity in the year in which they are incurred.

##### **Taxation**

Smart Play Network is a registered Scottish charity exempt from corporation tax on income and gains applied to charitable purposes.

The charity is not registered for Value Added Tax and, accordingly, expenditure is shown gross of irrecoverable VAT.

##### **Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### **Operating leases**

Rentals payable under operating leases are charged on a straight line basis over the term of the lease.

##### **Debtors**

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### **Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### **Creditors**

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle an obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

SMART PLAY NETWORK

NOTES to the ACCOUNTS (continued)  
For the year ended 31 March 2020

	Unrestricted Funds	Restricted Funds	2020 Total Funds	2019 Total Funds
	£	£	£	£
<b>3. Analysis of Donations and Legacies and Charitable Activities Income</b>				
<b>Donations and legacies</b>				
Donations	267	-	267	817
Subscriptions	455	-	455	306
<b>Total donations and legacies</b>	<b>722</b>	<b>-</b>	<b>722</b>	<b>1,123</b>
<b>Charitable activities</b>				
Delivery of play services	750	-	750	5,256
Membership and training	15,462	-	15,462	15,908
Grants - The Scottish Government (PTR)	21,000	449,000	470,000	510,000
- The Corra Foundation (General)	93,000	-	93,000	93,000
- Big Lottery Fund (ILF)	-	-	-	75,968
- Other grants	8,482	40,001	48,483	110,189
<b>Total charitable activities</b>	<b>138,694</b>	<b>489,001</b>	<b>627,695</b>	<b>810,321</b>
<b>4. Analysis of Charitable Activities Expenditure</b>				
	Direct Costs	Support Costs	2020 Total Funds	2019 Total Funds
	£	£	£	£
<b>Restricted Funds</b>				
Delivery of play services	479,464	51,591	531,055	615,408
Membership and training	-	-	-	186
	<b>479,464</b>	<b>51,591</b>	<b>531,055</b>	<b>615,594</b>
<b>Unrestricted Funds</b>				
Delivery of play services	22,254	103,019	125,273	118,515
Membership and training	30,092	8,137	38,229	23,346
	<b>52,346</b>	<b>111,156</b>	<b>163,502</b>	<b>141,861</b>
<b>Total charitable activity</b>	<b>531,810</b>	<b>162,747</b>	<b>694,557</b>	<b>757,455</b>
<b>5. Analysis of Governance Costs</b>				
Trustee meetings	22	-	22	70
Professional and other fees	2,137	600	2,737	63
Audit fee	2,300	2,680	4,980	4,563
<b>Total governance costs</b>	<b>4,459</b>	<b>3,280</b>	<b>7,739</b>	<b>4,696</b>

## SMART PLAY NETWORK

### NOTES to the ACCOUNTS (continued) For the year ended 31 March 2020

	Unrestricted Funds	Restricted Funds	2020 Total Funds	2019 Total Funds
	£	£	£	£
<b>6. Support Costs</b>				
Governance	4,459	3,280	7,739	4,696
Salaries	88,035	38,833	126,868	126,936
Staff costs	2,187	969	3,156	5,405
Premises	8,864	4,182	13,046	11,805
Office & IT	4,688	759	5,447	5,977
Vehicle costs	1,520	260	1,780	1,466
Professional & freelance fees	157	3,308	3,465	1,347
Other support costs	1,246	-	1,246	-
	-----	-----	-----	-----
	111,156	51,591	162,747	157,632
	=====	=====	=====	=====

### 7. Net income

	2020 £	2019 £
This is stated after charging:		
Rentals payable in respect of operating leases - land and buildings	18,463	18,488
- other	3,042	6,298
	=====	=====

### 8. Trustee Remuneration, Benefits and Expenses

None of the trustees received any remuneration (2019: Nil).

None of the trustees received reimbursement of expenses (2019: £70) incurred in attending trustee meetings.

The key management personnel of the charity comprise the Trustees and the Chief Executive. The total employee benefits of the key management personnel of the charity during the year, including Employers National Insurance contributions, were £41,953 (2019: £42,210)

### 9. Staff Costs and Emoluments

	2020 £	2019 £
<b>Salary costs</b>		
Gross salaries	417,369	462,425
Employer pension contribution	6,464	7,248
Employer's national insurance	26,169	30,191
	-----	-----
<b>Total</b>	450,002	499,864
	=====	=====

	No.	No.
<b>Average headcount</b>		
Management	3	4
Administration/finance	3	4
Projects	20	20
	-----	-----
<b>Total</b>	26	28
	=====	=====

No employee received emoluments in excess of £60,000 (2019: Nil).

**SMART PLAY NETWORK**

**NOTES to the ACCOUNTS (continued)**  
**For the year ended 31 March 2020**

<b>10. Tangible fixed assets</b>	<b>Vehicles</b>	<b>Equipment</b>	<b>Total</b>
	£	£	£
<b>Cost</b>			
At beginning of the year	169,910	10,271	180,181
Additions	-	13,573	13,573
Disposals	(4,000)	-	(4,000)
	-----	-----	-----
At end of the year	165,910	23,844	189,754
	-----	-----	-----
<b>Depreciation</b>			
At beginning of the year	42,256	4,750	47,006
Depreciation	39,269	1,899	41,168
Disposals	(2,250)	-	(2,250)
	-----	-----	-----
At end of the year	79,275	6,649	85,924
	-----	-----	-----
<b>Net book value</b>			
At beginning of the year	127,654	5,521	133,175
	=====	=====	=====
At end of the year	86,635	17,195	103,830
	=====	=====	=====
 <b>11. Debtors</b>		<b>2020</b>	<b>2019</b>
		£	£
Fees owed		90	3,335
Advance expenses		510	313
Prepayments and accrued income		25,826	32,208
Grants receivable		-	24,325
Other debtors		309	3,596
		-----	-----
<b>Total debtors</b>		26,735	63,777
		=====	=====
 <b>12. Creditors</b>		<b>2020</b>	<b>2019</b>
		£	£
Taxation and social security		5,669	7,315
Accruals and deferred income		18,296	16,296
Other creditors		16,950	17,203
		-----	-----
<b>Total creditors</b>		40,915	40,814
		=====	=====

**SMART PLAY NETWORK**
**NOTES to the ACCOUNTS (continued)**  
**For the year ended 31 March 2020**

	Balance at 31 March 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2020 £
<b>13. Fund Movements</b>					
<b>Restricted funds</b>					
Children in Need	15,900	-	(15,900)	-	-
ECC	553	7,514	(7,477)	-	590
PTR	230,671	449,000	(431,784)	-	247,887
ILF	32,578	-	(35,859)	3,281	-
APD	15,459	5,639	(19,887)	-	1,211
SPD	-	26,848	(20,148)	-	6,700
<b>Total restricted funds</b>	295,161	489,001	(531,055)	3,281	256,388
<b>Unrestricted funds</b>					
General Fund	168,754	139,856	(129,535)	(14,811)	164,264
Designated Fixed Asset Fund	23,222	250	(11,544)	(980)	10,948
Designated POW Shortfall Fund	22,490	-	-	(22,490)	-
Designated Events & Business Planning Fund	8,600	-	(415)	-	8,185
Designated Staff Costs Fund	27,000	-	(22,008)	-	4,992
Designated IT Fund	10,000	-	-	-	10,000
Designated Project Costs Fund	-	-	-	35,000	35,000
<b>Total unrestricted funds</b>	260,066	140,106	(163,502)	(3,281)	233,389
<b>Total funds</b>	555,227	629,107	(694,557)	-	489,777
	Balance at 31 March 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2019 £
<b>Restricted funds</b>					
Children in Need	17,592	32,451	(34,143)	-	15,900
CYPF	3,700	-	(3,717)	17	-
ECC	387	7,514	(7,348)	-	553
PTR	168,999	492,000	(430,328)	-	230,671
ILF	53,495	68,618	(84,285)	(5,250)	32,578
IS	12,872	-	(12,806)	(66)	-
APD	-	58,426	(42,967)	-	15,459
<b>Total restricted funds</b>	257,045	659,009	(615,594)	(5,299)	295,161
<b>Unrestricted funds</b>					
General Fund	179,697	152,808	(115,733)	(48,018)	168,754
Designated Fixed Asset Fund	37,933	-	(14,711)	-	23,222
Designated Training Co-ordinator Fund	11,190	-	(11,417)	227	-
Designated POW Shortfall Fund	15,000	-	-	7,490	22,490
Designated Events & Business Planning Fund	-	-	-	8,600	8,600
Designated Staff Costs Fund	-	-	-	27,000	27,000
Designated IT Fund	-	-	-	10,000	10,000
<b>Total unrestricted funds</b>	243,820	152,808	(141,861)	5,299	260,066
<b>Total funds</b>	500,865	811,817	(757,455)	-	555,227

## SMART PLAY NETWORK

### NOTES to the ACCOUNTS (continued) For the year ended 31 March 2020

14. Analysis of net assets between funds	Un- Restricted Funds £	Restricted Funds £	2020 £
Fixed assets	10,948	92,882	103,830
Current assets	228,376	198,486	426,862
Current liabilities	(5,935)	(34,980)	(40,915)
	-----	-----	-----
	233,389	256,388	489,777
	=====	=====	=====

  

	Un- Restricted Funds £	Restricted Funds £	2019 £
Fixed assets	23,222	109,953	133,175
Current assets	245,089	217,777	462,866
Current liabilities	(8,245)	(32,569)	(40,814)
	-----	-----	-----
	260,066	295,161	555,227
	=====	=====	=====

### 15. Transfers Between Funds

There were no transfers from Restricted Funds to the General Fund in respect of management fees charged (2019: £6,405). There was a transfer of £1,020 from the General Fund to the Designated Fixed Asset Fund for new fixed assets acquired during the year. In addition, there was a transfer of £2,000 from the Designated Fixed Asset Fund to the General Fund in respect of fixed asset sale proceeds. There was a transfer of £3,281 from the Designated POW Shortfall Fund to the ILF Fund to clear the deficit on closure of that fund. There was also a transfer from the Designated POW Shortfall Fund to the General Fund of £19,209 as the designation of those funds was no longer required. There was also a transfer from the General Fund of £35,000 to set up a new Designated Project Costs Fund.

### 16. Funds

- The **Children in Need** fund represents funding from BBC Children in Need to deliver our Edinburgh Play Ranger project from 1 September 2016 to 31 August 2019.
- The **CYPF** fund was created by a grant from the Scottish Government (Children and Young Peoples Early Intervention Fund), administered through the Corra Foundation for the purpose of meeting the core cost of the charity and delivering four key outcomes from 1 April 2016 to 31 March 2020.
- The **ECC** fund was created by a grant from Edinburgh City Council Children and Families for the purpose of delivering our Play Plus Toy Library project in Edinburgh. This fund runs from 1 April 2016 to 31 August 2020.
- The **PTR** fund represents funding provided by the Scottish Government to deliver the roadshow element of their PlayTalkRead campaign. This funding is reviewed annually but is indicative of a 3 year commitment from 1 April 2017 to 31 March 2020.
- The **ILF** fund was created by a grant from the Big Lottery Fund (Improving Lives) for the purpose of delivering a proportion of our Play on Wheels project in Fife, Dundee and Angus from 01/09/2016 to 31/08/2019.
- The **APD** fund represents funding provided by Dundee City Council to deliver specific elements of the Active Play programme of work to support schools in Dundee in partnership with Inspiring Scotland.
- The **SPD** fund represents combination of funding from Dundee City Council to run play sessions in schools in Dundee for the period of 1<sup>st</sup> September 2019 to 30<sup>th</sup> June 2020.

## SMART PLAY NETWORK

### NOTES to the ACCOUNTS (continued) For the year ended 31 March 2020

#### 16. Funds (continued)

##### Designated Funds

The **Designated Fixed Asset Fund** was set up in 2015 to hold the value of the fixed assets which were previously held in the General Fund.

The **Designated POW Shortfall Fund** was set up by the Trustees to meet an element of the recognised shortfall in the Play on Wheels programme (currently funded through the ILF fund) for year 3 of the project.

The **Designated Events and Business Planning Fund** was set up by the Trustees to cover the costs of a consultant to support us with the development of the 2020 – 2023 organisational Business Plan. Also, to cover costs in relation to holding free networking events for our members in late 2019 / early 2020.

The **Designated Staff Costs Fund** was set up by the Trustees to cover the costs of gaps in funding between the end of programmes of work and the beginning of new ones. This is in particular for staff costs of Play on Wheels and Play Ranger staff. In addition, to cover the costs of redundancies of staff whose contracts will end at the end of projects.

The **Designated IT Fund** was set up by the Trustees to engage a company to evaluate and provide a solution to our increasing problem of networking between offices and storing files and data securely.

The **Designated Project Costs Fund** was set up by the Trustees to cover funding gaps and provide for exit strategies in existing projects.

##### General Funds

The **General** fund represents the funds which are available for the general purposes of the charity. These funds will be spent in whichever way that the Board of Trustees sees fit in accordance with the stated objectives of the charity

#### 17. Reconciliation of net movement in funds to net cash flow from operating activities

	2020	2019
	£	£
Net movement in funds	(65,450)	54,362
Add back depreciation charge	41,168	23,117
Less gain on disposal of fixed assets	(250)	-
Deduct interest income and rental income shown in investing activities	(440)	(373)
(Increase)/Decrease in debtors	37,042	(28,295)
Increase in creditors	101	10,703
	-----	-----
Net cash provided by operating activities	12,171	59,514
	=====	=====

#### 18. Related Party Transactions

The charity undertook no transactions with related parties during the year (2019 : Nil).

#### 19. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020	2019
	£	£
Not later than 1 year	-	2,662
Later than 1 year and not later than 5 years	-	-
	-----	-----
	-	2,662
	=====	=====

**20. Post Balance Sheet Events**

Subsequent to the year end the impact of the pandemic on the general economy and working environment has increased significantly. The potential effect on the finances and operational activities of the charity has been assessed by management and the board, and steps have been taken to mitigate these risks as set out in more detail in the Directors' Report. At this stage, while significant elements of grant funding forecast in respect of 2020-21 and 2021-22 beyond has been confirmed, uncertainty remains in terms of grant and fundraising income for 2021-22, as well as related costs. The Directors are satisfied that confirmed funding and existing reserves, as well as mitigation taken to date, provides reasonable assurance that the charity can continue to operate for at least 12 months from the approval of these financial statements.

The Trustees of Smart Play Network acknowledge the generous support of:

