



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

**TRUSTEES' REPORT and FINANCIAL STATEMENTS**

**For the year ended 31 March 2022**



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

**REFERENCE and ADMINISTRATIVE DETAILS**  
**For the year ended 31 March 2022**

<b>Name of charity:</b>	Smart Play Network	
<b>Scottish Charity Number</b>	SC042505	
<b>Company Number</b>	SC401334	
<b>Board of Trustees (Directors)</b>	Michelle Davitt (Chair) Iain Highley (Treasurer) Deborah Jans Clare Jamieson Kat Fox Laura McLaren (appointed 31 <sup>st</sup> August 2021) Amber Patullo (terminated 31 <sup>st</sup> August 2021) Eleanor Campbell (resigned 31 <sup>st</sup> August 2021)	
<b>Chief Executive Officer</b>	Lesley Fox	
<b>Registered office and principal address</b>	Unit 40, Castlebrae Business Centre Peffer Place Edinburgh EH16 4BB  Telephone: 0131 554 2620 Website: <a href="http://www.smartplaynetwork.org">www.smartplaynetwork.org</a>	
<b>Bankers</b>	The Co-operative Bank plc	CAF Bank Ltd
	PO Box 250 Delf House Southway Skelmersdale WN8 6WT	25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
<b>Solicitors</b>	Morton Fraser LLP Quartermile Two 2 Lister Square Edinburgh EH3 9GL	
<b>Auditor</b>	Chiene + Tait LLP Chartered Accountants and Statutory Auditor 61 Dublin Street Edinburgh EH3 6NL	

## **SMART PLAY NETWORK**

### **TRUSTEES' ANNUAL REPORT** **For the year ended 31 March 2022**

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 2022.

#### **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.

## **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

Membership numbers have increased slightly to 418. Numbers fluctuated over the course of the year with the discovery of 5 groups closing therefore in real terms membership has increased by 13. Members range from small locally run playgroups and toy libraries to Primary Schools and local play organisations. Whilst Covid restrictions were still in place for many groups, we continued to adapt our support, creating more online materials and online training. Our focus has been on creating new ways to engage and support the wide range of members to return to delivery and doing so in a safe and compliant way with ever-changing government laws and guidelines.

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 Scottish Government Parent Club Campaign, 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 2022

At meetings, either online, face to face or through consultations, we strived 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.

### Training

We have seen a significant upsurge in the interest in our training this last year, with over 137 people attending our training. This is due to the development of a new online learning platform and covid restrictions being reduced allowing us to deliver in-person training again. Our popular courses are Fire Play Training, Playground Games and Get Free Play. Below is a quote from one school that received the Get Free Play Training:

*"Our loose parts journey has been incredible to date and I am so grateful for the inspiration that you all provided. Your starting kit got us going but before you had even left, people were gathering up bits and pieces from right left and centre to complement what you had left us! Each class is using the [loose parts] area once per week during curriculum time and it has become a really important part of what we do.*

*The creativity we are seeing is brilliant but also the application of skills such as communication, collaboration, problem-solving etc is amazing. I genuinely can't see what context we could create in the classroom that would give this amount of scope. It is also very inclusive as our children with complex ASN can join in with their classes and participate at their own level. We are going to extend this to small loose parts in the new session using a separate area in the school."*

Smart Play Network has developed a new Engage Website to bring together our online training courses and a platform for our members to share learning, experiences, and resources. We currently have two of our key training courses available online, Little Explorers and All Weather Play, both of which have been delivered to individuals online over the past year. We have developed a new Playground Key Fob resource, a quick reference guide to a range of 30 plus playground games, that are available to buy through our Engage website and are already popular with many schools.

We were excited to launch our new #PlayChat online networking event. This is a regular free online session that is open to our members and provides an opportunity to share practice, ask questions, and provide support to one another. We have so far held six events.

During 2022 we are looking to expand what we offer online to include e-learning modules of our most popular courses. Also, we are developing new training courses, one of which will be focused on Climate Change and Play. Finally, we are launching a new Podcast series promoting the different play projects and services across Scotland, an opportunity for organisations to promote the great work they do.

## Our Portfolio of direct delivery projects

### Play Plus Toy Library (PPTL)

The toy library re-opened for face-to-face sessions in July 2022. We are still currently operating a booking system as opposed to a drop-in service which is going well. We have retained our online lending system where parents can book toys in advance of sessions. Both these mechanisms will remain in place for the foreseeable future. Families are appreciating meeting with each other again and we have a regular stream of new members. We are fully staffed, and parents are always ready to get involved. Our activities are varied, and toy lending is on the increase. We are meeting all targets in relation to our funding from Edinburgh City Council Children and Families Fund.

## **SMART PLAY NETWORK**

### **TRUSTEES' ANNUAL REPORT (continued)** **For the year ended 31 March 2022**

#### **Smart Play Rangers**

Our play ranger service has continued to operate this year, being very well placed to meet government guidelines operating in the outdoors. We maintained our systems for cleaning and resource location introduced during Covid restrictions and this is now our normal practice. Children attending has been steady with 301 different children attending sessions across the year. From April to October 2021 we delivered 4 sessions per week -2 in Bingham and 2 in Magdalene – both areas in SIMD decile 1 in Edinburgh. We were surprised and humbled by the continued engagement of the children, families and wider community at our continued sessions during the Covid 19 Pandemic. We also feel that we provided some of the only supervised outdoor play opportunities for children in these areas during this period and children often commented that it was the only time they were allowed outside to play. Our staffing reduced from 3 members of staff to 2 resulting in our session delivery changing to 2 sessions per week on a Friday from November 2021 – March 2022. We received funding from Inspiring Scotland's Outdoor Community Play fund from June 2020 – March 2022, with our Trustees approving the use of the previous years' underspend to cover April and May 2021. Our funding application for 2022-2023 was successful and we will continue to deliver 2 sessions per week on Fridays as well as some extra delivery over school holidays.

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

The PlayTalkRead roadshow has continued to adapt and change as needed. We have delivered a mix of online and in person sessions for families with children under 5 years old, as well as virtual sensory session for children 0-12 year old, throughout the pandemic. We have directly supported 850 families this year, reaching over 1000 children through a range of activities including indoor and outdoor family play sessions, partner events, summer holiday drop in sessions and ASN specific sensory sessions across 20 local authorities.

We have also continued with the production and delivery of our Play Activity Packs, providing play at home activities and ideas for 5,286 children across 26 local authorities in Scotland.

Highlights from this year include re-starting in person session delivery, getting our vehicles back out on the road, incredibly successful virtual sensory tours and being able to offer family play sessions in Shetland, Orkney and Western Isles who told us they had felt really cut off from the mainland during the pandemic and were delighted that we were able to travel to them to offer support for families with little ones.

In February this year it was confirmed that our 2022-2023 funding proposal had been accepted. As we move out of the pandemic and associated restrictions, we are looking forward to delivery our full range of activities across Scotland and having our fleet of vehicles back out on the road.

#### **Our Place and Space (OPAS)**

This programme of work in Fife has completed its second year of funding and has been successful in securing extension funding for the coming year due to its ongoing achievements. OPAS worked with a range of partners develop safe and fun community play spaces in Buckhaven, Benarty, Blairhall, Inverkeithing and Gallatown. Due to the pandemic, our initial community support was offered online until it became safe to bring people together outdoors. Our online sessions focused on bringing families together and gathering ideas for the development of community play spaces. The new play spaces enabled us to offer a wide range of activities including setting up new toddler groups to be led by parents in the community, developing family play spaces and delivering family play sessions, introducing a play pod and loose parts play training for community volunteers, supporting community steering groups to be actively involved in Fife Community Place Planning, developing outdoor toddler and family play sessions and using spaces to host Family Fund days that bring together the wider community to celebrate their achievements. We have submitted an application for funding to continue delivering OPAS from 2023 – 2026, demand for the project continues to grow, specifically around our sustainable play approach and climate action benefits.

#### **Financial review**

The financial results are set out on pages 12 - 22.

Total income in the General Fund increased from £132,927 in the previous year to £145,247. Investment income in the General Fund was £64 compared with £111 in 2021.

Restricted Fund income and expenditure by fund is shown in Note 13. Total restricted income amounted to £501,233 (2021: £454,495).

The total cost of charitable activities was £579,875 compared to an amount of £607,410 spent in 2021.

## SMART PLAY NETWORK

### TRUSTEES' ANNUAL REPORT (continued)

#### For the year ended 31 March 2022

The overall financial position remains healthy with net funds being £536,394 at 31 March 2022 (2021: £469,789). Of this £233,283 (2021: £229,932) is attributable to the unrestricted funds and £303,111 (2021: £239,857) to restricted funds. Of the £233,283 (2021: £229,932) unrestricted funds, £78,332 (2021: £80,118) 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 £154,951 (2021: £149,814). This represents just over 10 months of projected core running costs based on our planned budgets for 2022/2023. The trustees review the amount of reserves that are required to ensure that they are adequate to fulfil the charity's continuing obligations on a quarterly basis.

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

#### Risk management/assessment

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems and procedures have been put in place to lessen and closely monitor these risks. Our Risk Register is examined and updated quarterly at Trustee meetings. This year, our main area of focus remained around the wider impact of Covid – This was in relation both to the number of groups that would potentially not re-open but also the impact on our staff. Retention and recruitment became a topic of slight concern with some resignations after more office working was required and with Brexit causing staff shortages across Scotland, a lack of suitable candidates to fill posts. The mental health and wellbeing of staff remains high on our priorities and Trustees agreed a programme of benefits to support our staff to enjoy a better work life balance.

#### **Plans for future periods**

Our proposed outcomes for our core work will remain the same as last year due to the extension of funding award from the Children and Young People's Early Intervention Fund for the 7<sup>th</sup> year. With a new fund being announced in the summer of 2022, we are hoping to be able to demonstrate the need for increased funding and activity with less reliance on the annual project grants. Our Training and Membership team have a host of new courses planned and we have put aside significant time for strategic planning and development with staff and Trustees, the first being in May 22.

We will continue to focus on the recovery of our members, whilst recognising that we still do not know the full extent of closures due to the effects of the pandemic. Further training courses, online content and ways to communicate will be developed. We are working toward integrating all staff into Microsoft 365 early in the 2022 year, involving new systems, platforms for communications and a more streamline and safe way forward for all our communications.

#### 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.

In the late summer of 2022, we will apply for new core funding from the Scottish Government. This fund (the Children, Young People, Family and Adult Learning Fund (CYPFAL)) will run for a two-year period from April 2023 to the end of March 2025.

#### Governance

In the summer of 2022, we plan to recruit new Trustees from a range of experience identified from a recent skills audit. We intend to form an Appointments Committee to take this forward. Trustees have planned a General Meeting for September 2022 where we will ratify those appointments and update our members on the progress and achievements of the organisation.

## **SMART PLAY NETWORK**

### **TRUSTEES' ANNUAL REPORT (continued)** **For the year ended 31 March 2022**

We will continue to 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 £42,016 (2021: £44,522).

#### **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.

#### **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.

#### **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.



## SMART PLAY NETWORK

### **TRUSTEES' ANNUAL REPORT (continued)** **For the year ended 31 March 2022**

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 26<sup>th</sup> May 2022.

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 29 August 2022 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 2022 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 2022, 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](http://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.

A handwritten signature in black ink, appearing to read 'Jeremy M Chittleburgh'.

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

Date: 30 August 2022

*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 2022**

	Notes	Un- Restricted Funds £	Restricted Funds £	2022 Total Funds £	Un- restricted Funds £	Restricted Funds £	2021 Total Funds £
<b>Income from:</b>							
Donations and legacies	3	307	-	307	45	-	45
Charitable activities	3	138,276	501,233	639,509	132,771	454,495	587,266
Investments		64	-	64	111	-	111
Other income		6,600	-	6,600	-	-	-
<b>Total income</b>		<b>145,247</b>	<b>501,233</b>	<b>646,480</b>	<b>132,927</b>	<b>454,495</b>	<b>587,422</b>
<b>Expenditure on:</b>							
Charitable activities	4	141,896	437,979	579,875	136,348	471,062	607,410
<b>Total expenditure</b>		<b>141,896</b>	<b>437,979</b>	<b>579,875</b>	<b>136,348</b>	<b>471,062</b>	<b>607,410</b>
<b>Net income/(expenditure)</b>		<b>3,351</b>	<b>63,254</b>	<b>66,605</b>	<b>(3,421)</b>	<b>(16,567)</b>	<b>(19,988)</b>
Transfers between funds	13	-	-	-	(36)	36	-
<b>Net movement in funds</b>		<b>3,351</b>	<b>63,254</b>	<b>66,605</b>	<b>(3,457)</b>	<b>(16,531)</b>	<b>(19,988)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		229,932	239,857	469,789	233,389	256,388	489,777
<b>Total funds carried forward</b>		<b>233,283</b>	<b>303,111</b>	<b>536,394</b>	<b>229,932</b>	<b>239,857</b>	<b>469,789</b>

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 15 to 22 form part of these financial statements.

**SMART PLAY NETWORK****BALANCE SHEET**  
**As at 31 March 2022**

	Notes	£	2022 £	£	2021 £
<b>Fixed assets</b>					
Tangible assets	10		63,272		70,865
<b>Current assets</b>					
Debtors	11	22,659		22,439	
Cash at bank and in hand		482,608		403,402	
		-----		-----	
		505,267		425,841	
<b>Liabilities: amounts due within one year</b>	12	(32,145)		(26,917)	
		-----		-----	
Net current assets			473,122		398,924
			-----		-----
<b>Total assets less current liabilities</b>			536,394		469,789
			-----		-----
<b>Net assets</b>			536,394		469,789
			=====		=====
<b>The funds of the charity:</b>					
<b>Unrestricted funds</b>					
General Fund	13		154,951		149,814
Designated Funds	13		78,332		80,118
			-----		-----
<b>Total unrestricted funds</b>			233,283		229,932
<b>Restricted funds</b>	13		303,111		239,857
			-----		-----
<b>Total charity funds</b>			536,394		469,789
			=====		=====

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

The financial statements were approved by the trustees on 29 August 2022, and are signed on their behalf by:

  
Michelle Davitt  
Director / Trustee (Chair)

  
Iain Highley  
Director / Trustee (Treasurer)

The notes on pages 15 to 22 form part of these financial statements.

**SMART PLAY NETWORK****STATEMENT of CASH FLOW**  
**For the year ended 31 March 2022**

	<b>Notes</b>	<b>2022</b>	<b>2021</b>
		£	£
<b>Cash flows from operating activities</b>			
Cash provided by operations	17	105,806	12,155
<b>Investing activities</b>			
Purchase of tangible fixed assets		(33,264)	(8,991)
Proceeds on disposal of fixed asset investment		6,600	-
Interest received		64	111
		-----	-----
<b>Net cash generated from investing activities</b>		(26,600)	(8,880)
		-----	-----
<b>Net increase in cash and cash equivalents</b>		79,206	3,275
Cash and cash equivalents at beginning of year		403,402	400,127
		-----	-----
<b>Cash and cash equivalents at end of year</b>		482,608	403,402
		=====	=====

**Analysis of changes in net debt**

	<b>At the start of the year</b>	<b>Cash Flows</b>	<b>At Year-End</b>
	£	£	£
Cash	403,402	79,206	482,608
	=====	=====	=====

The notes on pages 15 to 22 form part of these financial statements.

**SMART PLAY NETWORK****NOTES to the ACCOUNTS**  
**For the year ended 31 March 2022****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.

**Income**Grants receivable

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

Donations, legacies and similar income

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

Investment income

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

**Governance costs**

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

**Expenditure**

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



## SMART PLAY NETWORK

### NOTES to the ACCOUNTS (continued) For the year ended 31 March 2022

#### 2. Accounting Policies (continued)

##### Tangible Fixed Assets

These are capitalised if they can be used for more than one year and cost over £1,000.

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 2022

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
<b>3. Analysis of Donations and Legacies and Charitable Activities Income</b>				
<b>Donations and legacies</b>				
Donations	49	-	49	-
Subscriptions	258	-	258	45
<b>Total donations and legacies</b>	<b>307</b>	<b>-</b>	<b>307</b>	<b>45</b>
<b>Charitable activities</b>				
Delivery of play services	-	-	-	-
Membership and training	5,190	-	5,190	3,355
Grants - The Scottish Government (PTR)	21,000	433,018	454,018	404,900
- The Scottish Government (ICF)	3,136	41,379	44,515	45,435
- The Corra Foundation (General)	93,000	-	93,000	93,000
- Other grants	15,950	26,836	42,786	40,576
<b>Total charitable activities</b>	<b>138,276</b>	<b>501,233</b>	<b>639,509</b>	<b>587,266</b>
<b>4. Analysis of Charitable Activities Expenditure</b>				
	Direct Costs £	Support Costs £	2022 Total Funds £	2021 Total Funds £
<b>Restricted Funds</b>				
Delivery of play services	381,576	56,403	437,979	471,062
<b>Unrestricted Funds</b>				
Delivery of play services	2,739	104,029	106,768	110,443
Membership and training	1,188	33,940	35,128	25,905
<b>Total charitable activity</b>	<b>385,503</b>	<b>194,372</b>	<b>579,875</b>	<b>607,410</b>
<b>5. Analysis of Governance Costs</b>				
	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Trustee meetings	-	-	-	-
Professional and other fees	1,169	2,100	3,269	482
Audit fee	2,430	3,000	5,430	5,250
<b>Total governance costs</b>	<b>3,599</b>	<b>5,100</b>	<b>8,699</b>	<b>5,732</b>

**SMART PLAY NETWORK****NOTES to the ACCOUNTS (continued)**  
**For the year ended 31 March 2022**

<b>6. Support Costs</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2022 Total Funds</b>	<b>2021 Total Funds</b>
	£	£	£	£
Governance	3,599	5,100	8,699	5,732
Salaries	117,186	41,605	158,791	138,196
Staff costs	542	1,590	2,132	1,824
Premises	8,264	1,045	9,309	8,220
Office & IT	4,283	3,168	7,451	6,789
Vehicle costs	-	138	138	329
Professional & freelance fees	-	2,393	2,393	3,782
Depreciation	4,095	1,364	5,459	2,422
Other support costs	-	-	-	-
	-----	-----	-----	-----
	137,969	56,403	194,372	167,294
	=====	=====	=====	=====

**7. Net income**

This is stated after charging:

	<b>2022</b>	<b>2021</b>
	£	£
Rentals payable in respect of operating leases - land and buildings	15,888	18,688
	=====	=====

**8. Trustee Remuneration, Benefits and Expenses**

None of the trustees received any remuneration (2021: Nil).

None of the trustees received reimbursement of expenses (2021: £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 £42,016 (2021: £44,522)

**9. Staff Costs and Emoluments**

	<b>2022</b>	<b>2021</b>
	£	£
<b>Salary costs</b>		
Gross salaries	355,898	359,297
Employer pension contribution	6,239	6,736
Employer's national insurance	21,992	23,938
	-----	-----
<b>Total</b>	384,129	389,971
	=====	=====

	<b>No.</b>	<b>No.</b>
<b>Average headcount</b>		
Management	3	3
Administration/finance	3	3
Projects	14	14
	-----	-----
<b>Total</b>	20	20
	=====	=====

No employee received emoluments in excess of £60,000 (2021: Nil).

**SMART PLAY NETWORK****NOTES to the ACCOUNTS (continued)**  
**For the year ended 31 March 2022**

<b>10. Tangible fixed assets</b>	<b>Vehicles</b>	<b>Equipment</b>	<b>Total</b>
	£	£	£
<b>Cost</b>			
At beginning of the year	165,910	32,835	198,745
Additions	33,264	-	33,264
Disposals	(7,900)	(1,180)	(9,080)
	-----	-----	-----
At end of the year	191,274	31,655	222,929
	-----	-----	-----
<b>Depreciation</b>			
At beginning of the year	115,544	12,336	127,880
Depreciation	33,535	7,322	40,857
Disposals	(7,900)	(1,180)	(9,080)
	-----	-----	-----
At end of the year	141,179	18,478	159,657
	-----	-----	-----
<b>Net book value</b>			
At beginning of the year	50,366	20,499	70,865
	=====	=====	=====
At end of the year	50,095	13,177	63,272
	=====	=====	=====
<b>11. Debtors</b>		<b>2022</b>	<b>2021</b>
		£	£
Fees owed		-	40
Advance expenses		350	550
Prepayments and accrued income		22,309	21,849
		-----	-----
<b>Total debtors</b>		22,659	22,439
		=====	=====
<b>12. Creditors</b>		<b>2022</b>	<b>2021</b>
		£	£
Taxation and social security		5,904	9,040
Accruals and deferred income		9,962	11,161
Other creditors		16,279	6,716
		-----	-----
<b>Total creditors</b>		32,145	26,917
		=====	=====

## SMART PLAY NETWORK

NOTES to the ACCOUNTS (continued)  
For the year ended 31 March 2022

	Balance at 31 March 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
<b>13. Fund Movements</b>					
<b>Restricted funds</b>					
CFG	2,979	14,170	(10,919)	-	6,230
PTR	230,438	433,018	(373,543)	-	289,913
ICF	1,971	41,379	(39,132)	-	4,218
OCP	4,469	12,666	(14,385)	-	2,750
<b>Total restricted funds</b>	239,857	501,233	(437,979)	-	303,111
<b>Unrestricted funds</b>					
General Fund	149,814	145,247	(113,567)	(26,543)	154,951
Designated Fixed Asset Fund	5,781	-	(6,834)	33,264	32,211
Designated Events & Business Planning Fund	7,616	-	(600)	-	7,016
Designated IT Fund	7,760	-	-	(2,760)	5,000
Designated Project Costs Fund	28,961	-	-	(3,961)	25,000
Designated T&M Co-ordinator Fund	30,000	-	(20,895)	-	9,105
<b>Total unrestricted funds</b>	229,932	145,247	(141,896)	-	233,283
<b>Total funds</b>	469,789	646,480	(579,875)	-	536,394

	Balance at 31 March 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
<b>Restricted funds</b>					
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
<b>Total restricted funds</b>	256,388	454,495	(471,062)	36	239,857
<b>Unrestricted funds</b>					
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
<b>Total unrestricted funds</b>	233,389	132,927	(136,348)	(36)	229,932
<b>Total funds</b>	489,777	587,422	(607,410)	-	469,789

**SMART PLAY NETWORK****NOTES to the ACCOUNTS (continued)**  
**For the year ended 31 March 2022**

<b>14. Analysis of net assets between funds</b>	<b>Un- Restricted Funds</b>	<b>Restricted Funds</b>	<b>2022</b>
	£	£	£
Fixed assets	32,211	31,061	63,272
Current assets	209,429	295,838	505,267
Current liabilities	(8,357)	(23,788)	(32,145)
	-----	-----	-----
	233,283	303,111	536,394
	=====	=====	=====

	<b>Un- Restricted Funds</b>	<b>Restricted Funds</b>	<b>2021</b>
	£	£	£
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
	=====	=====	=====

**15. Transfers Between Funds**

There were transfers of £33,264 from the General Fund to the Designated Fixed Asset Fund for new fixed assets acquired during the year. In addition, there were transfers of £2,760 from the Designated IT Fund and £3,961 from the Designated Project Costs Fund to the General Fund.

**16. Funds**

- 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 31 March 2022. This has now been extended until the end of March 2023.
- 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 31<sup>st</sup> March 21 with a new round of funding agreed (July 21) until the 31 March 2022.

**SMART PLAY NETWORK****NOTES to the ACCOUNTS (continued)**  
**For the year ended 31 March 2022****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 2022 / 2023.

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 2022 / 2023.

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 2023.

**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**

	<b>2022</b>	<b>2021</b>
	£	£
Net movement in funds	66,605	(19,988)
Add back depreciation charge	40,857	41,956
Less gain on disposal of fixed assets	(6,600)	-
Deduct interest income and rental income shown in investing activities	(64)	(111)
(Increase)/Decrease in debtors	(220)	4,296
Increase/(Decrease) in creditors	5,228	(13,998)
	-----	-----
Net cash provided by operating activities	105,806	12,155
	=====	=====

**18. Related Party Transactions**

The charity undertook no transactions with related parties during the year (2021: Nil).

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

