



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

TRUSTEES' REPORT and FINANCIAL STATEMENTS

For the year ended 31 March 2021



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(A Company Limited by Guarantee)**

**TRUSTEES' REPORT and FINANCIAL STATEMENTS
For the year ended 31 March 2021**

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SMART PLAY NETWORK
(A Company Limited by Guarantee)

REFERENCE and ADMINISTRATIVE DETAILS
For the year ended 31 March 2021

Name of charity: Smart Play Network

Scottish Charity Number SC042505

Company Number SC401334

Board of Trustees (Directors) Michelle Davitt (Chair)
Iain Highley (Treasurer)
Geoff Sumner (Resigned 4 August 2020)
Deborah Jans
Clare Jamieson
Kat Fox (appointed 1 December 2020)
Amber Patullo (appointed 1 December 2020)
Eleanor Campbell (appointed 1 December 2020)

Chief Executive Officer Lesley Fox

Registered office and principal address Unit 40, Castlebrae Business Centre
Peffer Place
Edinburgh
EH16 4BB

Telephone: 0131 554 2620
Website: www.smartplaynetwork.org

Bankers The Co-operative Bank plc CAF Bank Ltd

PO Box 250 25 Kings Hill Avenue
Delf House Kings Hill
Southway West Malling
Skelmersdale Kent
WN8 6WT ME19 4JQ

Solicitors Morton Fraser LLP
Quartermile Two
2 Lister Square
Edinburgh
EH3 9GL

Auditor 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 2021**

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 2021.

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 2021

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

This year, membership took an unprecedented surge during the COVID 19 pandemic restrictions and now sits at 408 which is an increase of 116 since last year. In part, we can put this down to increased need for our services and in particular a number of online events that we provided for our members to support play during restrictions. Our membership remains varied, made up of a range of different groups and organisations offering play opportunities for children. These range from small locally run play groups and toy libraries to Primary Schools and local play organisations. During the course of this most challenging year, like many others, we have adapted and developed our services to support children and families. This at a time when families were facing long periods of staying at home with very little social interaction with others. Our messages and support concentrated on how play could relieve many of the stresses associated with the restrictions and be used to support learning and home schooling.

We increased our online presence significantly, with at least twice daily social media posts across platforms with daily themed activities and sharing of good practice. Our newsletters and network blogs were consistent and topical. Enquiries took on a different slant, many looking for guidance on bringing activity online and also protocols for cleaning play equipment and support with interpreting Scottish Government guidance as to what activities could and could not take place, where, when and with how many children. We kept a very close eye on the changing guidance in order to be very quick with passing on to our members what we understood the changes would mean for them.

In addition, we helped to raise the profile of our member projects and the excellent work many of them were doing during restrictions by:

- Attending sector networking meetings, conferences and events (online)
- Contributing to National policy and consultations
- Meetings with policy makers in our sector (online)
- A presence on key committees and forums (online)
- Building new partnerships and connections to share ideas and utilise vital resources

Smart Play Network kept close contact with the children's sector throughout the year, which was vital to shape policy and keep up to date with developments. We remained active members of Scotland's Play Council Strategy Group and supported the recommendations to refresh Scotland's Play Strategy. 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 have promoted their campaigns and website. In addition, we have distributed key messages to parents on support available to them via campaigns from Parent Club specific to the challenges of COVID 19, for issues ranging from financial support for families to health advice.

SMART PLAY NETWORK

TRUSTEES' ANNUAL REPORT (continued) **For the year ended 31 March 2021**

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)

The toy library, with no access to its stock from within the community centre premises in Edinburgh has had to adapt significantly this year. At the start of the first lockdown, we were keeping in touch with our members through social media and posting simple craft and fun activities to do at home that would normally take place during sessions. As the spring months came, we were able to organise some play activity packs for families to collect from outside the toy library whilst social distancing and deliver toys and packs to some of our members who were isolating. These services were very much appreciated, and it was lovely to see some of our families and children again. With a new funding year beginning in April, we worked with our funders (Edinburgh City Council, Communities and Families Fund) to adapt our planned work to develop a click and collect service. This involved gaining access to the centre for a two-hour period to get a bulk of our toys and equipment out for storage elsewhere. We invested in an online database where families could browse for toys and book them online. Our click and collect service commenced in December 2020 and we were very lucky to have been given the use of one of the Smart Play Network vans, which we are still using alongside some space in the Castlebrae PTR container. Strict protocols for cleaning and fallow of toys to decontaminate are followed and toys are able to be collected from the car park of the community centre each week.

The new format has been a huge success, with 150 toys borrowed since we began the click and collect. Families continue to save money by borrowing, not buying, but also have a reason to go out to Inch Park where we are based and meet at a distance with friends they had not seen for many months. When children were allowed to socialise without distancing, many families stayed and played in the park after toy collection.

Smart Play Rangers

Our Smart Play Rangers received a new round of funding from Inspiring Scotland in August 2020 and we re-introduced the service in Bingham and Magdalene at the end of July 2020. As an outdoor service, play rangers were well placed to operate once children were allowed to socialise without restrictions. Many new systems were needed to ensure equipment used was rotated and left for an appropriate period to decontaminate (some loose parts are too tricky to clean thoroughly) and to limit numbers. We had to move locations a number of times due to the school not being comfortable with the playground being used, but local groups stepped up with the use of a community garden and we utilised parks and other green areas. More recently with the second lockdown, we have had to halt our drop in ethos for a booking system to limit numbers further. Some highlights from this year include;

- Supporting 318 children between all locations at our drop in and booked sessions.
- Hosting 2 online Play Ranger focus sessions with Play Rangers from across Scotland to share ideas and discuss mechanisms for safe delivery during COVID.
- Delivery of 84 in person sessions and 2 virtual sessions
- New partnerships formed with local agencies to support the community, these will carry on into next year in the shape of events, sharing of ideas and funding for targeted activity

As well as being a consistent presence and offering fun and respite for children, many children coming to sessions have been able to talk about their fears and the difficulties they have faced during the pandemic. We have also had lots of engagement through messenger from parents making bookings with everyone telling us how grateful they are for the service as it's giving their children an outlet and also giving parents a much needed break to work or exercise or just get some time to themselves.

SMART PLAY NETWORK

TRUSTEES' ANNUAL REPORT (continued) **For the year ended 31 March 2021**

PlayTalkRead (PTR)

This year the PlayTalkRead team completely changed the way that they interacted with families with children 0 – 4 in Scotland. The foundation of the project remained the same - to promote the positive benefits of parental engagement through simple, low cost activities based on playing talking and reading. Due to the global pandemic, restrictions were put in place which meant that our normal face to face interactions through the roadshow were now not a possibility and a new method of interacting with families needed to be implemented. We set to working across Scotland to identify families most in need of resources for play and low-cost ideas to do at home with their children. Using a variety of pilot trials and working with a range of partners, we were able to deliver 5,596 play activity packs to vulnerable families. Early on in the first lockdown, we recorded a series of 10 professional videos with the theme of touring with the vehicles across Scotland with animated backgrounds of areas and landmarks that would be known to the children. These were released across social media platforms and shared by the Scottish Government. Alongside this, we produced a multitude of shorter videos from story telling to low cost craft activities and put these out regularly to engage with families. We worked with a number of key partners to take part and hold live sessions at events online and also broadcast our own live zoom sessions. These adapted strands have been very successful meaning we were able to still engage with all 32 local authority areas to a varying degree and reach a huge amount of children with our messages.

This year through our adapted strands of the project we interacted with over 6,000 children that we know of and many more through our increased social media presence and downloads of our videos and activities.

Our Place and Space (OPAS)

This programme of work started on the 1st of April 2020 and remarkably, due to the nature of the service has been able to continue by adapting at every step. The key worker engaged with 4 partner groups to support them to develop in a variety of community initiatives including developing their outdoor spaces for play and complied with social distancing guidelines throughout. Numerous activities took place both outdoors and online including delivery of play activity packs, sourcing of local resources and people for a co-production approach and involving children in decisions about the local developments taking place.

We worked closely with our partners to find suitable ways to continue offering support to families. We developed our play and family sessions to enable these to be delivered online, offering families free play packs to ensure they had the resources required to take part. We also held small sessions with families in very limited numbers outdoors that we were able to rotate to ensure everyone had a chance to join in. These adaptations have allowed us to stay engaged with our partners and the communities we are supporting.

Subsequently, we are proposing to extend our support to partners 3 & 4 until the end of June and our delivery with partners 5 & 6 will be delayed slightly to accommodate this change.

Over a ten-week period play packs were delivered weekly to local families and followed up with 'live' online play along sessions, demonstrating different play ideas whilst families joined in. The play packs ensured that families had the resources required to join in, removing barriers to play and engagement with the sessions. We were delighted that all sessions were fully booked and families reported that the sessions had helped during lockdown in a number of ways.

Parents and carers reported that children really enjoyed the activities; having something different to do reduced the boredom of lockdown and interacting online with others helped people feel less isolated. Children began to recognise other children in the group and form new friendships. "It helped families structure their day and encouraged them to find time to play and bond together as a family. They enjoyed making things together, they found the activities accessible and joining in gave them a sense of achievement" – Practitioner quote.

Many families shared the activity ideas and resources with other family members, friends and neighbours. Words gathered as a word bank to describe the online play along experience: Fun, enjoyable, artistic, interesting, exciting, interactive, friendly, family, laughter, educational.

SMART PLAY NETWORK

TRUSTEES' ANNUAL REPORT (continued) For the year ended 31 March 2021

Training

When it became apparent that we would be unable to deliver face to face training, we took the opportunity to convert our existing courses to online. In choosing which courses to cover first, we anticipated that any easing of restrictions in activity for those working with children would likely be in outside provision, therefore started with our 'All weather Play' course. Whilst this was being developed and through conversations with our members and the play sector, we realised there was anxiety about delivery and confusion over cleaning, distancing and adult to child ratio protocols. We developed interactive webinars called 'Play in a Post Covid World' which attracted nearly 900 notes of interest and was delivered this 3 times during July 2020 and supported 143 delegates.

The 'All weather Play' course was delivered over 3 dates in late November / early December to 47 practitioners as well as a commissioned event for 20 Childminders mid December.

Feedback has been excellent – "I found it really helpful and inspiring to hear other people's experiences of play in all weathers, it has encouraged me to get out there and deliver these new ideas". "In my position at work, I try to enthuse other to take part in outdoor learning and play. This course has allowed me to demonstrate to them why this is so important".

Financial review

The financial results are set out on pages 13 - 23.

Total income in the General Fund decreased from £139,856 in the previous year to £132,927. Investment income in the General Fund was £111 compared with £440 in 2020.

Restricted Fund income and expenditure by fund is shown in Note 13. Total restricted income amounted to £454,495 (2020: £489,001).

The total cost of charitable activities was £607,410 compared to an amount of £694,557 spent in 2020.

The overall financial position remains healthy with net funds being £469,789 at 31 March 2021 (2020: £489,777). Of this £229,932 (2020: £233,389) is attributable to the unrestricted funds and £239,857 (2020: £256,388) to restricted funds. Of the £229,932 (2020: £233,389) unrestricted funds, £80,118 (2020: £69,125) 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 £149,814 (2020: £164,264). This represents 10 months of projected core running costs based on our planned budgets for 2021/2022. 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, we had two main areas of focus - a number of programmes of work and specifically gaps between the end of project funding with the potential to lose key members of staff and risks associated with regards to the COVID 19 pandemic. Trustees allocated funding to retain staff members during gaps in funding and we created a more detailed section on our risk register to cover all aspects of changes to operations, practices and HR issues during the ever changing guidance. The impact of home working was lessened by investment in excellent IT and subscriptions to communication platforms and regular online meetings. One concern was the mental health and wellbeing of staff therefore regular contact and opportunities for support were offered. We also invested in an Employee Assistance programme with access to 24/7 support, wellbeing tools and health coaching.

SMART PLAY NETWORK

TRUSTEES' ANNUAL REPORT (continued) For the year ended 31 March 2021

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 2022. As we work our way through changes to working practices in relation to the restrictions of this year, we are looking forward to supporting our members and projects to resume face to face delivery with children and families. With a full time Training and Membership Co-ordinator now in place, we are well placed to look across the organisation for new ways to engage and develop support services. Therefore, we intend to focus on the recovery of our members, whilst recognising that there may be some that are unable to open back up due to the effects of the pandemic. New training courses, online content and ways to communicate will be developed. We will also be looking at the work life balance of our teams, using lessons and processes developed during COVID and ensuring that we remain a happy and fair place to work.

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 this year we welcomed 3 new people recruited from our membership. The Covid pandemic allowed us to try new ways to communicate and have held all our meetings over the zoom platform.

At the start of 2020, we were able to re-engage and finalise the first in our series of good practice governance documents.

- 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.

Going forward, the plan is now to complete the following;

- Standing orders – a more detailed look at our Articles of Association and how these translate into the working practices of Smart Play Network.
- A review and update of our Standing Financial Instructions (SFI's)
- A business plan for the period April 2022 to March 2025 – this having been delayed by the cancellation of the Families and Communities Scottish Government funding process which we hope will be re-instated at the end of 2021.

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.

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 £44,522 (2020: £41,953).

SMART PLAY NETWORK

TRUSTEES' ANNUAL REPORT (continued) **For the year ended 31 March 2021**

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

Trustees agreed to reappoint Chiene + Tait LLP, Chartered Accountants, as auditors at the meeting of the Board of Directors on 23rd February 2021.

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 _____ 2021, and signed on their behalf by:-

Michelle Davitt
Director / Trustee (Chair)

Iain Highley
Director / Trustee (Treasurer)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF SMART PLAY NETWORK



Opinion

We have audited the financial statements of Smart Play Network (the 'charity') for the year ended 31 March 2021 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 2021, and of 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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.

**INDEPENDENT AUDITOR'S REPORT TO THE
TRUSTEES AND MEMBERS OF SMART PLAY NETWORK (continued)**



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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- agreement of the financial statement disclosures to underlying supporting documentation;
- review of minutes of board meetings throughout the period;
- review of legal correspondence or invoices;
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations, and
- performing testing over the completeness of grant income during the year.

There are inherent limitations in an audit of financial statements and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT TO THE
TRUSTEES AND MEMBERS OF SMART PLAY NETWORK (continued)**



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

_____ 2021

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 2021**

	Notes	Un- Restricted Funds £	Restricted Funds £	2021 Total Funds £	Un- restricted Funds £	Restricted Funds £	2020 Total Funds £
Income from:							
Donations and legacies	3	45	-	45	722	-	722
Charitable activities	3	132,771	454,495	587,266	138,694	489,001	627,695
Investments		111	-	111	440	-	440
Other income		-	-	-	250	-	250
Total income		132,927	454,495	587,422	140,106	489,001	629,107
Expenditure on:							
Charitable activities	4	136,348	471,062	607,410	163,502	531,055	694,557
Total expenditure		136,348	471,062	607,410	163,502	531,055	694,557
Net expenditure		(3,421)	(16,567)	(19,988)	(23,396)	(42,054)	(65,450)
Transfers between funds	13	(36)	36	-	(3,281)	3,281	-
Net movement in funds		(3,457)	(16,531)	(19,988)	(26,677)	(38,773)	(65,450)
Reconciliation of funds							
Total funds brought forward		233,389	256,388	489,777	260,066	295,161	555,227
Total funds carried forward		229,932	239,857	469,789	233,389	256,388	489,777

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 16 to 23 form part of these financial statements.

SMART PLAY NETWORK**BALANCE SHEET**
As at 31 March 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	10		70,865		103,830
Current assets					
Debtors	11	22,439		26,735	
Cash at bank and in hand		403,402		400,127	
		-----		-----	
		425,841		426,862	
Liabilities: amounts due within one year	12	(26,917)		(40,915)	
		-----		-----	
Net current assets			398,924		385,947
			-----		-----
Total assets less current liabilities			469,789		489,777
			-----		-----
Net assets			469,789		489,777
			=====		=====
The funds of the charity:					
Unrestricted funds					
General Fund	13		149,814		164,264
Designated Funds	13		80,118		69,125
			-----		-----
Total unrestricted funds			229,932		233,389
Restricted funds	13		239,857		256,388
			-----		-----
Total charity funds			469,789		489,777
			=====		=====

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 _____ 2021, and are signed on their behalf by:

Michelle Davitt
Director / Trustee (Chair)

Iain Highley
Director / Trustee (Treasurer)

The notes on pages 16 to 23 form part of these financial statements.

SMART PLAY NETWORK**STATEMENT of CASH FLOW**
For the year ended 31 March 2021

	Notes	2021	2020
		£	£
Cash flows from operating activities			
Cash provided by operations	17	12,155	12,171
Investing activities			
Purchase of tangible fixed assets		(8,991)	(13,573)
Proceeds on disposal of fixed asset investment		-	2,000
Interest received		111	440
		-----	-----
Net cash generated from investing activities		(8,880)	(11,133)
		-----	-----
Net increase in cash and cash equivalents		3,275	1,038
Cash and cash equivalents at beginning of year		400,127	399,089
		-----	-----
Cash and cash equivalents at end of year		403,402	400,127
		=====	=====

Analysis of changes in net debt

	At the start	Cash	At
	of the year	Flows	Year-End
	£	£	£
Cash	400,127	3,275	403,402
	=====	=====	=====

The notes on pages 16 to 23 form part of these financial statements.

SMART PLAY NETWORK**NOTES to the ACCOUNTS**
For the year ended 31 March 2021**1. Company information**

Smart Play Network is a company limited by guarantee incorporated in Scotland with registered company number SC401334. The registered office is 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 recognised 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) (Updated – October 2019).

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.

IncomeGrants 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 2021

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 2021

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
3. Analysis of Donations and Legacies and Charitable Activities Income				
Donations and legacies				
Donations	-	-	-	267
Subscriptions	45	-	45	455
Total donations and legacies	45	-	45	722
Charitable activities				
Delivery of play services	-	-	-	750
Membership and training	3,355	-	3,355	15,462
Grants - The Scottish Government (PTR)	21,000	383,900	404,900	470,000
- The Scottish Government (ICF)	-	45,435	45,435	-
- The Corra Foundation (General)	93,000	-	93,000	93,000
- Other grants	15,416	25,160	40,576	48,483
Total charitable activities	132,771	454,495	587,266	627,695
4. Analysis of Charitable Activities Expenditure				
	Direct Costs £	Support Costs £	2021 Total Funds £	2020 Total Funds £
Restricted Funds				
Delivery of play services	420,377	50,685	471,062	531,055
Unrestricted Funds				
Delivery of play services	18,735	91,708	110,443	125,273
Membership and training	1,004	24,901	25,905	38,229
Total charitable activity	440,116	167,294	607,410	694,557
5. Analysis of Governance Costs				
Trustee meetings	-	-	-	22
Professional and other fees	482	-	482	2,737
Audit fee	-	5,250	5,250	4,980
Total governance costs	482	5,250	5,732	7,739

SMART PLAY NETWORK**NOTES to the ACCOUNTS (continued)**
For the year ended 31 March 2021

	Unrestricted Funds	Restricted Funds	2021 Total Funds	2020 Total Funds
	£	£	£	£
6. Support Costs				
Governance	482	5,250	5,732	7,739
Salaries	97,286	40,910	138,196	126,868
Staff costs	1,031	793	1,824	3,156
Premises	7,913	307	8,220	13,046
Office & IT	6,393	396	6,789	5,447
Vehicle costs	329	-	329	1,780
Professional & freelance fees	1,735	2,047	3,782	3,465
Depreciation	1,440	982	2,422	-
Other support costs	-	-	-	1,246
	-----	-----	-----	-----
	116,609	50,685	167,294	162,747
	=====	=====	=====	=====

7. Net income

This is stated after charging:

	2021	2020
	£	£
Rentals payable in respect of operating leases - land and buildings	18,688	18,463
- other	-	3,042
	=====	=====

8. Trustee Remuneration, Benefits and Expenses

None of the trustees received any remuneration (2020: Nil).

None of the trustees received reimbursement of expenses (2020: £Nil) 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 £44,522 (2020: £41,953)

9. Staff Costs and Emoluments

	2021	2020
	£	£
Salary costs		
Gross salaries	359,297	417,369
Employer pension contribution	6,736	6,464
Employer's national insurance	23,938	26,169
	-----	-----
Total	389,971	450,002
	=====	=====

Average headcount

	No.	No.
Management	3	3
Administration/finance	3	3
Projects	14	20
	-----	-----
Total	20	26
	=====	=====

No employee received emoluments in excess of £60,000 (2020: Nil).

SMART PLAY NETWORK**NOTES to the ACCOUNTS (continued)**
For the year ended 31 March 2021

10. Tangible fixed assets	Vehicles	Equipment	Total
	£	£	£
Cost			
At beginning of the year	165,910	23,844	189,754
Additions	-	8,991	8,991
	-----	-----	-----
At end of the year	165,910	32,835	198,745
	-----	-----	-----
Depreciation			
At beginning of the year	79,275	6,649	85,924
Depreciation	36,269	5,687	41,956
	-----	-----	-----
At end of the year	115,544	12,336	127,880
	-----	-----	-----
Net book value			
At beginning of the year	86,635	17,195	103,830
	=====	=====	=====
At end of the year	50,366	20,499	70,865
	=====	=====	=====
 11. Debtors		2021	2020
		£	£
Fees owed		40	90
Advance expenses		550	510
Prepayments and accrued income		21,849	25,826
Other debtors		-	309
		-----	-----
Total debtors		22,439	26,735
		=====	=====
 12. Creditors		2021	2020
		£	£
Taxation and social security		9,040	5,669
Accruals and deferred income		11,161	18,296
Other creditors		6,716	16,950
		-----	-----
Total creditors		26,917	40,915
		=====	=====

SMART PLAY NETWORK

NOTES to the ACCOUNTS (continued)
For the year ended 31 March 2021

	Balance at 31 March 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
13. Fund Movements					
Restricted funds					
ECC	590	3,131	(3,755)	34	-
CFG	-	8,266	(5,287)	-	2,979
PTR	247,887	383,900	(401,349)	-	230,438
APD	1,211	-	(1,213)	2	-
SPD	6,700	(2,261)	(4,439)	-	-
ICF	-	45,435	(43,464)	-	1,971
OCP	-	16,024	(11,555)	-	4,469
Total restricted funds	256,388	454,495	(471,062)	36	239,857
Unrestricted funds					
General Fund	164,264	132,927	(115,473)	(31,904)	149,814
Designated Fixed Asset Fund	10,948	-	(8,977)	3,810	5,781
Designated Events & Business Planning Fund	8,185	-	-	(569)	7,616
Designated Staff Costs Fund	4,992	-	(4,992)	-	-
Designated IT Fund	10,000	-	(867)	(1,373)	7,760
Designated Project Costs Fund	35,000	-	(6,039)	-	28,961
Designated T&M Co-ordinator Fund	-	-	-	30,000	30,000
Total unrestricted funds	233,389	132,927	(136,348)	(36)	229,932
Total funds	489,777	587,422	(607,410)	-	469,789
	Balance at 31 March 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2020 £
Restricted funds					
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
Total restricted funds	295,161	489,001	(531,055)	3,281	256,388
Unrestricted funds					
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
Total unrestricted funds	260,066	140,106	(163,502)	(3,281)	233,389
Total funds	555,227	629,107	(694,557)	-	489,777

SMART PLAY NETWORK**NOTES to the ACCOUNTS (continued)**
For the year ended 31 March 2021

14. Analysis of net assets between funds	Un- Restricted Funds	Restricted Funds	2021
	£	£	£
Fixed assets	5,781	65,084	70,865
Current assets	231,423	194,418	425,841
Current liabilities	(7,272)	(19,645)	(26,917)
	-----	-----	-----
	229,932	239,857	469,789
	=====	=====	=====

	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
	=====	=====	=====

15. Transfers Between Funds

There were transfers of £1,868 from the General Fund, £569 from the Designated Events and Business Planning Fund and £1,373 from the Designated IT Fund to the Designated Fixed Asset Fund for new fixed assets acquired during the year. In addition, there were transfers of £2 and £34 from the General Fund to the APD and ECC funds respectively to clear the deficits on the closure of those funds. There was also a transfer from the General Fund of £30,000 to set up a new Designated Training and Membership Co-ordinator Fund.

16. Funds

- 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 ran from 1 April 2016 to 31 August 2020.
- The **CFG** fund represents funding provided by Edinburgh City Council, Communities and Families fund for delivering our Play Plus Toy Library project from 1 September 2020 for 3 years.
- The **PTR** fund represents funding provided by the Scottish Government to deliver the roadshow element of their PlayTalkRead campaign. This funding is reviewed annually with the current grant remaining until the end of March 2022.
- The **ICF** fund represents funding provided by the Scottish Government for the Our Place and Space project from 1 April 2020 to 31st March 2022.
- The **OCP** fund represents funding from Inspiring Scotland from the Organised Outdoor Community Play fund to deliver our Play Rangers project from 1 August 2020 to 31st March 21 with a new round of funding agreed (July 21) until the 31st March 2022.
- 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 1st September 2019 to 30th June 2020.

SMART PLAY NETWORK**NOTES to the ACCOUNTS (continued)**
For the year ended 31 March 2021**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 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. Due to Covid 19, these funds have been retained to continue this work forward in 2021 / 2022.

The **Designated Staff Costs Fund** was set up by the Trustees to cover the costs of staff salaries when there is gaps in funding between the end of programmes of work and the beginning of new ones. In addition, this fund is retained 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. Covid-19 delayed this work which will be taken forward in 2021 / 2022.

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

The **Designated T&M Co-ordinator Fund** was set up by the Trustees to fund the salary and expenses of the Training and Membership Co-ordinator not covered by core funding for the period of April 2021 to March 2022.

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

	2021	2020
	£	£
Net movement in funds	(19,988)	(65,450)
Add back depreciation charge	41,956	41,168
Less gain on disposal of fixed assets	-	(250)
Deduct interest income and rental income shown in investing activities	(111)	(440)
(Increase)/Decrease in debtors	4,296	37,042
Increase/(Decrease) in creditors	(13,998)	101
	-----	-----
Net cash provided by operating activities	12,155	12,171
	=====	=====

18. Related Party Transactions

The charity undertook no transactions with related parties during the year (2020 : Nil).

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

