

Charity Registration No. 1075789
Charity Registration No. SC039477 (Scotland)

Company Registration No. 03636219 (England and Wales)

KIDS OUT UK
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2015

KIDS OUT UK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

P Blom

B Buckley

R Burgess

S Cartwright

B Child

J Cummins

T Dodge

S Glancey

K Green

A Griffin

(resigned 30 June 2015)

J Harkness

C Lawes

S Linares

J Mee

(resigned 30 October 2014)

S O'Brien OBE

G O'Hagan

H Pitcher OBE (Chair)

F Rodford

N Richmond

J Webb

M Westcott

A Wills CBE

A Wilson

(resigned 30 June 2015)

Secretary

G Smith

Chief Executive

G Moulds CBE

Charity number

1075789 England and Wales
SC039477 Scotland

Company number

03636219

Principal address and Registered office

14 Church Square
Leighton Buzzard
Bedfordshire
LU7 1AE

Auditors

Hills & Burgess
20 Bridge Street
Leighton Buzzard
Bedfordshire
LU7 1AL

KIDS OUT UK

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

Bank of Scotland
38 St Andrews Square
Edinburgh
EH2 2YR

Solicitors

Matthew Arnold & Baldwin
25 Southampton Buildings
London
WC2A 1AL

Wragge and Co LLP
55 Colmore Row
Birmingham
B3 2AS

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KIDS OUT UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2015

The trustees present their report and accounts for the year ended 30 June 2015.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the overning document, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The charity is a company limited by guarantee.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

P Blom
B Buckley
R Burgess
S Cartwright
B Child
J Cummins
T Dodge
S Glancey
K Green
J Harkness
C Lawes
S Linares
S O'Brien OBE
G O'Hagan
H Pitcher OBE (Chair)
F Rodford
N Richmond
J Webb
M Westcott
A Wills CBE

As set out in the Articles of Association, the trustees are nominated by other trustees and must be approved by a board meeting. One third of the trustees resign each year at the AGM of the charity (based on a rota system) but can stand again for re-election at the same meeting. When looking for new trustees to nominate, the trustee board undertakes a skills audit to highlight the areas desired by the charity and those currently lacking or under-represented.

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

New trustees are issued with a comprehensive pack briefing them on their responsibilities and legal obligations plus key information about the charity such as the Memorandum and Articles of Association and the Strategic Plan. Regular briefing sessions are held at trustee meetings on topics suggested by them or the Chief Executive to ensure all trustees are kept up to date with relevant issues. Visits to the charity's head office or projects it supports are arranged regularly where appropriate.

The board of trustees administer the charity. The board meet quarterly and individuals will input their particular areas of expertise through the Chief Executive where required at other times. The Chief Executive is appointed by the trustees to manage the day to day operation of the charity. The trustees delegate authority to the Chief Executive to facilitate operations including finance, fundraising, project development and service provision and employment.

KIDS OUT UK

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2015

The staff of the charity submit their own areas of work to a risk assessment on an annual basis and the results of that are compiled in a risk register. This contains identified risks, the systems put in place to mitigate those risks and the procedures put in place to minimise the potential impact of those risks, should they materialise and is reviewed by the trustee board.

Objectives and activities

The objects for which the charity is established are to promote the interests of children who are disadvantaged in any way, including sickness, disability or otherwise in need. KidsOut provides a wide range of positive experiences to support these children to grow up as well adjusted members of society; these include:

- The promotion of education through leisure time activities to develop their physical, mental and spiritual capacities that they may grow to full maturity as individuals and members of society
- The provision of facilities for recreation and other leisure time activity

The trustees use the phrase "Fun and Happiness" to encapsulate the types of activities we provided and promoted, recognising that, for children, recreational and leisure time activities are ones that they would choose to do. Further, that these activities successfully engage their interest making informal education possible and, by making them happy, improve their quality of life.

Goals and performance

This was another record year on many fronts for KidsOut and their statistics are very impressive indeed. Some 2,500 more children attended the National KidsOut Rotary Day with over 27,000 children having fun at some 120 locations around the UK. KidsOut now works with all 313 Women's Aid Federation Refuges providing fun days out, clothes and toy boxes to refuge children. The Fun Day initiative provided a record 7,020 children with a superb day out. Three sensory rooms were delivered and a refurbishment programme was implemented. Specialised workshops were provided for children who had suffered serious abuse and identified as greatest need. World Stories continued to grow at a phenomenal pace with 2,884 teachers and 272,598 children registered.

Of note, what the statistics hide is the fact that not only did KidsOut increase the number of children supported but that the support itself was of a very different quality and of much more focussed benefit for refuge children in particular. For example, their workshop initiative delivered real tangible benefits to the children participating and a disadvantaged child is now not just getting a once off activity but also being provided additional and follow on services.

The transformation that has continued within KidsOut could not happen without the full and active support of its key network of volunteers. It should be noted that this success is a direct result of the Chairs' overall leadership, a diverse range of Trustees, KidsOut expanding network of Ambassadors, the regional event committees, closer ties with Rotary and the small team of staff and volunteers at their office in Leighton Buzzard. The challenge will be to continue this rapid year on year growth

It is important to note that in-kind support has once again significantly increased and has directly helped to deliver more services.

Financial review

The trustees consider the financial position satisfactory.

KIDS OUT UK

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2015

The investment policy applicable during the reporting year was as follows:

The Charity invests funds in deposit accounts with recognised UK financial institutions which may be of a fixed term nature. The aim of such investments is to achieve the best available investment income returns, balanced against minimising risk to capital, whilst meeting the cashflow requirements of the Charity.

Plans for 2015/2016

For the year July 2015 to June 2016, KidsOut will:-

Provide fun and positive experiences to more disadvantaged children and young people.

Generate sufficient funding and secure significant in-kind support in order to:

- Provide every child that is relocated from a WAFE refuge the opportunity to receive a toy box.
- During our 25th Anniversary year (1 June 2015 to 31 May 2016) provide 50,000 children either a National KidsOut Rotary Day Out or a Fun Day.
- Provide 2 new Phyzzpod sensory rooms to special needs schools.
- Continue to grow the World Stories service adding at least 4 new stories each quarter.
- Provide a Christmas present for over 1,000 children in refuge at Christmas.
- Organise Christmas parties around the country for over 2,000 disadvantaged children that would otherwise miss out.
- Working with partners, develop and expand the KidsOut workshop initiative aimed at the UK's most vulnerable children.

Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Auditors

A resolution proposing that Hills & Burgess be reappointed as auditors of the company will be put to the members.

On behalf of the board of trustees

H Pitcher OBE

Trustee

Dated: 21 October 2015

KIDS OUT UK

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors of Kids Out UK for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

KIDS OUT UK

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF KIDS OUT UK

We have audited the accounts of Kids Out UK for the year ended 30 June 2015 set out on pages 7 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act and with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of Kids Out UK for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

The trustees have elected for the accounts to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act and 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 responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

KIDS OUT UK

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE TRUSTEES OF KIDS OUT UK

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the accounts;
or
- the charitable company has not kept adequate accounting records; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

J Roberts (Senior Statutory Auditor)
for and on behalf of Hills & Burgess

Chartered Accountants
Statutory Auditor
20 Bridge Street
Leighton Buzzard
Bedfordshire
LU7 1AL

Dated: 22 October 2015

KIDS OUT UK

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2015

	Notes	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
<u>Incoming resources from generated funds</u>					
Voluntary income	2	364,096	1,255,650	1,619,746	1,304,211
Activities for generating funds	3	415,460	-	415,460	307,058
Investment income	4	1,144	-	1,144	468
Total incoming resources		780,700	1,255,650	2,036,350	1,611,737
<u>Resources expended</u>					
Costs of generating funds					
Costs of generating voluntary income		104,187	-	104,187	107,812
Fundraising trading: costs of goods sold and other costs	3	102,338	-	102,338	78,013
		206,525	-	206,525	185,825
Net incoming resources available		574,175	1,255,650	1,829,825	1,425,912
Charitable activities					
Charitable activities		346,116	1,240,792	1,586,908	1,380,287
Governance costs		15,750	-	15,750	15,100
Total resources expended		568,391	1,240,792	1,809,183	1,581,212
Net income for the year/ Net movement in funds		212,309	14,858	227,167	30,525
Fund balances at 1 July 2014		712,955	15,775	728,730	698,205
Fund balances at 30 June 2015		925,264	30,633	955,897	728,730

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

KIDS OUT UK

BALANCE SHEET

AS AT 30 JUNE 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	10		5,000		10,000
Current assets					
Debtors	11	152,013		159,004	
Cash at bank and in hand		851,686		653,903	
		<u>1,003,699</u>		<u>812,907</u>	
Creditors: amounts falling due within one year	12	(52,802)		(94,177)	
Net current assets			<u>950,897</u>		<u>718,730</u>
Total assets less current liabilities			<u><u>955,897</u></u>		<u><u>728,730</u></u>
Income funds					
Restricted funds	13		30,633		15,775
Unrestricted funds			<u>925,264</u>		<u>712,955</u>
			<u><u>955,897</u></u>		<u><u>728,730</u></u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2015, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 21 October 2015

H Pitcher OBE

Trustee

Company Registration No. 03636219

KIDS OUT UK

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2015

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

1.2 Incoming resources

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are received or the year in which they are receivable, whichever is the earlier, unless they relate to a specified future period, in which case they are deferred.

Voluntary income is received by way of donations and is recognised in full in the statement of financial activities when receivable.

Gifts in kind are included in voluntary income at their market value when they are distributed.

Donated services and facilities are included at the value to the charity where it can be quantified. Volunteer time is not included in the financial statements.

1.3 Resources expended

Costs of generating funds comprises the costs associated with attracting voluntary income and the costs of other income generation.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements.

Expenditure is recognised when it is incurred and is reported gross of related income. Expenditure includes VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Support costs include the central functions and have been allocated to activity cost categories based on the cost of staff time spent on each activity.

1.4 Tangible fixed assets and depreciation

Depreciation is provided on all tangible assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Computer equipment	written off in year of purchase
Fixtures, fittings & equipment	3 years straight line

Expenditure on tangible fixed assets has been capitalised only if the cost of an individual item exceeds £1,000.

KIDS OUT UK

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2015

1 Accounting policies (Continued)

1.5 Leasing and hire purchase commitments

All leases of equipment are considered to be operating leases, and rentals are recognised in the statement of financial activities on a straight line basis over the length of the lease. No assets are held under hire purchase agreements.

1.6 Accumulated funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charitable objectives of the charity.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Donations and gifts	363,096	1,255,650	1,618,746	1,302,161
Legacies receivable	1,000	-	1,000	2,050
	<u>364,096</u>	<u>1,255,650</u>	<u>1,619,746</u>	<u>1,304,211</u>

The value of gifts in kind not distributed at 30 June 2015 has an estimated cost of £275,000 for Toy Boxes and £45,000 for Days Out tickets.

3 Activities for generating funds

	2015 £	2014 £
Activities for generating funds	415,460	307,058
Fundraising trading: costs of goods sold and other costs	(102,338)	(78,013)
Net Activities for generating funds	<u>313,122</u>	<u>229,045</u>

4 Investment income

	2015 £	2014 £
Interest receivable	1,144	468

KIDS OUT UK

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2015

5 Total resources expended

	Staff costs £	Other costs £	Total 2015 £	Total 2014 £
Costs of generating funds				
Costs of generating voluntary income	53,606	50,581	104,187	107,812
Fundraising trading: costs of goods sold and other costs	-	102,338	102,338	78,013
Total	53,606	152,919	206,525	185,825
Charitable activities				
<u>Charitable activities</u>				
Activities undertaken directly	107,213	1,315,515	1,422,728	1,233,010
Support costs	53,606	110,574	164,180	147,277
Total	160,819	1,426,089	1,586,908	1,380,287
Governance costs	12,000	3,750	15,750	15,100
	226,425	1,582,758	1,809,183	1,581,212

Governance costs includes payments to the auditors of £3,690 (2014: £3,250) for audit fees and £520 (2014: £1,820) for other services.

6 Support costs

	2015 £	2014 £
Other costs	105,574	80,973
Staff costs	53,606	61,304
Depreciation	5,000	5,000
	164,180	147,277

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year. They were reimbursed a total of £nil expenses (2014: £nil).

KIDS OUT UK

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2015

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2015	2014
	Number	Number
Charitable activities	4	4
Costs of generating funds	2	2
Support costs	2	2
Governance costs	1	1
	<hr/> 9 <hr/>	<hr/> 9 <hr/>

Employment costs

	2015	2014
	£	£
Wages and salaries	226,425	257,213
	<hr/> 226,425 <hr/>	<hr/> 257,213 <hr/>

The number of employees whose annual emoluments were £60,000 or more were:

	2015	2014
	Number	Number
£90,000 and £100,000	-	1
£100,000 and £110,000	1	-
	<hr/> 1 <hr/>	<hr/> - <hr/>

Of the employees whose emoluments exceed £60,000, none (2014: none) have retirement benefits accruing under defined benefit pension schemes.

9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

KIDS OUT UK

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2015

10 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 July 2014 and at 30 June 2015	73,675
Depreciation	
At 1 July 2014	63,675
Charge for the year	5,000
At 30 June 2015	68,675
Net book value	
At 30 June 2015	5,000
At 30 June 2014	10,000

11 Debtors	2015 £	2014 £
Trade debtors	53,194	24,456
Amounts owed by Kids Out Trading Limited	54,406	115,299
Other debtors	15,098	13,563
Prepayments and accrued income	29,315	5,686
	152,013	159,004

12 Creditors: amounts falling due within one year	2015 £	2014 £
Trade creditors	20,352	46,647
Taxes and social security costs	7,453	7,337
Accruals	24,997	40,193
	52,802	94,177

KIDS OUT UK

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2015

13 Restricted funds

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

	Balance at 1 July 2014	Movement in funds		Balance at 30 June 2015
	£	Incoming resources £	Resources expended £	£
Toy Box	-	152,650	(152,650)	-
Phyzzpod special school	15,775	-	(15,538)	237
Fun days	-	1,081,000	(1,057,604)	23,396
Paskin Children's Trust	-	22,000	(15,000)	7,000
	<u>15,775</u>	<u>1,255,650</u>	<u>(1,240,792)</u>	<u>30,633</u>

Toy Box

Box of toys delivered to children from refuges who have escaped domestic violence.

Phyzzpod special school

The provision of a sensory room to a Special school.

Fun days

Fun activity days out for disadvantaged children including the annual Rotary Day out.

Paskin Children's Trust

The Paskin Childrens' Trust has agreed to a 50/50 cost sharing with Kids Out UK to provide sensory room upgrades and teacher training for up to 4 sensory rooms.

14 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 30 June 2015 are represented by:			
Tangible fixed assets	5,000	-	5,000
Current assets	973,066	30,633	1,003,699
Creditors: amounts falling due within one year	(52,802)	-	(52,802)
	<u>925,264</u>	<u>30,633</u>	<u>955,897</u>

KIDS OUT UK

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2015

15 Commitments under operating leases

At 30 June 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2015	2014
	£	£
Expiry date:		
Between two and five years	15,000	15,000
	<u> </u>	<u> </u>

16 Related parties

During the year one trustee of Kids Out UK was a director of Kids Out Trading Limited, a UK company. The company raises funds on behalf of the charity. The company paid the charity a management charge for costs incurred on its behalf of £42,785 (2014 - £30,633) and also a donation of £82,150 (2014 - £nil). As at 30 June 2015 the company owed Kids Out UK £54,406 (2014 - £115,299).