



**Kids Out UK**

**Trustees' Report**

**and**

**Audited Financial Statements**

**For the year ended 30 June 2020**

# Kids Out UK

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# Kids Out UK Trustees' Report 30 June 2020

## Introduction

The trustees, who are also directors of the charitable company (the charity) for the purposes of the Companies Act 2006, are pleased to present their report together with the consolidated financial statements of the charity and its subsidiary for the year ended 30th June 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

## Objectives

The objects of the company are to promote

- i. the provision of facilities for recreation and other leisure time activity, and
- ii. education through leisure time activities to develop physical, mental and spiritual capacities

for the benefit of children and young people who are disadvantaged in any way, including sickness, disability or otherwise in need and so to improve their conditions in life and to support these children to grow to full maturity as individuals and members of society.

## Public Benefit

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

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

**“The children and young people who work with us experience significant trauma, abuse, social isolation/exclusion and poverty. KidsOut supports our families to experience fun activities and promotes the building of friendships as well as healthy attachment to families. The families wouldn't be able to afford these experiences otherwise and are eternally grateful.”**

**– Refuge Support Worker**

### Who we are and what we do

Everyone knows how wonderful it is to see a child smiling and having fun. KidsOut is known as the “Fun & Happiness Charity” because we provide positive experiences to bring smiles to disadvantaged children to enhance their wellbeing. Established in 1999, KidsOut has a small team of staff while utilising thousands of volunteers around the UK to achieve our core mission: to bring fun and happiness to those children who need it most. Based in Bedfordshire, KidsOut provides its services all over the UK to over 65,000 children a year, mainly through the provision of Fun Days out and Toy Boxes for children in refuge. While KidsOut supports children from a range of backgrounds, it is the only charity focusing on the needs of children in refuge nationally and uniquely works with every Women's Aid Federation refuge in the UK.



**KidsOut is the only children's charity focusing on the needs of survivors of domestic violence in refuge at a national level**

In a year like no other, KidsOut reacted fast to the challenges brought on by Covid-19. With the pandemic precipitating a stark rise in domestic violence, the charity has been delivering its new and adapted services to children who are more isolated than usual in these trying times. To reflect this, the charity temporarily rebranded, changing to “KidsIn”. The team has been focusing on providing positive experiences that children can enjoy while staying indoors, as well as planning for days out to be enjoyed when the social distancing measures allow. It is thanks to the hard work of KidsOut's staff and supporters that the charity was able to continue providing its vital work at record rates when it has been needed more than ever.

# Kids Out UK Trustees' Report 30 June 2020

## A Year of Fun & Happiness

### In 2019/20, KidsOut provided:

- 56,977 Fun Days out
- 26,646 Christmas presents
- 8,860 Toy boxes
- 8,901 Food vouchers



### KidsOut's Covid-19 relief services delivered the following outcomes...

#### Toy Boxes:

- ✓ Improved family bonding & social development – 100% of respondents said their family were playing better together
- ✓ Reduced stress & anxiety – 97% of respondents said children had positive distractions from any worries
- ✓ Educational development – 92% of respondents said their children were learning new things

#### Food vouchers:

- ✓ Relief of poverty – 94% of respondents said that the financial pressure of purchasing a weekly food shop for their family had been relieved
- ✓ Improved physical health – 91% of respondents said their families were eating healthier
- ✓ Reduced levels stress in the family unit – 91% of respondents said they felt less worried/stressed about buying food for their family

# Kids Out UK Trustees' Report 30 June 2020

## Children in women's refuges

### Life in refuge

Children who have survived domestic violence and are relocated to a women's refuge are some of the most socially isolated and stigmatised in society. Yearly, over 20,000 children in the UK flee domestic violence to a women's refuge with their mothers, with many traumatised by being relocated away from friends and family.

Every year children experience what are in effect "lockdown measures" in refuge to protect them from an abuser. Refuges and other domestic abuse services often lack the capacity to provide normal social and educational opportunities, with children being excluded from the community and having little to look forward to.

However, fleeing to refuge is only the start of a child's recovery. Those experiencing domestic abuse are also more likely to have been exposed to other risks, such as neglect, parental substance misuse and mental health issues. Without intervention, 74% of children relocated away from refuge will have turned to drugs or crime by the age of 18. However, with specialist intervention and support from groups like KidsOut, this falls to 14%.

### Impact of Covid-19

Covid-19 made life in refuge even tougher than usual. Social distancing measures compound the extreme isolation many of children already face, with fragile states of mental health being at greater risk. Most children in refuge experiencing the pandemic will have been stuck with few comforts in a single room with their mother and siblings.

The pandemic has also caused a domestic abuse crisis. One call relating to domestic abuse was made to police every 30 seconds in the first seven weeks of lockdown. As local lockdowns come and go, it is highly likely that thousands more children and mothers will require the sanctuary of a women's refuge.

### Forgotten children

It is important to stress how survivors of domestic violence are very much "forgotten children", lacking many of the structures of support other disadvantaged groups receive. Over the national lockdown period in 2020, KidsOut undertook an extensive survey of partner refuges to uncover the true scale of the challenge faced by groups all over the UK. Of the 231 refuge responses received, the following statistics were recorded:

**29% of refuges lack access to a foodbank**

**39% of refuge residents are not supported by free school meal vouchers**

**43% of refuges are not supported by any external organisations, aside from KidsOut**

**59% of refuges are unable to provide communal computers for their residents while 40% lack WIFI access**

These statistics show how children in refuge suffer a "digital divide". With many not attending school for fear of being found by their abuser, the lack of access to remote digital learning resources is hindering their chance for normal educational development.

# Kids Out UK Trustees' Report 30 June 2020

## Delivering Fun & Happiness

### What makes KidsOut unique?

KidsOut's impact far exceeds its size. While we have a national reach, the charity has a small team including only seven full-time permanent members of staff. We have a network of thousands of volunteers around the UK who help in various ways, including attending Fun Days and organising corporate networking fundraisers. By keeping staffing and other costs (e.g. marketing) as low as possible, KidsOut has been able to ensure every 85p-90p donated to the charity over the last five years has gone into the delivery of our children's services. Furthermore, KidsOut acts as facilitators for the support we offer, organising the delivery services (e.g. Fun Days, Toy Boxes, food vouchers) to front-line groups who are set up to use them. The way KidsOut is structured and operates means the charity can have a major impact compared to its small size, regularly supporting over 65,000 children every year.

Children are at the heart of everything we do at KidsOut. Through years of collaboration we have formed strong connections with women's refuges and domestic abuse support groups across the UK, being best placed to meet the needs of the families in their care. All our services are developed following extensive consultation with refuge workers, mothers and children.

### Our approach

A 2010 government report found that the most important thing for the preservation of a vulnerable child's mental welfare is not only the memory of a positive experience but having something positive to look forward to. This is the ethos by which KidsOut operates, using the power of positive experiences to enhance children's outlook and give them the best start in life. From this, KidsOut ensures that all its services are...

#### Inclusive

The children we support are some of the most vulnerable and stigmatised in society. Children who have been relocated from refuge have the highest rates of runaways, school exclusions, and suicide. KidsOut enables children to enjoy positive experiences with those in similar situations that is inclusive to their unique needs.

#### A new experience

Mothers, refuges, and other domestic abuse services rarely have the financial capacity to provide social and educational opportunities for the children in their care. Consequently, these children often lack exposure to the normal activities most young people can expect to enjoy. Wherever possible, KidsOut strives to deliver fun opportunities children would not otherwise have access to, prioritising the development of a positive outlook, skills, and behaviour.

#### An unforgettable memory

KidsOut works tirelessly to ensure we provide positive experiences that create the treasured memories that are essential to the good mental health of vulnerable children.

#### Fun

Fun and happiness are essential in helping the children we support 'cope', providing positive rather than painful memories, as well as giving hope for a brighter future. KidsOut's services are developed in consultation with refuge workers, mothers and children, always being customised to the interests of those we support. The fun activities we offer are also developed with consideration to activities most beneficial for educational, emotional, and social development.



# Kids Out UK Trustees' Report 30 June 2020

## Our services

All KidsOut's regular services impact the development of the following four key areas essential to good mental health for vulnerable children:

1. Children develop the necessary **social skills** needed to succeed later in life
2. Children are more **confident** and better equipped to thrive in new and unfamiliar situations
3. Children are **motivated** to apply learned skills in everyday life (e.g. school) and achieve ambitions
4. Children gain optimism from the positive memories created, encouraging them to be more **resilient**

With support from KidsOut, children develop the personal skills needed for a healthy mental outlook/wellbeing and handle the trauma that they have faced, helping them become well integrated members of their community.

By delivering our services with refuges and groups in the heart of communities, KidsOut can support over 65,000 children around the UK every year.

## Fun Days

Fun Days take disadvantaged children on days that help them remember what it is like to just be kids.

Whether it's a trip to the theatre or a day at a theme park, Fun Days give children something to look forward to and happy memories they can look back on. Recent Fun Days include exclusive trips to major attractions like KidZania and Drayton Manor theme park, tickets to popular West End shows like Aladdin and the Lion King, VIP cinema screenings, and much more! These days are inclusive to a group's needs, such as food and transport, and include extras such as a toy to take home.



**KidsOut provided 56,977  
Fun Days between April  
2019 and March 2020**

## Toy Box

Children invariably arrive at refuge with only the clothes on their backs. Unlike most children, they lack personal items like toys and games. KidsOut provides every child being rehomed after refuge with a brand-new box of toys. Each Toy Box is both age and gender appropriate, filled with a family game, jigsaw puzzle, craft activity, action figure/doll, books and a cuddly toy. Due to Covid-19 lockdown measures, the toy box service became more important than ever with many families in refuge unable to move to a new home and many restricted to one room with no internet or access to a TV. KidsOut provided these children with a box of brand-new toys while they have been socially distancing in refuge rather than waiting until they leave. Toys and activities such as board games, arts & craft kits, puzzles, and books have kept children occupied, entertained, and engaged while staying indoors.



**KidsOut delivered 5,362 Toy  
Boxes for children  
experiencing the lockdown in a  
women's refuge in April 2020**

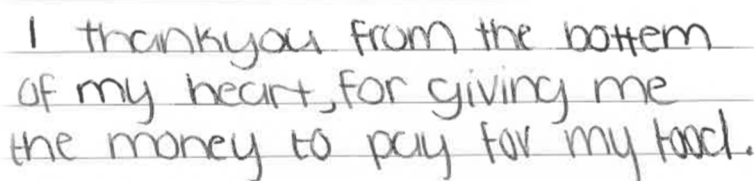


# Kids Out UK Trustees' Report 30 June 2020

## Food vouchers

In response to the most pressing needs of families living in refuge during the Covid-19 pandemic, KidsOut has been distributing supermarket vouchers. This project was delivered digitally, with the KidsOut team emailing supermarket vouchers to staff at partner women's refuges, who then distributed them to the mothers in their care.

This enabled mothers to purchase essential groceries, helping alleviate financial pressures that had been exacerbated by Covid-19. This helped ensure the basic physical needs of families were met, reducing the stress many were facing and aiding the preservation of long-term mental health.



I thank you from the bottom of my heart, for giving me the money to pay for my food.

**KidsOut provided 8,901 £25 supermarket vouchers for families in women's refuges between April and June 2020**

## World Stories



**"There is a real need for a website like this, both in the classroom and for engaging parents with home reading."**

**- A Head Teacher**

KidsOut's World Stories is a free, digital library of short stories and tales from around the world, primarily created to help children with English as a second language.

The service was transformed over the financial year, with a new and improved website launching in January 2020. The site now hosts over 600 pieces of interactive and user-friendly content, including video, audio, and visual resources for children, parents, and teachers. The popularity of World Stories has grown exponentially, with over half a million children accessing the library and over 2,000 schools registered. World Stories is an ever-growing international phenomenon that we will continue to cultivate.

## Phyzzpod

Phyzzpod is an innovative sensory learning experience for schools and hospices. We have installed 22 Phyzzpods across the UK to help support pupils' learning, especially children who find it difficult to learn in traditional classrooms. An OFSTED report said that Phyzzpod was such a great learning tool that "every school should have one."

**"Just imagine having a TARDIS in your own classroom or having daily access to the wardrobe into Narnia. Well that is what having a Phyzzpod is like. It transfers you and your children into a new world, a new place, an exciting space with lots to do and lots to see. It makes your senses go wild."**

**- A Teacher**



# Kids Out UK Trustees' Report 30 June 2020

## Case studies

### VIP Trips to the Cinema

Cinema Fun Days are persistently the most popular trips amongst the children and families we support. Aside from regular outings to local cinemas, we also host VIP Cinema Fun Days around the UK. Of note is our yearly VIP Cinema Fun Day at the Grosvenor Theatre in Glasgow. The whole auditorium is hired by KidsOut with each child receiving snacks and a goodie bag to take home at the end of the day. Our 2019 VIP Cinema Fun Day in Glasgow to see Disney's The Lion King provided a positive experience for 74 children from various local refuges.

“After a KidsOut Fun Day, the behaviour of children noticeably changes. They become calmer and as their trust builds up they are more likely to engage in one-to-one emotional support sessions and other after school activities. Fun Days help children to build their inner strength and improves their ability to cope with any challenges in their future lives.” – Childcare Manager at a partner refuge.



### Cooking Workshops

Between April 2019 and February 2020, KidsOut provided 91 children with the opportunity to attend a cooking workshop with Smart Raspberry in locations including Leighton Buzzard, Leicester, and London. Working in groups over two-hour sessions, children followed instructors step-by-step to make a range of savoury and sweet treats. The workshops promote the benefits of a healthy diet and provide a space for children to interact with others in similar situations and develop their social skills.

“Children gain new skills to use now and later in life, meet new friends, listen and follow instructions, and learn to ask for help when needed – all key skills needed in adult life.” – Refuge support worker.

“The children really enjoyed this activity and it really established a love of cooking from baking and preparing the dishes. I think the children have definitely benefitted from this as it really helps with their concentration skills.” – Refuge support worker.



### Covid-19 Relief Food Vouchers

"I was struggling financially to buy essential groceries, but the weight has now been lifted off my shoulders. When I received the voucher, it helped me to feed my kids without worrying." – A mother.

"Thank you so much for the vouchers they have been very helpful as there have been days where I have hardly eaten as I've worried for what I will be able to feed my son for the next day. Because of the vouchers I do not have to worry as I can now provide food and snacks." – A mother.

"In these uncertain times, I can't tell you what a massive help and relief it is to have help with food especially when you have children and are pregnant. Thank you so much." – A mother.

"The voucher helped me and my child a lot to buy all our needs for over a week, including personal hygiene products and it was very helpful for my child especially to have some of the vegetables and fruits his body needs at this age." – A mother.

"Thank you SO MUCH for. We are really low on food here so this will really help all the families we support, thank you for the continued support." – A support worker at a partner refuge.

"Full tummy happy. We want to try every fruit and veg there is!" – A child.

"I love that I can have fruit and a treat." – A child.





### Covid-19 Relief Toy Boxes

“We are so grateful. It’s hard being in a refuge and with the added anxiety of the lockdown it’s been difficult for some children. We really appreciate the toys. Thank you.” – A mother.

“The variety of board games was fantastic. The toys in this box will help keep my child entertained during lockdown. The board games are helping with his learning about taking turns and managing his frustration or excitement.” – A mother.

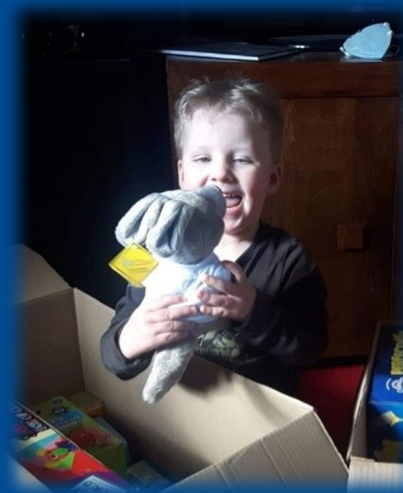
“Since we moved out of our home due to my partner’s violence, they had to leave all their toys behind and for them to now receive a toy box each was unimaginable. It has all the toys they have been wanting and has helped to calm them.” – A mother.

“The toys have not only entertained the children, it has shown them they are cared about, which is invaluable.” – A support worker at a partner refuge.

“Receiving toy boxes has made such a difference in the children’s lives, especially being in a refuge and then not allowed to go to school, a day in a refuge can be very long and hard for families, but having these toy boxes has helped the whole family.” – A support worker at a partner refuge.

“I loved the magic box. I love my cushion too. Stroking it calms me down.” – A child.

“I have made bracelets with my sister and mum for some of the people that live with us.” – A child.



# Kids Out UK Trustees' Report 30 June 2020

## Fundraising successes

### Giving Tree 2019

Christmas 2019 was easily the best ever for the charity. The whole team at KidsOut were blown away by the fantastic response to the Giving Tree initiative with a record breaking 1,472 companies signing-up to the toy appeal – almost double the amount from 2018. This resulted in 26,646 toys being distributed to children in refuge over the 2019 Christmas period. Businesses and individuals from all corners of the UK ditched Secret Santa and donated brand new gifts to disadvantaged children instead. Alongside the contribution of tens of thousands of toys, an incredible £108,000 was raised solely through Giving Tree monetary donations – mostly via the Gold Text Tags.

This overwhelming generosity meant KidsOut were able to offer every child in a Women's Aid Federation refuge the opportunity to receive at least one present at Christmas. No child should have to wake up on Christmas day without a present to unwrap and play with, and even receiving a simple present such as a cuddly toy, book, or board game will have made such a difference to these children and their families.

The initiative spread all over the UK and was reported on by both local and national press, including the BBC (both TV with BBC Breakfast and Radio) and the Daily Mirror. After this exposure KidsOut was inundated with donations and enquiries from individuals looking to get involved with the scheme. The charity's office in Leighton Buzzard was overrun with items purchased through the Giving Tree Amazon wish list. The Giving Tree has really caught the hearts and minds of the nation, with many charities copying the idea for their own toy appeals. KidsOut are proud to have kick-started what can only be called a national phenomenon.



### Giving Tree 2019 secured over £750k worth of new toys and £108k in cash donations

**“Refuge life can be difficult, especially for families, and the added pressure for parents to ensure their children have presents to open on Christmas morning causes a lot of stress and upset for our mums – especially if finances are tight. However, your donations mean we can provide our amazing families with the opportunity to have a lovely Christmas. Thank you so much and please know your donations will be put towards making a child smile this Christmas.”**

**– Safer Places in Essex**

KidsOut would like to particularly thank all those companies who allowed us to use their space as collection points. Without their support, the KidsOut Giving Tree would not have been such a huge success. These collection points were vital to the running of the initiative, allowing us to receive toys from companies far and wide. It is important to thank every company and individual who got involved in Giving Tree 2019. Without their generous donations none of this would have been possible.



# Kids Out UK Trustees' Report 30 June 2020

## Toy Fair

KidsOut were delighted to have been selected as the London Toy Fair's official charity partner in January 2020 for the fifth consecutive year. The three-day event was a great success, with KidsOut having its own stand to promote the charity's vital work, and the annual "Trolley Dash" collecting over 4,000 toys.

The Toy Fair is the UK's largest dedicated toy, game and hobby trade show taking place annually at the end of January at Olympia Grand and West Halls, London.

The toy industry's showcase welcomes more than 270 companies exhibiting thousands of products to visitors including retailers, buyers, media, and the wider industry. KidsOut would like to thank the fair's organisers, exhibitors, and the fifty-plus volunteers for helping to make the event such a huge success.



## Events

Despite Covid-19 forcing the cancellation of events in the latter half of the financial year, KidsOut's corporate networking events were still hugely successful. The charity hosted its regular corporate events in Birmingham, Cardiff, Glasgow, London, Southampton, and new events in Bristol and Luton.

KidsOut's corporate networking events raised a total of over £400,000 during the 2019/20 financial year. None of this would have been possible without the hard work of the various event committees around the UK and the generosity of all those who attended the events.



**KidsOut's first-ever Question of Sport Bristol raised over £155,000**

## The "KidsIn" Initiative with the Direct Line Group

Over March and April 2020, KidsOut launched its "KidsIn" initiative in response to the Covid-19 outbreak. With the generous backing of the Direct Line Group, the charity provided £50 worth of food vouchers to 3,200 families self-isolating in women's refuges and over £100 worth of brand-new toys to 5,362 children in refuge.

**"We're proud to be part of this fantastic initiative. The work that KidsOut are doing to help mothers living in refuge and put a smile on their children's faces is priceless, especially at this challenging time."**

**- Penny James, Chief Executive of Direct Line Group.**







# Kids Out UK Trustees' Report 30 June 2020

## Volunteering, in-kind support, and Rotary GB&I

### Volunteering

Every year KidsOut relies on the kindness of thousands of volunteers to fulfil our mission. This includes all those who help audit and pack toys for children in refuge, give up their evenings to help at the charity's corporate networking events, collect toys at the London Toy Fair, and many more. Without them, our charity would not have been able to achieve most of the successes of 2019/20.

**Over four weeks between January and February, KidsOut teamed up with many generous volunteers to audit and pack 1,915 Toy Boxes**



### In-kind support

The majority of KidsOut's income is made up of in-kind support (i.e. donated toys and Fun Days). A major source this comes from the charity's corporate partners, many of whom have worked with KidsOut for many years. Highlights from 2019/20 included Christmas parties for children in refuge hosted by Hasbro and Vinson & Elkins, engineering workshops with Ciena, and large toy donations from Hasbro, Velcro, Cash for Kids and Aurora World Ltd. All this fantastic support plays a crucial role in KidsOut's ability to provide fun and happiness to thousands of children all over the UK.



**The KidsOut team were delighted to have received a generous donation of 8,000 soft toys from Aurora World Ltd**



**KidsOut were thrilled to receive a donation of 1,200 boxes of toys from Hasbro for the charity's Toy Box service**



# Kids Out UK Trustees' Report 30 June 2020

## The National Rotary KidsOut Day

It was incredibly unfortunate that the National Rotary KidsOut Day in June 2020 had to be cancelled due to Covid-19. However, the National Rotary KidsOut Festive Fun Day still went ahead on Tuesday 3rd December 2019 and was a huge success. In collaboration with Drayton Manor Theme Park and Rotary Great Britain & Ireland, KidsOut enabled 2,000 children to enjoy a Christmas-themed day out at one of Britain's best-loved attractions. Each child enjoyed a free day out to the theme park and had the chance to receive a present from Father Christmas. The support from Rotary Great Britain & Ireland and Drayton Manor has been vital over the years and the KidsOut team looks forward to many more Fun Days out in the future.

**“Activities like this allow our children to feel ‘normal’ and accepted, whilst also allowing them to meet new people and experience new environments which have a positive lasting effect on them and their families. Opportunities like this are so limited to them; the children have grown in confidence, learnt to be independent and enjoyed more moments filled with joy and fun rather than meltdowns.”**

**- A refuge support worker attending the National Rotary KidsOut Festive Fun Day 2019**



## Future Plans

Following the year on year rapid growth and growing need for KidsOut Children's Services, a strategic plan has been produced that will ensure our future continued rapid growth. Due to Covid-19, the plan will be implemented from 1 July 2021 and in order to achieve the virtual doubling of the charity's services, KidsOut will invest in additional staff post Covid-19. KidsOut intends to keep the percentage cost to below 20p in the £ despite the increase in running costs. As the charity grows, KidsOut aims to reduce their cost percentage back to the historic average of 10p in the £. KidsOut uses both the Charity Commission and Charity Choice's assessment of our cost base.

For the year July 2020 to June 2021, KidsOut will continue to provide fun and positive experiences to disadvantaged children and young people and aims to generate sufficient funding and secure significant in-kind support in order to:

- Provide every child entering a WAFE refuge the opportunity to receive a toy box.
- Provide 700 tablets and laptops to refuges in order to support the children's education and enable social contact whilst isolated in refuge in order to help with their mental well-being.
- Provide 1000 toy boxes to children who have fled domestic violence and have been relocated to safe houses due to lack of refuge accommodation.
- Provide the opportunity for every child under 14 in a WAFE refuge at Christmas to receive a toy box.
- Provide 10000 children with a Fun Day out that is Covid-19 compliant.
- Provide 2 new Phyzpod sensory rooms to special needs schools and refurbish 2 others.
- Work with Giglets Education to enhance our on-line revitalised website.
- Provide 100 additional translations and 50 new stories with specialised learning resources, professional illustrations, theme music and interactivity for the new World Stories site.

# Kids Out UK Trustees' Report 30 June 2020

## Financial Review

### Principal funding sources

The principal funding sources were donations in kind in the form of Fun Days Out and Toys £2,138,327 (2019: (£2,128,527) together with income generated through fundraising £710,316 (2019: £880,795).

Covid-19 forced the cancellation of events in the latter half of the financial year which had a significant impact on income generated through corporate fundraising in the year. The majority of the events impacted by Covid-19 have now been deferred to 2021. In the event the events are unable to be held the subsidiary has sufficient funds to ensure all ticket holders can be reimbursed. The reduction in fundraising income from events has been mitigated by increased levels of income in the form of grants and corporate donations.

In addition, donations in kind in the form of Fun Days were significantly impacted by the cancellation of the National Rotary KidsOut Day in June 2020.

### Reserves policy

Note 17 to the financial statements shows the movement on funds during the year. Unrestricted funds of the charity amounted to £1,005,318 of which £643,434 was freely available at the balance sheet date, the remainder being invested in tangible fixed assets.

The reserve policy during the year was as per the Charity Commission guidance. KidsOut maintained the recommended 6 months operating costs (£250,000); one year of committed services (£375,000) and provision for the reimbursement of ticket holders should the deferred events be cancelled, and refunds be requested (£140,000 net of deposits recoverable from venues).

# Kids Out UK Trustees' Report 30 June 2020

## Administrative Details

Charity number:	1075789 (England and Wales)	
Charity number:	SC039477 (Scotland)	
Company number:	03636219 (England and Wales):	
Registered Office:	14 Church Square, Leighton Buzzard, Bedfordshire, LU7 1AE	
Auditors:	Ashbys Morton House 9 Beacon Court Pitstone Green Business Park Pitstone LU7 9GY	
Bankers:	Metro Bank 44-46 Midsummer Arcade Milton Keynes Buckinghamshire MK9 3BB	
Solicitors:	Mathew, Arnold & Baldwin 25 Southampton Buildings London WC2A 1AL	Wragge & Co LLP 55 Colmore Row Birmingham B3 2AS

## Key Management Personnel:

### Directors and Trustees

The trustees serving during the year end and since the year end were as follows:

Sir D M C Michels (Chairman)  
J G O'Hagan (Treasurer)  
C Adcock  
P H L Blom  
S Cartwright  
P A Child  
S G Glancey  
K D Green  
A E Linares  
S A M O'Brien OBE  
R Arnold  
S Williams (appointed 26 May 2020)

### Chief Executive

Gordon Moulds CBE DL

# Kids Out UK Trustees' Report 30 June 2020

## Structure, Governance and Management

### Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

### Recruitment and appointment of new trustees

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

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

### Decision making

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

### Key management remuneration

All Trustees give their time freely and no Trustee/Director received remuneration in the year. The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the directors benchmark against pay levels in other charities of a similar size and scale of activity. A remuneration committee through the Chairman sets and approves all pay awards for the staff.

### Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The staff of the charity submit their own areas of work to a risk assessment on an annual basis and the results of that are compiled in a risk register. This contains identified risks, the systems put in place to mitigate those risks and the procedures put in place to minimise the potential impact of those risks, should they materialise and is reviewed by the trustee board.

### Employee involvement

The charity's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests. Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

### Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

### Fundraising

We are always exploring ways to grow our income whilst adhering to our values in all our activities. KidsOut manages its own activities in respect to raising funds in conjunction with our trading subsidiary and does not employ the services of external professional fundraisers. KidsOut takes its responsibilities towards its donors very seriously. and seeks to apply best practice to protect the personal data of its donors, never selling or swapping data and ensuring that communication preferences can be changed at any time. KidsOut is mindful of its responsibilities to vulnerable people and undertakes to react to and investigate any complaints regarding its activities for raising funds and to learn from them and improve its service. During the year, KidsOut received no formal complaints about its activities for raising funds.



# Kids Out UK Trustees' Report 30 June 2020

## Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. 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 Charity SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 20 October 2020 and signed on its behalf by:

.....  
J G O'Hagan - Trustee

# Independent Auditor's Report to the Members and Trustees of Kids Out UK

## Opinion

We have audited the financial statements of Kids Out UK (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 30th June 2020 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated and Charity Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30th June 2020 and of the group's and parent charitable company's incoming resources and application of resources, including the group's and parent charitable company's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company'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 information included in the Trustees' Report, other than the financial statements and our auditor's opinion 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.

# Independent Auditor's Report to the Members and Trustees of Kids Out UK

## 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 Annual Report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors report included within the Annual Report has been prepared in accordance with applicable legal requirements.

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

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

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

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

## Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities on page 19, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they 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 group's and the parent charitable company'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 group or the parent charitable company 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 under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made under those Acts.

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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

# Independent Auditor's Report to the Members and Trustees of Kids Out UK

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Jill Andrews (Senior Statutory Auditor)  
for and on behalf of Ashbys Chartered Accountants,  
Statutory Auditor  
Eligible to act as an auditor in terms of section 1212 of the Companies Act  
Morton House  
9 Beacon Court  
Pitstone Green Business Park  
Pitstone  
LU7 9GY

Date: .....

# Kids Out UK

## Consolidated Statement of Financial Activities (Incorporating a Consolidated Income and Expenditure Account) for the year ended 30 June 2020

		Unrestricted fund £	Restricted funds £	2020 Total funds £	2019 Total funds £
	Notes				
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	3	329,098	2,724,973	3,054,071	2,503,553
Other trading activities	4	710,316	-	710,316	880,795
Investment income	5	<u>3,619</u>	<u>-</u>	<u>3,619</u>	<u>2,191</u>
<b>Total</b>		1,043,033	2,724,973	3,768,006	3,386,539
<b>EXPENDITURE ON</b>					
<b>Raising funds</b>					
Raising donations and legacies	6	<u>472,224</u>	<u>4,563</u>	<u>476,787</u>	<u>574,066</u>
		472,224	4,563	476,787	574,066
<b>Charitable activities</b>	7				
Other fun activities and support		200,204	-	200,204	126,863
Toy boxes		292,647	1,120,032	1,412,679	837,573
Fun days		157,961	463,046	621,007	1,768,681
Distribution of food vouchers		<u>-</u>	<u>198,810</u>	<u>198,810</u>	<u>-</u>
<b>Total</b>		1,123,036	1,786,451	2,909,487	3,307,183
<b>NET INCOME/(EXPENDITURE)</b>		(80,003)	938,522	858,519	79,356
Transfer between funds	17	<u>2,000</u>	<u>(2,000)</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		(78,003)	936,522	858,519	79,356
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		1,083,321	730,292	1,813,613	1,734,257
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>1,005,318</u>	<u>1,666,814</u>	<u>2,672,132</u>	<u>1,813,613</u>

### CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

**Kids Out UK**  
**Charity Statement of Financial Activities (Incorporating an Income and**  
**Expenditure Account)**  
**for the year ended 30 June 2020**

		Unrestricted fund	Restricted funds	2020 Total funds	2019 Total funds
	Notes	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	3	409,823	2,724,973	3,134,796	2,545,012
Other trading activities	4	414,466	-	414,466	457,055
Investment income	5	<u>3,619</u>	<u>-</u>	<u>3,619</u>	<u>2,191</u>
<b>Total</b>		827,908	2,724,973	3,552,881	3,004,258
<b>EXPENDITURE ON</b>					
Raising funds	6	261,604	4,563	266,167	242,672
<b>Charitable activities</b>	7				
Other activities and support for disadvantaged children		200,204	-	200,204	126,863
Toy boxes		292,647	1,120,032	1,412,679	837,571
Fun days		157,961	463,046	621,007	1,768,681
Distribution of food vouchers		<u>-</u>	<u>198,810</u>	<u>198,810</u>	<u>-</u>
<b>Total</b>		912,416	1,786,451	2,698,867	2,975,787
<b>NET INCOME/(EXPENDITURE)</b>		(84,508)	938,522	854,014	28,471
Transfer between funds	17	<u>2,000</u>	<u>(2,000)</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		(82,508)	936,522	854,014	28,471
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		987,133	730,292	1,717,425	1,688,954
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>904,625</u>	<u>1,666,814</u>	<u>2,571,439</u>	<u>1,717,425</u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements



**Kids Out UK (Registered number 03636219)**  
**Consolidated and Charity Balance Sheet**  
**At 30 June 2020**

	Notes	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>FIXED ASSETS</b>					
Tangible assets	13	361,884	375,309	351,143	359,531
<b>CURRENT ASSETS</b>					
Stocks	14	1,188,589	626,992	1,188,589	626,992
Debtors	15	167,667	164,735	78,547	84,094
Cash at bank and in hand		<u>1,197,200</u>	<u>933,912</u>	<u>986,119</u>	<u>710,698</u>
		2,553,456	1,725,639	2,253,255	1,421,784
<b>CREDITORS</b>					
Amounts falling due within one year	16	(243,208)	(287,335)	(32,959)	(63,890)
<b>NET CURRENT ASSETS</b>		<u>2,310,248</u>	<u>1,438,304</u>	<u>2,220,296</u>	<u>1,357,894</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,672,132</u>	<u>1,813,613</u>	<u>2,571,439</u>	<u>1,717,425</u>
<b>NET ASSETS</b>		<u><u>2,672,132</u></u>	<u><u>1,813,613</u></u>	<u><u>2,571,439</u></u>	<u><u>1,717,425</u></u>
Unrestricted funds	17	1,005,318	1,083,321	904,625	987,133
Restricted funds	17	1,666,814	730,292	1,666,814	730,292
<b>TOTAL FUNDS</b>		<u><u>2,672,132</u></u>	<u><u>1,813,613</u></u>	<u><u>2,571,439</u></u>	<u><u>1,717,425</u></u>

The Trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 44 of the Charity and Trustee Investment (Scotland) Act 2005. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

The financial statements were approved by the Board of Trustees and authorised for issue on 20 October 2020 and were signed on its behalf by:

.....  
J G O'Hagan – Trustee

.....  
Sir D Michels - Trustee

The notes form part of these financial statements

**Kids Out UK**  
**Consolidated and Charity Cash Flow Statement**  
**for the year ended 30 June 2020**

	Notes	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>Cash flows provided by operating activities</b>	1	<u>263,669</u>	<u>162,728</u>	<u>275,802</u>	<u>(1,845)</u>
<b>Cash flows from investing activities</b>					
Purchase of tangible fixed assets		(4,000)	(22,075)	(4,000)	(2,979)
Interest received		<u>3,619</u>	<u>2,191</u>	<u>3,619</u>	<u>2,191</u>
<b>Net cash provided by/(used in) investing activities</b>		<u>(381)</u>	<u>(19,884)</u>	<u>(381)</u>	<u>(788)</u>
<b>Change in cash and cash equivalents in the reporting period</b>	2	263,288	142,844	275,421	(2,633)
Cash and cash equivalents at the beginning of the reporting period		<u>933,912</u>	<u>791,068</u>	<u>710,698</u>	<u>713,331</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>1,197,200</u>	<u>933,912</u>	<u>986,119</u>	<u>710,698</u>

The notes form part of these financial statements

**Kids Out UK**  
**Notes to the Cash Flow Statement**  
**for the year ended 30 June 2020**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

<b>Consolidated</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>858,519</b>	<b>79,356</b>
<b>Adjustments for:</b>		
Depreciation charges	17,425	17,753
Interest received	(3,619)	(2,191)
Adjustment for non-cash transactions	(561,597)	(35,806)
Decrease/(increase) in debtors	(2,932)	12,693
Increase/(decrease) in creditors	(44,127)	90,923
<b>Net cash provided by (used in) operating activities</b>	<b><u>263,669</u></b>	<b><u>162,728</u></b>
 <b>Charity</b>	 <b>2020</b>	 <b>2019</b>
	<b>£</b>	<b>£</b>
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>854,014</b>	<b>28,471</b>
<b>Adjustments for:</b>		
Depreciation charges	12,388	11,389
Interest received	(3,619)	(2,191)
Adjustment for non-cash transactions	(561,597)	(35,806)
(Increase)/decrease in amount owed by subsidiary	13,133	(10,911)
Decrease/(increase) in debtors	(7,586)	40,668
Increase/(decrease) in creditors	(30,931)	(33,465)
<b>Net cash provided by (used in) operating activities</b>	<b><u>275,802</u></b>	<b><u>(1,845)</u></b>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

<b>Consolidated</b>	<b>At 1/7/19</b>	<b>Cash flow</b>	<b>At 30/06/20</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Net cash</b>			
Cash at bank and in hand	<u>933,912</u>	<u>263,288</u>	<u>1,197,200</u>
 <b>Charity</b>	 <b>At 1/7/19</b>	 <b>Cash flow</b>	 <b>At 30/06/20</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Net cash</b>			
Cash at bank and in hand	<u>710,698</u>	<u>275,421</u>	<u>986,119</u>

**3. MAJOR NON-CASH TRANSACTIONS**

Major non-cash transactions in the year comprise:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Increase in stock of donated toys and vouchers	<u>561,597</u>	<u>35,806</u>

The notes form part of these financial statements

**1. CHARITY INFORMATION**

Kids Out UK is a private company limited by guarantee incorporated in England and Wales. The registered office is 14 Church Square, Leighton Buzzard, Bedfordshire, LU7 1AE.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The presentation currency of the financial statements is the Pound Sterling (£) and monetary amounts have been rounded to the nearest £.

**Group financial statements**

The financial statements consolidate the results of the charity and its wholly owned subsidiary, Kids Out Trading Limited on a line-by-line basis.

**Going Concern**

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. They have considered the Charity's financial position, its reserves and forecast expenditure for the twelve months following the date the accounts are expected to be approved and have concluded that there are no material uncertainties relating to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. In the light of this assessment, the trustees are of the opinion that the Charity will have enough resources to meet its liabilities as they fall due for at least twelve months from the date that the accounts are signed.

**Critical accounting judgements and key sources of estimation uncertainty**

The key source of estimation uncertainty arises from the valuation of fun days out and toys donated to the charity.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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

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

The Charity benefits greatly from the involvement and support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

## **2. ACCOUNTING POLICIES - continued**

### **Expenditure and irrecoverable vat**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged as a cost against the activity for which the expense was incurred.

### **Allocation and apportionment of costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programme and activities. These costs have been allocated between the cost of raising funds and expenditure on charitable activities on a basis consistent with the use of resources.

### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Freehold property	- 2% on cost
Improvements to property	- Straight line over 20 years
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

### **Stocks and donated goods**

Stocks comprise toys and vouchers donated to the charity for distribution to its beneficiaries and are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items

Donated goods and gifts in kind are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay for the goods on the open market. A corresponding amount is recognised in stock in the period of receipt. Stock is reduced when the toys and vouchers are distributed and an equivalent charge is included in charitable activities at that point.

### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects 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 is included in the notes to the financial statements.

### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

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

Cash at bank and in hand includes cash held in short term deposit accounts or accounts with instant access.

**Kids Out UK**  
**Notes to the Financial Statements - continued**  
**for the year ended 30th June 2020**

**3. DONATIONS AND LEGACIES**

£	Charity 2020	Charity 2019 £	Group 2020 £	Group 2019 £
Donations	2,839,636	2,361,259	2,839,636	2,361,259
Gift aid	38,307	20,327	38,307	20,327
Legacies	15,152	-	15,152	-
Grants	160,976	121,967	160,976	121,967
Donation received from subsidiary	80,725	41,459	-	-
	<u>3,134,796</u>	<u>2,545,012</u>	<u>3,054,071</u>	<u>2,503,553</u>

Income from donations include the following donations in kind

	2020 £	2019 £
Fun days out	463,046	1,482,117
Toys and vouchers	1,675,281	646,410
Toy storage and delivery services	-	50,000
Carpets and office furniture	-	-
	<u>2,138,327</u>	<u>2,178,527</u>

**4. OTHER TRADING ACTIVITIES**

	2020 £	2019 £
Fundraising events	<u>710,316</u>	<u>880,795</u>

Kids Out Trading Limited, a company incorporated in England & Wales (company number 4366968) is a wholly owned subsidiary of the charity by virtue of Sections 1162(2)(c)(i) and 1162(4) (a) of the Companies Act 2006. The company pays all profits in excess of working capital requirements to the charity under the gift aid scheme. Kids Out Trading Limited provides fundraising services to the charity and a summary of the trading results are shown below.

The summary financial performance of the subsidiary alone is:

	2019 £	2019 £
Turnover	315,846	468,740
Cost of sales and administration costs	<u>(228,520)</u>	<u>(375,283)</u>
Net profit	87,326	93,457
Tax on profit	(2,100)	-
Gift aided to the charity in the year	<u>(80,725)</u>	<u>(41,459)</u>
Retained	<u>4,501</u>	<u>51,998</u>
The assets and liabilities of the subsidiary were:		
Fixed assets	10,741	15,778
Current assets	331,617	348,404
Current liabilities	<u>(241,665)</u>	<u>(267,990)</u>
Total net assets	<u>100,693</u>	<u>96,192</u>
Gift aided to the charity since the balance sheet date	<u>75,000</u>	<u>80,725</u>



**Kids Out UK**  
**Notes to the Financial Statements - continued**  
**for the year ended 30th June 2020**

**5. INVESTMENT INCOME**

	2020	2019
	£	£
Deposit account interest	<u>3,619</u>	<u>2,191</u>

**6. RAISING DONATIONS AND LEGACIES**

	2020	2019
	£	£
Staff costs	149,109	125,707
Staging fundraising events	242,423	385,739
Other fundraising costs	58,668	49,209
Bad debts	-	3,440
Depreciation to check	5,037	6,364
Support costs	<u>21,550</u>	<u>3,607</u>
	<u>476,787</u>	<u>574,066</u>

**7. CHARITABLE ACTIVITIES COSTS**

	Direct costs	Support costs (See note 8)	Totals
	£	£	£
Other fun activities and support	161,225	38,979	200,204
Toy boxes	1,314,952	97,727	1,412,679
Fun days	581,311	39,696	621,007
Distribution of food vouchers	<u>198,810</u>	<u>-</u>	<u>198,810</u>
	<u>2,256,298</u>	<u>176,402</u>	<u>2,432,700</u>

**8. SUPPORT COSTS**

	Management	Finance	Governance costs	Totals
	£	£	£	£
Raising donations and legacies	17,221	1,659	2,670	21,550
Other fun activities and support	36,770	846	1,363	38,979
Toy boxes	93,639	-	4,088	97,727
Fun days	<u>34,951</u>	<u>3,382</u>	<u>1,363</u>	<u>39,696</u>
	<u>182,581</u>	<u>5,887</u>	<u>9,484</u>	<u>197,952</u>

**9. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	Charity 2020 £	Charity 2019 £	Group 2020 £	Group 2019 £
Auditor's remuneration:				
Audit fees	4,000	2,152	5,370	4,531
Accountancy services	2,814	2,934	4,114	2,984
Depreciation	<u>12,388</u>	<u>11,389</u>	<u>17,425</u>	<u>17,753</u>

**Kids Out UK**  
**Notes to the Financial Statements - continued**  
**for the year ended 30th June 2020**

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 30th June 2020 nor for the year ended 30th June 2019.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 30th June 2020 nor for the year ended 30th June 2019.

**11. STAFF COSTS**

All staff are employed by the charity

	2020	2019
	£	£
Wages and salaries	358,679	279,374
Social security costs	32,034	22,382
Other pension costs	<u>7,421</u>	<u>5,933</u>
	<u>398,134</u>	<u>307,689</u>

The average monthly number of employees during the year was as follows:

	2020	2019
Charitable activities	6	4
Generating funds	5	5
Support	4	2
Governance	<u>1</u>	<u>1</u>
	<u>16</u>	<u>12</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020	2019
£100,001 - £110,000	-	1
£110,001 - £120,000	<u>1</u>	<u>-</u>

Pension costs are allocated to activities and between restricted and unrestricted funds in proportion to the related staffing costs incurred.

**Kids Out UK**  
**Notes to the Financial Statements - continued**  
**for the year ended 30th June 2020**

**12. COMPARATIVES FOR THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	210,476	2,293,077	2,503,553
Other trading activities	880,795	-	880,795
Investment income	<u>2,191</u>	<u>-</u>	<u>2,191</u>
<b>Total</b>	1,093,462	2,293,077	3,386,539
<b>EXPENDITURE ON</b>			
Raising funds	574,066	-	574,066
<b>Charitable activities</b>			
Other fun activities and support	126,863	-	126,863
Toy boxes	165,719	671,854	837,573
Fun days	<u>286,564</u>	<u>1,482,117</u>	<u>1,768,681</u>
<b>Total</b>	<u>1,153,212</u>	<u>2,153,971</u>	<u>3,307,183</u>
<b>NET INCOME/(EXPENDITURE)</b>	(59,750)	139,106	79,356
Transfers between funds	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>	(59,750)	139,106	79,356
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<u>1,143,071</u>	<u>591,186</u>	<u>1,734,257</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>1,083,321</u></u>	<u><u>730,292</u></u>	<u><u>1,813,613</u></u>

**Kids Out UK**  
**Notes to the Financial Statements - continued**  
**for the year ended 30th June 2020**

**13. TANGIBLE FIXED ASSETS**

<b>GROUP</b>	Freehold property £	Improvements to property £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1st July 2019	312,442	60,748	19,096	81,421	473,707
Additions	-	-	4,000	-	4,000
At 30th June 2020	<u>312,442</u>	<u>60,748</u>	<u>23,096</u>	<u>81,421</u>	<u>477,707</u>
<b>DEPRECIATION</b>					
At 1st July 2019	10,498	5,146	4,775	77,979	98,398
Charge for year	<u>5,249</u>	<u>5,146</u>	<u>4,580</u>	<u>2,450</u>	<u>17,425</u>
At 30th June 2020	<u>15,747</u>	<u>10,292</u>	<u>9,355</u>	<u>80,429</u>	<u>115,823</u>
<b>NET BOOK VALUE</b>					
At 30th June 2020	<u>296,695</u>	<u>50,456</u>	<u>13,741</u>	<u>992</u>	<u>361,884</u>
At 30th June 2019	<u>301,944</u>	<u>55,602</u>	<u>14,321</u>	<u>3,442</u>	<u>375,309</u>
<b>CHARITY</b>	Freehold property £	Improvements to property £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1st July 2020	312,442	60,748	-	76,654	449,844
Additions	-	-	4,000	-	4,000
At 30th June 2019	<u>312,442</u>	<u>60,748</u>	<u>4,000</u>	<u>76,654</u>	<u>453,844</u>
<b>DEPRECIATION</b>					
At 1st July 2019	10,498	5,146	-	74,669	90,313
Charge for year	<u>5,249</u>	<u>5,146</u>	<u>1,000</u>	<u>993</u>	<u>12,388</u>
At 30th June 2020	<u>15,747</u>	<u>10,292</u>	<u>1,000</u>	<u>75,662</u>	<u>102,701</u>
<b>NET BOOK VALUE</b>					
At 30th June 2020	<u>296,695</u>	<u>50,456</u>	<u>3,000</u>	<u>992</u>	<u>351,143</u>
At 30th June 2019	<u>301,944</u>	<u>55,602</u>	<u>-</u>	<u>1,985</u>	<u>359,531</u>

Included in cost or valuation of land and buildings is freehold land of £50,000 (2019 - £50,000) which is not depreciated.

**Kids Out UK**  
**Notes to the Financial Statements - continued**  
**for the year ended 30th June 2020**

**14. STOCKS**

	2020 £	2019 £
Stocks	<u>1,188,589</u>	<u>626,992</u>

All stocks are held by the charity and comprise donated toys and vouchers.

**15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Charity 2020 £	Charity 2019 £	Group 2020 £	Group 2019 £
Trade debtors	35,398	29,250	98,803	140,718
Amounts owed by group undertakings	31,416	44,549	-	-
Other debtors	-	-	-	-
Prepayments and accrued income	<u>11,733</u>	<u>10,295</u>	<u>68,864</u>	<u>24,017</u>
	<u>78,547</u>	<u>84,094</u>	<u>167,667</u>	<u>164,735</u>

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Charity 2020 £	Charity 2019 £	Group 2020 £	Group 2019 £
Trade creditors	11,334	42,944	11,334	60,194
Tax	-	-	2,100	-
Social security and other taxes	8,864	8,314	8,864	8,314
VAT	-	-	9,482	29,069
Other creditors	4,358	5,529	4,358	5,529
Accruals and deferred income	<u>8,403</u>	<u>7,103</u>	<u>207,070</u>	<u>184,229</u>
	<u>32,959</u>	<u>63,890</u>	<u>243,208</u>	<u>287,335</u>

Deferred income comprises advance tickets sales in respect of events held by the trading subsidiary.

	Group £	Charity £
Balance at 1 July 2019	174,622	-
Amount released to income from fundraising events	(174,622)	-
Amount deferred in the year	<u>196,017</u>	-
Balance as at 30 June 2020	<u>196,017</u>	-

**Kids Out UK**  
**Notes to the Financial Statements - continued**  
**for the year ended 30th June 2020**

**17. MOVEMENT IN FUNDS**

	At 1/7/19	Net movement in funds	Transfers between funds	At 30/6/20
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	1,083,321	(80,003)	2,000	1,005,318
<b>Restricted funds</b>				
Toy Box	626,992	581,064	-	1,208,056
Fun Days	71,300	76,774	-	148,074
Jersey	20,000	20,000	-	40,000
Van	12,000	-	-	12,000
Food vouchers	-	237,290	-	237,290
Other	-	21,394	-	21,394
CJRS Grant	-	-	-	-
Forklift	-	2,000	(2,000)	-
	730,292	938,522	-	1,666,814
<b>TOTAL FUNDS</b>	<b>1,813,613</b>	<b>858,519</b>	<b>-</b>	<b>2,672,132</b>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,043,033	(1,123,036)	(80,003)
<b>Restricted funds</b>			
Toy Box	1,701,096	(1,120,032)	581,064
Fun Days	539,820	(463,046)	76,774
Jersey	20,000	-	20,000
Food Vouchers	436,100	(198,810)	237,290
CJRS Grant	4,563	(4,563)	-
Other	21,394	-	21,394
Forklift	2,000	-	2,000
	2,724,973	(1,786,451)	938,522
<b>TOTAL FUNDS</b>	<b>3,768,006</b>	<b>(2,909,487)</b>	<b>858,519</b>

**Toy Box**

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

**Fun days**

Fun activity days out for disadvantaged children including the annual Rotary Day out. Included within the fund are amounts restricted to specific localities.

**Jersey**

Funds for projects and activities in Jersey

**Food Vouchers**

Funds to be spent on food vouchers for residents of refugees.

**Kids Out UK**  
**Notes to the Financial Statements - continued**  
**for the year ended 30th June 2020**

**17. MOVEMENT IN FUNDS - continued**

Comparative for movement in funds

	At 1/7/18	Net movement in funds	At 30/6/19
	£	£	£
<b>Unrestricted funds</b>			
General fund	1,143,071	(59,750)	1,083,321
<b>Restricted funds</b>			
Toy Box	591,186	35,806	626,992
Fun Days	-	71,300	71,300
Jersey	-	20,000	20,000
Van	-	12,000	12,000
	<u>591,186</u>	<u>139,106</u>	<u>730,292</u>
<b>TOTAL FUNDS</b>	<u>1,734,257</u>	<u>94,872</u>	<u>1,813,613</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,093,462	(1,153,212)	(59,750)
<b>Restricted funds</b>			
Toy Box	707,660	(671,854)	35,806
Fun Days	1,553,417	(1,482,117)	71,300
Jersey	20,000	-	20,000
Van	12,000	-	12,000
	<u>2,293,077</u>	<u>(2,153,971)</u>	<u>139,106</u>
<b>TOTAL FUNDS</b>	<u>3,386,539</u>	<u>(3,307,183)</u>	<u>79,356</u>

**18. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	General Fund	Restricted Funds	Total
	£	£	£
Tangible fixed assets	361,884	-	361,884
Stocks	-	1,188,589	1,188,589
Cash at bank and in hand	718,975	478,225	1,197,200
Other net current assets/liabilities	(75,541)	-	(75,541)
	<u>1,005,318</u>	<u>1,666,814</u>	<u>2,672,132</u>



**19. RELATED PARTY DISCLOSURES**

**Kids Out Trading Limited**

During the year one trustee of Kids Out UK was a director of Kids Out Trading Limited, a UK company. The company raises funds on behalf of the charity. The company paid the charity a management charge for costs incurred on its behalf of £20,000 (2019 - £45,000) and a donation of £80,725 (2019 - £41,459).

As at 30 June 2020 the company owed Kids Out UK £31,416 (2019 - £44,549) which was unsecured and repayable upon demand.

The key management personnel of the charity is the Chief Executive Officer whose employee benefits including Employers National Insurance totalled £133,940 (2019 - £126,071).

**20. COMPANY LIMITED BY GUARANTEE**

The liability of each member is limited to £1 by guarantee.