



# SCOTT'S LITTLE SOLDIERS

The Charity for bereaved British Forces children

ANNUAL REPORT 2016



*'We want every bereaved British Forces child to have access to the very best emotional support, outstanding development opportunities and the chance to smile again'*



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## **SCOTTY'S LITTLE SOLDIERS**

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0800 0928571



Hi everyone!

Each year when I look back at everything we've achieved over the past 12 months I can't help but think how proud Lee must be to look down and see all the great work the charity is doing in his memory.

It's not until we look back at the year just gone that we begin to actually see what the charity has really achieved. Each day we're so focused on the mission that we don't always get a chance to reflect. Reviewing the financial information in this annual report with the team and comparing our stats against our own goals and against other charities, I'm so proud of what we have been able to do with such little resources.

We are genuinely making a real difference to the lives of some very special young people and managing to do it with just a handful of people. It's important to us to get the balance just right between building a sustainable and robust charity, and having too many people and too high costs associated with running it. We joke that no matter how successful the charity becomes, we'll always be under resourced - it's just the way we like it!

2016 saw us deliver more help to bereaved Forces children than ever before. The levels of engagement from our beneficiaries shows not just much they appreciate the support on offer but also how needed it is. Despite there being so many fantastic service charities in the UK no one is doing anything similar to Scotty's when it comes to providing day to day support to the children of our fallen heroes.

The highlight of the year for me, as ever, was the Christmas event, held this time at Condover Hall. We took over the entire site and from around 3pm on the Friday afternoon there were Scotty Members arriving and the fun beginning! To have over 150 beneficiaries all together and to put on an event so spectacular was just amazing. We say it every year but again, this was the best Christmas event so far.

Our Scotty Breaks remain one of the core activities for the charity and a favourite with our families. To think that we provided 265 bereaved children with a chance to have a holiday break in 2016 fills me with pride. I know personally how important these breaks are to the families and the benefit of going on them.

What has amazed me most in 2016 though is the amount of families coming to us for additional support. On one hand I think its incredible that

they trust us so much they would want to come to Scotty's to seek this support. But at the same time it saddens me that they are having to in the first place.

For many families there really isn't any obvious support available and often the criteria for help which is available is confusing.

It's my mission now to help bridge this gap.

Whether support is delivered directly by Scotty's or we are simply helping to signpost existing help I can see clearly that our beneficiaries are relying on us to help them on this journey.

Our aim for the next couple of years will be focused on improving our SUPPORT Programme whilst ensuring all the great SMILES and STRIDES activities remain popular, engaging and relevant.

I also have one eye on developing a SENIORS Programme for those beneficiaries who turn 19 but still need a support network around them. SENIORS will work in a different way to the other programmes and will be focused on bereaved young people between the ages of 19 and 25.

So much to do and so many plans but of course we can't do it without your continued support. Our costs are low but we will need to invest more in our fundraising if we are to have a chance of putting into place all these exciting new projects.

I hope you will continue to help us on our mission of supporting bereaved British Forces children & young people and to provide a legacy of support our fallen heroes would be proud of.



**Nikki**  
Founder



If 2015 was a year of transition and consolidation for Scotty's Little Soldiers, 2016 can only be described as a remarkable success.

Working with such limited resources but achieving so much, I can't thank the team and our amazing supporters too much for their efforts.

The infrastructure put into place during 2015 paid dividends in 2016. Of particular success was our CRM system, based on the Salesforce platform for which we receive free licenses to use, which continues to allow us to work efficiently and to operate at a level most organisations would require significantly more personnel to achieve. Indeed the results achieved by the charity in 2016 were accomplished with a team of just 4 full time and 2 part time members.

Our supporters continue to allow us to do such great work by donating and performing all manner of amazing feats to fundraise. The vast majority of our funding to date has come from individuals across the UK, without whom the charity would be unable to continue. During 2016 we also benefited from significant support from The Sun newspaper whose Christmas Appeal led to large donations from both Morrisons and M&S.

We are also grateful to the Trustees of The Undentable Trust who kindly donated a holiday home following the decision to wind up their own charity.

Nikki's drive and passion for providing the very best support to our bereaved Forces children remains as strong and as focused as ever. Having shared a similar experience she is in the unique position of fully understanding the needs of our beneficiaries.

The number of beneficiaries we support has continued to grow and our improved communications has also led to increased engagement with existing Scotty Members. Take up of our holiday breaks, events and grant schemes has been higher than ever.

As we continue to engage with bereaved families we see more and more how little dedicated support there is for them. This has made us

even more determined to develop our Support Programme to ensure they start to receive the assistance which is so very needed.

Despite our withdrawal from Afghanistan, more and more families continue to come forward for help as awareness of Scotty's and the support we offer grows. We are in no doubt that this demand will continue to grow as word spreads in the coming years.

Rest assured, with a team as passionate as ours, we will be well placed to provide this support and continue to #HelpTheirChildrenSmile.

**Stuart Robinson**  
Chief Executive



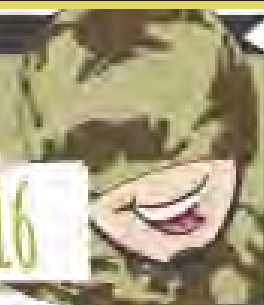
An industry leading 87p  
from every pound raised  
is spent on support the  
children our fallen heroes  
leave behind.

IMPACT GRAPHIC

# SCOTT'S LITTLE SOLDIERS

Providing help and assistance to bereaved British Forces children and young people

2016



## SMILES PROGRAMME

OVER  
**270** CHILDREN  
HAVE RECEIVED

GIFTS FOR BIRTHDAYS  
AND CHRISTMAS  
AND EASTER EGGS

**155** MEMBERS  
ATTENDED THE  
SCOTT'S XMAS PARTY  
IN CONDOVER HALL



**268** MEMBERS

EXTRA  
SPECIAL

CHRISTMAS GIFT  
TO THE MEMBERS

**£150**

PER MEMBER

**235** CHILDREN

WERE SENT A GIFT VOUCHER  
ON THE ANNIVERSARY OF THEIR  
PARENTS DEATH DURING 2016



**268** MEMBERS

WERE PROVIDED WITH A  
FAMILY MEAL VOUCHER  
FOR REMEMBRANCE DAY



**32** MEMBERS

BENEFITTED  
FROM AN

EXTRA SPECIAL EXPERIENCE



HAVE BENEFITED  
FROM A  
FAMILY  
HOLIDAY BREAK  
IN 2016

**£14,025.24**

PROVIDED TO COVER THE COST OF  
FAMILY TRAVEL TO EVENTS,  
HOLIDAYS AND ACTIVITIES





IMPACT GRAPHIC

## SCOTTY'S LITTLE SOLDIERS

Providing help and assistance to bereaved  
British Forces children and young people

2016



### SUPPORT PROGRAMME

ACCESS FOR ALL BENEFICIARIES TO  
**PROFESSIONAL BEREAVEMENT COUNSELLING**  
IN PARTNERSHIP WITH WINSTON'S WISH AND FUNDED BY HELP FOR HEROES



### STRIDES PROGRAMME

**103 MEMBERS**

WERE AWARDED THE  
SCOTTY ALLOWANCE GRANT

THIS GRANT  
HELPS INCREASE  
MEMBER'S  
CONFIDENCE  
& DEVELOPMENT

A TOTAL OF  
**£10,494.66**  
SCOTTY ALLOWANCE  
GRANTS AWARDED



A TOTAL OF  
**£5529**

WAS AWARDED ON  
THREE TRIP GRANTS  
THIS YEAR

**7 DRIVING  
LESSON  
GRANTS  
AWARDED**

**3 SUPER  
GRANTS  
AWARDED**

**2 HIGHER  
EDUCATION  
GRANTS  
AWARDED**



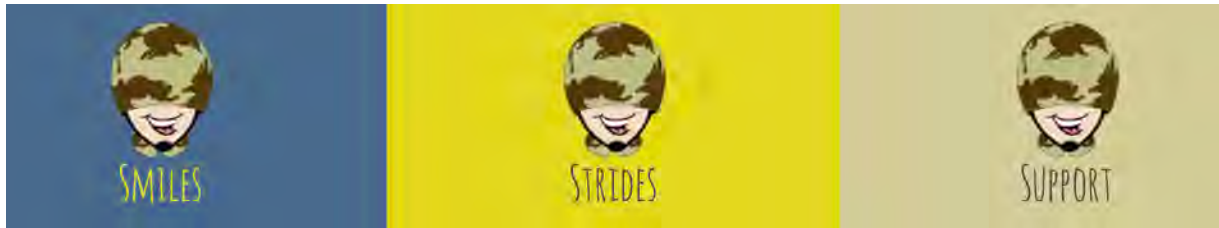
**£16,023.66** IN  
SMALL GRANTS



AWARDED TO  
FAMILIES IN 2016



Help to our bereaved British Forces children is delivered through 3 key Assistance Programmes.



Scotty's Little Soldiers offers assistance to children aged 0-19 years who have suffered the loss of a parent serving in the British Armed Forces.

This support is tri-service, meaning that bereaved children & young people from Army, Navy or RAF families can benefit as can those from Regular or Reserve forces.

Deaths out of service but directly related to the parents' time in the military are also included. The rise in levels of PTSD amongst personnel returning from conflict has sadly led to an increase in those taking their own lives. Scotty's is on hand to help children who lose a parent in this way.

This help is provided through our three Assistance Programmes;

- **SMILES** - fun activities designed to raise a smile.
- **SUPPORT** - dealing with the emotional side of bereavement.
- **STRIDES** - Educational & development opportunities.

You can find much more information about each Programme on our website at [www.scottyslittlesoldiers.co.uk](http://www.scottyslittlesoldiers.co.uk).



The STRIDES Programme provides opportunities to help with development & building confidence.





Our SMILES events come with a guarantee of fun and laughter for our beneficiaries.

Nikki's original vision for the charity was to help bereaved Forces children to smile again. Today the SMILES Programme is still at the very heart of the charity's activities.

SMILES provides a wide range of benefits. Group events see bereaved children come together and appreciate they aren't alone. They see that others too share their grief and some amazing friendships and bonds are created.

Simple tokens like our AOD Voucher, a gift voucher delivered around the anniversary of the child's parents death, reminds them we haven't forgotten their sacrifice. In fact, of all the activities we undertake, this is the one the families provide the most positive feedback on.

Special Experiences go down a treat. We believe our beneficiaries deserve to be spoilt every once and a while so we take any opportunity we can to offer a unique experience throughout the year.

There is a key underlying strategy behind the SMILES Programme. Beyond the obvious benefits to our Members SMILES provides an opportunity for the charity to regularly engage with families. Activities and events take place annually and throughout the year, as do the

tokens sent out to each and every Member. This constant engagement builds relationships and trust which make contacting us in moments of distress so much easier.

We have found that families are making Scotty's their first point of contact for a host of matters. Everything from advice on Forces Pensions to information on grants available to them from other organisations and charities.



These daily requests for information and advice, as well as more serious help with bereavement led us to create the SUPPORT Programme.

Every Scotty Member has access to professional bereavement counselling.



The SUPPORT Programme will form the major development area for Scotty's Little Soldiers over the next 3-5 years.

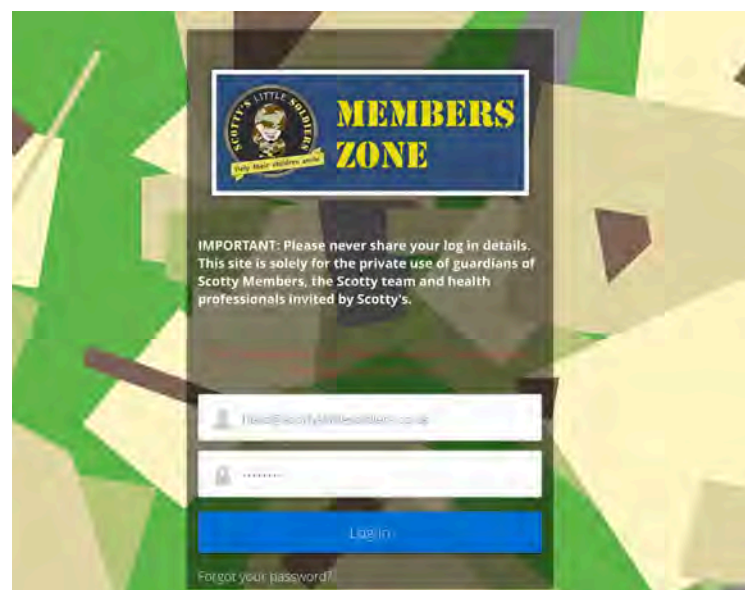
On a daily basis we see that the needs of bereaved Forces families are not being met and there is so much work to be done in this arena.

Our current SUPPORT Programme includes a referral partnership with bereavement specialists Winston's Wish. All Scotty Members have access to professional bereavement counselling in a project which is funded by Help for Heroes.

In addition to counselling we have developed an exclusive web portal for families. The Members Zone is a one stop shop of information and support. It features a guardian forum where surviving parents offer support and advice to one another, access to all the activities provided by Scotty's Little Soldiers including details of all the grants available and online holiday bookings.

Our plans for developing SUPPORT in the next few years are huge. We have identified the need for a dedicated Support Manager. Someone trained to provide advice in times of distress, highlight additional support available and champion the needs of bereaved Forces families in the wider community.

In addition to the Support Manager we will be rolling out the second phase of our Members Zone portal in 2017. Including updates to make the system more mobile friendly, integrating it within our Salesforce CRM and providing online grant applications.





STRIDES is our education and development Programme and consists largely of a range of small grants available to all beneficiaries.

The Scotty Allowance is a small grant of £150 available to all Members and renewed every year. The Allowance is our most popular grant and can be used to contribute toward the cost of activities such as music lessons, school trips, sports clubs and swimming lessons.

Scotty's Driving School was introduced for Members aged 17+ to help toward the cost of driving lessons. With lots of activities focused on supporting younger Members the Driving School grant is one of a series of initiatives focused on older Members. 7 driving lessons grants were issued during 2016.

Likewise Scotty's Higher Education Grant is available to older Scotty Members. Those about to go on to Higher Education are able to apply for a £1,000 to assist with course related expenses. There were 2 Higher Education grants provided in 2016.

Finally the Super Grant of £1,000 was introduced for once in a life time opportunities or moments of extreme need. In 2016 3 Super Grants were issued.

In addition to the grant schemes, 2016 saw us offer funded places at the Outward Bound Trust activity weeks. Supported financially by the Annington Trust, Members are able to attend these amazing character building activity weeks organised by the long established Outward Bound Trust.



Other development opportunities included our Rock Solid Race obstacle course event in summer 2016 where a number of beneficiaries took part in this team building exercise. The event also saw over 100 fundraisers take part in an adults obstacle race in support of Scotty's.



Members of Scotty's Little Soldiers take part in a team building obstacle course in Summer 2016.

The vast majority of the charity's income is provided by the Great British public either through donations or individual fundraising.

Amazingly to date the charity has not employed a fundraising team to help generate income, such has been the support by the public.

2016 saw a growth in fundraising income versus the previous year, largely thanks to The Sun's 'Smiles at Christmas Campaign' and to two charities who having decided to close down their activities made large donations to Scotty's.

We were grateful to both the *Undentable Trust* and *A Soldiers Journey* for their kind contributions to our work.

Likewise the charity continued to be the beneficiary of *The Monopoly Network* annual charity ball in London and the Trustees would like to thank Simon and the team for this continued support.

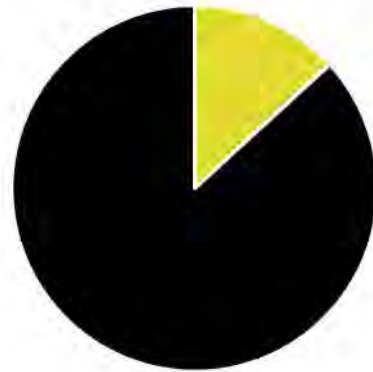
The lack of a dedicated fundraising team has allowed the charity to keep its fundraising costs to an absolute minimum. For 2016 our Fundraising Ratio, a formula often used to calculate how efficient charities are in their fundraising, was just 13.2%. That means it takes us just 13p to raise every £1 of fundraising income. Typically charities within our operating

area are delivering fundraising ratios in the region of 25%.

The Trustee board does however recognise that in order to meet the future needs of our beneficiaries and to implement some of the amazing Support plans we have developed, the charity will need to take a 'step up' in its fundraising activity.

Focus will remain on achieving significantly better than average fundraising efficiency but the Trustees will work with the Senior Management to recruit one or more new team members to help develop a fundraising strategy in 2017.

Scotty's fundraising Ratio



89p in every pound is spent delivering assistance



The Sun campaign helped to raise significant funds in 2016





## Over 100 fundraisers took part in our muddy Obstacle Challenge

The focus for the new fundraising team will be Spartan Race and Click n Jump on;

- Developing our corporate partnerships
- Creating a network of community groups in key locations around the UK
- Continuing to raise further awareness of the charity in order to recruit more supporters
- Engaging with these supporters to convert them to fundraisers and regular givers.

Within our existing fundraiser base challenge events remain the most popular way to 'get involved' with running activity as a clear favourite.

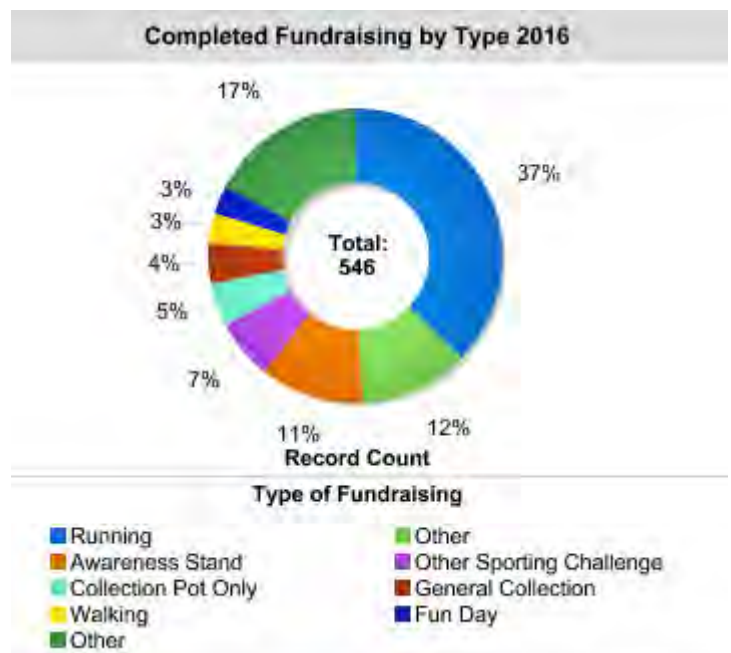
Running events have been buoyed by the recent success of mud runs and obstacles races and Scotty's benefited from over 100 supporters taking part in the Rock Solid Race event at Silverstone in October 2016. A number of beneficiaries also took part in the children's event the same weekend.

As well as fundraisers securing their own places at events we have our own dedicated website offering charity places at numerous different challenges in the UK and beyond. These events are organised by established providers such as Discover Adventure, Action Challenges,

Fundraisers who reach a sponsorship target of £50 receive a free Scotty's Fundraising Headband and those who raise over £150 receive a charity running vest.

Many fundraisers also choose to support the charity by purchasing items from our online store which stocks clothing such as hooded tops, t-shirts, and running vests, as well as general merchandise like key rings and wristbands.

All profits from the sale of these items are donated to the charity and no third parties or individuals benefit from this trading activity.







The charity's main focus for 2017-2019 will be two-fold;

1. Developing the SUPPORT Programme to satisfy the needs of our beneficiaries.
2. Developing the internal infrastructure required to ensure long term sustainability of the charity.

The primary objectives for developing the SUPPORT Programme will be centred around the funding of a *Family Support Manager* to provide a first point of contact for families and to assist with providing or highlighting relevant support required, and also the funding of an initiative called the *Good Grief Camp*, which has had significant success in the United States supporting bereaved Military children.

The Good Grief Camp will involve a weekend of fun activities with an underlying therapeutic aim. Every child present will be assigned their very own Mentor for the weekend.

In terms of infrastructure, the Trustees have highlighted a number of targets for 2017/18;

- Recruitment of fundraising personnel to assist with the generation of incoming funds - currently the charity has no fundraising personnel working for it, a remarkable

statistic in today's third sector.

- Dissolving the existing Scotty's Little Soldiers Trust and forming a new CIO body which will be much more relevant given the size and direction the charity has taken.
- Recruitment of additional Trustees to the board. Following the completion of the CIO project the Trustees will begin recruitment of at least two new members for 2017.

As ever we remain focused on our core mission:

**'We want every bereaved British Forces child to have access to the very best emotional support, outstanding development opportunities and the chance to smile again'**

And our 3 main objectives:

1. **To provide relevant and genuinely beneficial support to bereaved British Forces children which has a profoundly positive impact on their future lives.**
2. **To make this support available to as many bereaved British Forces children as possible.**
3. **To build a respected and sustainable charity which is able to fulfil objectives 1 & 2 for as long as is required by our beneficiaries.**



Trustees	Mr J S Worthy Mr J Robinson Mr L Priestley Mr B Holmes
Charity Number	1136854
Principal address	Unit 21 Bergen Way North Lynn Industrial Estate PE30 2JG
Auditor	Mapus-Smith & Lemmon LLP 48 King Street King's Lynn Norfolk PE30 1HE
Bankers	HSBC Bank Plc 19 Minster St, Salisbury SP1 1TE Salisbury SP1 1TE
Solicitors	Stone King Thirty Station Road Cambridge Cambridgeshire CB1 2RE



**SCOTTYS LITTLE SOLDIERS**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**



# SCOTTYS LITTLE SOLDIERS

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# **SCOTTYS LITTLE SOLDIERS**

## **TRUSTEE REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2016**

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The Trustees present their report and accounts for the year ended 31 December 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) published on 16 July 2014.

#### **Objectives and activities**

The Charity's objects are to provide relief from the effects of bereavement to young people up to and including the age of 18 who have suffered the loss of a parent whilst serving with the armed forces of the crown and there has been no change in these during the year.

#### *Vision:*

'We want every bereaved British Forces child to have access to the very best emotional support, outstanding development opportunities and the chance to smile again'

#### *Objectives:*

1. To provide relevant and genuinely beneficial support to bereaved British Forces children which has a profoundly positive impact on their future lives.
2. To make this support available to as many bereaved British Forces children as possible.
3. To build a respected and sustainable charity which is able to fulfil objectives 1 & 2 for as long is required by our beneficiaries.

#### **Review of charitable activities and achievements for the public benefit**

The charity's aim is to provide relief from the effects of bereavement to young people who have lost a serving parent in the British Armed Forces.

This relief is provided through 3 assistance programmes; Smiles; Support and Strides.

Smiles provides opportunities for bereaved Forces children to smile again through fun based activities such as holiday breaks, group events, gifts and vouchers and special experiences.

The Support programme aims to deal with the more emotional side of bereavement and provides access to professional bereavement counselling provided by partners Winston's Wish in a project funded by Help for Heroes.

The Strides programme is designed to offer beneficiaries assistance with their personal development and includes a range of activity and educational grants.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

During the year the charity, as well as using employees and the trustees to promote charity donations and fundraising events, also rely on many volunteers and fundraisers in order to provide donations to the charity and arrange fundraising events for which proceeds are then donated to Scotty's Little Soldiers. The income is only recognised by Scotty's Little Soldiers at the time the donation is made although all individuals and groups fundraising in aid of the charity are encouraged to register their activity. Thank you letters are arranged to be sent out to fundraisers of the charity.

The charity has not engage with any third-party professional fundraisers.



# **SCOTTYS LITTLE SOLDIERS**

## **TRUSTEE REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2016**

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#### **Achievements and performance**

##### **Main achievements of charity during the year**

- Provided direct support to 270 bereaved British Forces children and young people and their families.
- Dispatched over 1,000 gifts and vouchers during the year for anniversaries such as birthdays, Christmas, the death of their parent or Remembrance.
- Organised an exclusive magical weekend Christmas event for 155 beneficiaries with travel expenses and overnight accommodation included.
- Opened the 6th Scotty Lodge at the Rockerly Park Holiday Centre in Sussex and provide respite breaks to 265 beneficiaries.
- Covered £14,025 worth of costs for bereaved Forces families to attend support events and activities.
- Sent 235 gift vouchers at the anniversary of a child's parent death and 268 family meal vouchers at Remembrance.
- Provided £16,023 in small grants including;
  - 103 Scotty Allowance grants.
  - 2 Higher Education Grants.
  - 7 Driving Lesson Grants.
  - 3 Super Grants

#### **Financial review**

##### **Review of the financial position of the charity and reserves policy**

Financially the organisation is healthy and we are meeting our objectives and targets set. The Trustee Board have agreed a Reserves policy in line with the organisation objectives that all reserves shall be applied solely towards promotion of the object of the charity. In the event of dissolution of the charity the reserves would be first used for severance payments and winding up costs. The constitution states that any surplus must be either used directly for the objects of the charity, be transferred to another charity with like objects or in any other manner approved by the Charity Commission. The present level of reserves held is £998,715 which includes £563,986 of tangible assets and £308,693 in cash reserves available to use. £991,873 of the reserves held are categorised as unrestricted funds, £6,842 are categorised as restricted funds.

##### **Principal sources of income and how expenditure meets objectives**

The principal sources of income is that of donations received through collections and fundraising. These sources of income been used in the year to support the key objectives of the charity as outlined in this trustees report.

# **SCOTTYS LITTLE SOLDIERS**

## **TRUSTEE REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2016***

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### **Risk Management**

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

The Trustees have a risk management review which comprises

- a continuing review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those identified risks and
- the implementation of procedures designed to minimise the potential impact on the charity should those risks materialise.

### **Plans for the future**

- Further increase the charity's presence within the Armed Forces charity sector and develop relationships other leading charities operating within the sector.
- Focus on developing the SUPPORT Programme including a project to recruit a Family Support Manager and to organise a therapeutic weekend camp.
- Develop our income streams by recruiting at least one dedicated Fundraising member of staff.
- Focus on Corporate and Community fundraising channels and converting existing supporters into regular donors.

### **Structure, governance and management**

#### **Governing Document**

The Charity is governed by its Constitution dated 17 April 2010. It was registered as a charity with the Charity Commission on 13 July 2010.

#### **Trustees**

The Trustees who served during the year were:

Mr J S Worthy  
Mr J Robinson  
Mr L Priestley  
Mr B Holmes



# **SCOTTYS LITTLE SOLDIERS**

## **TRUSTEE REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2016**

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The senior official to whom the day to day management of the charity is delegated by the charity Trustees is Stuart Robinson and co founder Nikki Scott.

Mr J Robinson has signaled his intention to stand down as a Trustee at the end of 2017.

The Trustees have engaged our legal team at Stone King, to advise on moving the charity from a Trust to an incorporated Charity. This work will take place during 2017 and will see a new CIO body established which will be better placed to take the charity forward in the best interests of its beneficiaries.

#### **Appointment of new Trustees**

The charity has a formal Trustee Recruitment policy and process. New Trustees positions can be advertised by the charity or nominations from the management team and the existing Trustees can be put forward. Those nominated and appointed are elected at the first AGM following appointment.

Once the new CIO is established the Trustees have acknowledged a desire to add additional skills to the new board and a recruitment process will take place at this point in time.

#### **Trustees induction and training**

When considering nominations of Trustees the requirement for any specialist skills needed are reviewed.

Trustees are encouraged to attend appropriate external training events when these will facilitate the undertaking of their role.

New Trustees attend an orientation meeting to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the various committees and decision making processes, the financial plan and recent financial performance of the charity. During this initial orientation programme they meet key employees and other Trustees.

The remuneration of the senior officials of the charity is decided and agreed unanimously by the board of trustees, and is felt to accurately reflect their level of service and dedication to the charity whilst they promote the charity's objectives as outlined in the trustees report.

#### **Organisation**

The charity is administered by a committee containing up to 5 and no less than 3 Trustees . This committee meets 4 times per year.

To facilitate effective operations the senior official and the management team has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance and employment. The Management team report frequently to the Trustees, usually on a monthly basis via written reports and conference calls.

No preference dividends were paid. The directors do not recommend payment of a final dividend.

# SCOTTYS LITTLE SOLDIERS

## TRUSTEE REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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### Related parties

As a charity originally founded by family members and close friends the Trustees of Scotty's Little Soldiers have, in association with the Charity Commission, created a 'Conflicts of Interest Policy' which ensures any potential conflicts of interest are highlighted and transparent.

- The Founder of the Charity, Mrs Nikki Scott, and the Chief Executive of the Charity, Mr Stuart Robinson are both related to the Trustee, Mr John Robinson. As per the Charity's Conflicts of Interest policy, Mr Robinson is excluded from discussions and decisions regarding the employment and remuneration of both Mrs Scott and Mr Robinson. Mr J Robinson will stand down as a Trustee at the end of 2017.
- Mrs Nikki Scott, Mr John Robinson and Mr Stuart Robinson are listed as Directors of the Limited Trading Company Scotty's Little Soldiers Trading Ltd. This company was created to sell merchandise on behalf of the Charity, the profits from which are all donated to the Charity. No dividends or salaries are taken from the Limited Company. Upon completion of the incorporation project the new CIO will take full ownership of this trading company.
- No Trustees were reimbursed for their personal expenses during 2016.

### Statement of Trustee responsibilities

The Trustees are responsible for preparing the Trustee Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

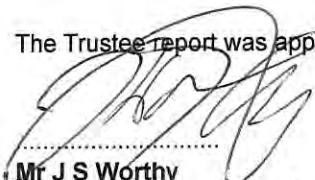
The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; 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 sufficient 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

The Trustee report was approved by the Board of Trustees.

  
Mr J S Worthy

Chairperson

Dated: 26/9/17

  
Mr B Holmes

Trustee

Dated: 28/9/17



# **SCOTTYS LITTLE SOLDIERS**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF SCOTTYS LITTLE SOLDIERS**

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We have audited the accounts of Scottys Little Soldiers for the year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. 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), including Financial Reporting Standard 102.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of Trustees and auditor**

As explained more fully in the statement of Trustee responsibilities, the Trustees are responsible for the preparation of accounts which give a true and fair view.

We have been appointed as auditors under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of 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 Trustee Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 charity's affairs as at 31 December 2016 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 Act 2011.

# SCOTTYS LITTLE SOLDIERS

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF SCOTTYS LITTLE SOLDIERS

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#### 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 requires us to report to you if, in our opinion:

- the accounts are not in agreement with the accounting records and returns; or
- sufficient accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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.

#### Other matter

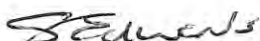
Your attention is drawn to the fact that the charity has prepared accounts in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

#### Senior statutory auditor exemption

We have audited the accounts of Scottys Little Soldiers for the year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. 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), including Financial Reporting Standard 102.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Sharon Edwards (Senior Statutory Auditor)  
Mapus-Smith & Lemmon LLP



Chartered Accountants  
Statutory Auditor

48 King Street  
King's Lynn  
Norfolk  
PE30 1HE

Mapus-Smith & Lemmon LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



# SCOTTYS LITTLE SOLDIERS

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
<b><u>Income from:</u></b>					
Donation income	2	645,253	16,662	661,915	541,118
<b><u>Expenditure on:</u></b>					
Raising funds	3	74,047	13,285	87,332	95,533
Charitable activities	4	540,294	6,201	546,495	477,214
<b>Total resources expended</b>		614,341	19,486	633,827	572,747
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		30,912	(2,824)	28,088	(31,629)
Fund balances at 1 January 2016		960,961	9,666	970,627	1,002,256
<b>Fund balances at 31 December 2016</b>		991,873	6,842	998,715	970,627

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

All income and expenditure derive from continuing activities.

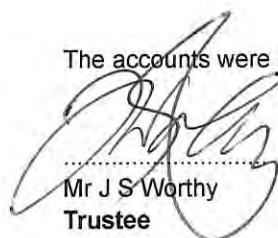
# SCOTTYS LITTLE SOLDIERS

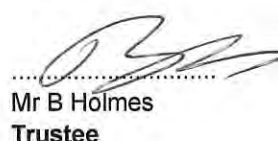
## BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	9		563,986		508,140
<b>Current assets</b>					
Stocks	10	68,566		-	
Debtors	11	71,836		48,356	
Cash at bank and in hand		308,693		437,230	
		<u>449,095</u>		<u>485,586</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(14,366)</u>		<u>(23,099)</u>	
Net current assets			434,729		462,487
<b>Total assets less current liabilities</b>			<u>998,715</u>		<u>970,627</u>
<b>Income funds</b>					
Restricted funds	14	6,842		9,666	
Unrestricted funds		991,873		960,961	
		<u>998,715</u>		<u>970,627</u>	

The accounts were approved by the Trustees on 29/7/17

  
Mr J S Worthy  
Trustee

  
Mr B Holmes  
Trustee

# SCOTTYS LITTLE SOLDIERS

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	19		(45,159)		10,666
<b>Investing activities</b>					
Purchase of tangible fixed assets		(83,378)		(120,000)	
<b>Net cash used in investing activities</b>			(83,378)		(120,000)
<b>Net cash used in financing activities</b>			-		-
<b>Net decrease in cash and cash equivalents</b>			(128,537)		(109,334)
Cash and cash equivalents at beginning of year			437,230		546,564
<b>Cash and cash equivalents at end of year</b>			<u>308,693</u>		<u>437,230</u>



# SCOTTYS LITTLE SOLDIERS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 Accounting policies

##### Charity information

Scottys Little Soldiers is a unincorporated charity.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the Charity's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These accounts for the year ended 31 December 2016 are the first accounts of Scottys Little Soldiers prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### 1.2 Going concern

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

The Charity has a restricted income fund to account for situations where a donor or grant provider requires that a donation or grant must be spent on a particular purpose or where funds have been raised for a particular purpose. All other funds are unrestricted income funds.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

#### 1.4 Incoming resources

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

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

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

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

# SCOTTYS LITTLE SOLDIERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 1 Accounting policies

(Continued)

#### 1.5 Resources expended

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being unavoidable.

- Costs of generating funds are those costs incurred in trading activities that raise funds.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with the constitutional and statutory requirements.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

##### Capitalisation of fixed assets

Tangible fixed assets are capitalised at original cost of acquisition. Donated tangible fixed assets which do not have a cost to the Charity are capitalised at their current value at the date of donation.

Lodges	4% straight line basis.
Lodge and office equipment	25% reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.9 Cash and cash equivalents

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

# SCOTTYS LITTLE SOLDIERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 1 Accounting policies

(Continued)

##### 1.10 Financial instruments

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

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

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

##### **Basic financial assets**

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

##### **Basic financial liabilities**

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

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

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

##### **Derecognition of financial liabilities**

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

##### 1.11 Employee benefits

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

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

##### 1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.



# SCOTTYS LITTLE SOLDIERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 2 Donation income

	Unrestricted funds	Restricted funds	Total 2016	Restated Total 2015
	£	£	£	£
Donations and gifts	645,253	1,662	646,915	520,431
Other general grants	-	15,000	15,000	20,687
	<u>645,253</u>	<u>16,662</u>	<u>661,915</u>	<u>541,118</u>
<b>For the year ended 31 December 2015</b>	<u>520,431</u>	<u>20,687</u>		<u>541,118</u>
<b>Donations and gifts</b>				
The Undentable trust	86,463	-	86,463	-
General donations received	408,266	1,662	409,928	460,712
Donation received from M&S - toys stock	68,566	-	68,566	-
The monopoly network	19,259	-	19,259	-
Cash donation - The Sun's Smiles at Christmas Campaign	18,947	-	18,947	-
Donated money from charity's merchandise company	8,493	-	8,493	11,455
A soldiers journey	16,000	-	16,000	-
Monopoly network charity ball	19,259	-	19,259	-
Families of the fallen	-	-	-	48,264
	<u>645,253</u>	<u>1,662</u>	<u>646,915</u>	<u>520,431</u>

£68,566 related to the donation of toys from Marks and Spencer's. This was part of a National Newspaper Advertising Campaign (Smiles at Christmas Campaign)

£86,463 was the market value of a caravan and remaining cash reserves donated to the charity from The Undentable Trust, a likeminded charity which has now ceased, and thus donated it's assets to Scotty's Little Solders.

The 2015 financial statements split donations between donations and fundraising. The fundraising sum did not relate to fundraising events held by the charity but was instead donations to the charity following third party fundraising events. This income has therefore now all been disclosed as donations.

#### Grants receivable for core activities

CSIS Charity fund - IT installaton grant	-	10,000	10,000	-
Annington Trust - summer barbeque	-	5,000	5,000	-
Cambridgeshire Community Covenant Grant	-	-	-	20,687
	<u>-</u>	<u>15,000</u>	<u>15,000</u>	<u>20,687</u>

# SCOTTYS LITTLE SOLDIERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

### 3 Raising funds

	Unrestricted funds	Restricted funds	Total 2016	Total 2015
	£	£	£	£
<u>Fundraising and publicity</u>				
Costs associated with fundraising	38,047	13,285	51,332	29,899
Hampton Court Memorial Gardens	-	-	-	65,634
Support costs	36,000	-	36,000	-
	<u>74,047</u>	<u>13,285</u>	<u>87,332</u>	<u>95,533</u>
Fundraising and publicity	74,047	13,285	87,332	95,533
	<u>74,047</u>	<u>13,285</u>	<u>87,332</u>	<u>95,533</u>
<b>For the year ended 31 December 2015</b>				
Fundraising and publicity	<u>89,942</u>	<u>5,591</u>		<u>95,533</u>

# SCOTTYS LITTLE SOLDIERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 4 Charitable activities

	2016 £	2015 £
Members gifts and welcome packs	60,702	49,192
Scotty Members Christmas Party	86,996	65,885
CentreParcs & Other Holidays	99,601	65,291
Members travel and subsistence costs	5,983	7,896
Scottys lodge running costs	61,573	41,370
Members costs - computer, stationary and advertising	20,110	24,979
Member support costs	7,987	-
Member other costs	3,964	924
	<u>346,916</u>	<u>255,537</u>
Grant funding of activities (see note 5)	14,077	8,851
Share of support costs (see note 6)	177,624	202,006
Share of governance costs (see note 6)	7,878	10,820
	<u>546,495</u>	<u>477,214</u>
<b>Analysis by fund</b>		
Unrestricted funds	540,294	
Restricted funds	6,201	
	<u>546,495</u>	
<b>For the year ended 31 December 2015</b>		
Unrestricted funds		471,784
Restricted funds		5,430
		<u>477,214</u>

### 5 Grants payable

	2016 £	2015 £
Members allowances	8,748	-
Members grants	5,329	-
Total grants split above	(14,077)	-
	<u>-</u>	<u>-</u>
Grants to individuals	14,077	8,851
	<u>14,077</u>	<u>8,851</u>



# SCOTTYS LITTLE SOLDIERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

### 6 Support costs

	Support costs	Governance costs	2016	2015	Basis of allocation
	£	£	£	£	
Staff costs	125,261	-	125,261	115,270	
Depreciation	27,532	-	27,532	23,020	
Other office costs	20,335	-	20,335	22,282	
Premises expenses	358	-	358	339	
Marketing	36,000	-	36,000	36,000	
Insurance	1,134	-	1,134	939	
Legal and professional fees	2,611	-	2,611	3,840	
Subscriptions	237	-	237	316	
Bank charges	156	-	156	-	
Accountancy	-	7,878	7,878	10,820	Governance
	<u>213,624</u>	<u>7,878</u>	<u>221,502</u>	<u>212,826</u>	
Analysed between					
Fundraising	36,000	-	36,000	-	
Charitable activities	177,624	7,878	185,502	212,826	
	<u>213,624</u>	<u>7,878</u>	<u>221,502</u>	<u>212,826</u>	

Governance costs includes payments to the auditors of £5,400 (2015- £5,400) for audit fees.

### 7 Trustees

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

# SCOTTYS LITTLE SOLDIERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 8 Employees

#### Number of employees

The average monthly number employees during the year was:

	2016 Number	2015 Number
Administration staff	6	6

#### Employment costs

	2016 £	2015 £
Wages and salaries	117,731	107,932
Social security costs	7,530	7,338
	<u>125,261</u>	<u>115,270</u>

There were no employees whose annual remuneration was £60,000 or more.

### 9 Tangible fixed assets

	Lodges £	Lodge and office equipment £	Total £
<b>Cost</b>			
At 1 January 2016	545,352	4,469	549,821
Additions	75,000	8,378	83,378
At 31 December 2016	<u>620,352</u>	<u>12,847</u>	<u>633,199</u>
<b>Depreciation and impairment</b>			
At 1 January 2016	38,828	2,853	41,681
Depreciation charged in the year	24,814	2,718	27,532
At 31 December 2016	<u>63,642</u>	<u>5,571</u>	<u>69,213</u>
<b>Carrying amount</b>			
At 31 December 2016	<u>556,710</u>	<u>7,276</u>	<u>563,986</u>
At 31 December 2015	<u>506,524</u>	<u>1,616</u>	<u>508,140</u>

### 10 Stocks

	2016 £	2015 £
Finished goods and goods for resale	<u>68,566</u>	<u>-</u>

# SCOTTYS LITTLE SOLDIERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

<b>11 Debtors</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	22,669	4,919
Other debtors	8,228	11,262
Prepayments and accrued income	40,939	32,175
	<u>71,836</u>	<u>48,356</u>
	<u><u>71,836</u></u>	<u><u>48,356</u></u>
<b>12 Creditors: amounts falling due within one year</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade creditors	4,602	13,739
Other creditors	2,917	2,917
Accruals and deferred income	6,847	6,443
	<u>14,366</u>	<u>23,099</u>
	<u><u>14,366</u></u>	<u><u>23,099</u></u>
<b>13 Financial instruments</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	339,590	453,411
	<u>339,590</u>	<u>453,411</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	14,366	23,099
	<u>14,366</u>	<u>23,099</u>
	<u><u>14,366</u></u>	<u><u>23,099</u></u>



# SCOTTYS LITTLE SOLDIERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 14 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 January 2016 £	Movement in funds Incoming resources £	Resources expended £	Balance at 31 December 2016 £
Grant received - community covenant fund	9,666	-	(9,666)	-
Grant received - CSIS Charity fund IT installation	-	10,000	(9,620)	380
Grant received - Annington Trust - Summer Barbeque	-	5,000	(200)	4,800
M Howlett - Cambridge Christmas party	-	1,662	-	1,662
	<u>9,666</u>	<u>16,662</u>	<u>(19,486)</u>	<u>6,842</u>

The restricted grant income received in the year totalled £15,000. The purpose of these grants were:

- To enable an overhaul of the IT systems for better control of fundraising activities and awareness of the charity;
- To fund a summer barbeque for the members of Scottys

#### 15 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances at 31 December 2016 are represented by:			
Tangible assets	563,986	-	563,986
Current assets/(liabilities)	427,887	6,842	434,729
	<u>991,873</u>	<u>6,842</u>	<u>998,715</u>

#### 16 Operating lease commitments

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

	2016 £	2015 £
Within one year	20,415	20,580
Between two and five years	42,660	49,113
In over five years	-	13,962
	<u>63,075</u>	<u>83,655</u>

# SCOTTYS LITTLE SOLDIERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 17 Events after the reporting date

The Trustees have engaged our legal team at Stone King, to advise on moving the charity from a Trust to an incorporated Charity. This work will take place during 2017 and will see a new CIO body established which will be better placed to take the charity forward in the best interests of its beneficiaries.

### 18 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2016 £	2015 £
Aggregate compensation	85,980	83,348

As at 31 December 2016, Scotty's Little Soldiers Trading Limited owed Scotty's Little Soldiers £8,228 (2015- £11,262) in respect of these transactions.

The company paid for expenses on behalf of Scotty's Little Soldiers totalling £8,493 during the period ended 31 December 2016 (2015 - £11,415). These expenses mainly related to office running costs and have been treated as a donation to the charity by Scotty's Little Soldiers Trading Limited.

19 Cash generated from operations	2016 £	2015 £
Surplus/(deficit) for the year	28,088	(31,629)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	27,532	23,020
Movements in working capital:		
(Increase) in stocks	(68,566)	-
(Increase)/decrease in debtors	(23,480)	4,118
(Decrease)/increase in creditors	(8,733)	15,157
Cash (absorbed by)/generated from operations	(45,159)	10,666