



Chance to Flourish

SCIO : SCo46177

Report of the Trustees and Financial Statements For the year ended 31 December 2019

Remote Operating Licence : 000-045496-R-324704-001
Non Remote Operating Licence: 000-045496-N-329301-001



Chance to Flourish

SCIO: SCo46177

Contents

Administrative Information	Page 2
Report of the Trustees	Pages 3 to 5
Statement of Trustees' Responsibilities	Page 6
Independent Auditors' Report	Pages 7 to 9
Statement of Financial Activities	Pages 10 to 11
Balance Sheet	Page 12
Statement of cash flows	Page 13
Notes to the Financial Statements	Pages 14 to 19



Chance to Flourish

SCIO: SC046177

Administrative Information

For the year ended 31 December 2019

Chance to Flourish is a Scottish Charitable Incorporated Organisation incorporated in Scotland and is regulated by the Office of the Scottish Charity Regulator (OSCR).

SCIO registration details

SCIO name:	Chance to Flourish
SCIO registration number:	SC046177
Registration date:	4 December 2015
Principal office:	c/o 110 Queen Street Glasgow G1 3BX

Trustees

The Trustees at any point in the period, up to the date of the approval of the financial statements were:

Hugh Hall
Ken Barclay
Vicki Miller

External lottery manager

STV ELM Limited
Pacific Quay
Glasgow G51 1PQ

Independent auditors

PricewaterhouseCoopers LLP
141 Bothwell Street
Glasgow G2 7EQ

Principal bankers

Barclays Bank plc
1 Churchill Place
London E14 5HP

Website

www.chancetoflourish.co.uk



Chance to Flourish

SCIO: SC046177

Report of the Trustees

For the year ended 31 December 2019

Governance, structure and management of Chance to Flourish

Governing document

Chance to Flourish is a Scottish Charitable Incorporated Organisation (SCIO) and its activities are governed by its constitution.

Organisational structure

Membership of the SCIO is open to any person (legal or natural) who, in the view of the Charity Trustees, demonstrates a genuine commitment to further the purposes of the SCIO. Application for membership is approved by the Charity Trustees and the member must also be appointed as a Charity Trustee contemporaneously.

Procedures are in place for newly appointed Trustees to receive an induction covering the objectives, policies and protocols for the operation of the SCIO in addition to the legal obligations and responsibilities of a charity trustee. This induction is overseen by the Chairman of the Board or a nominated representative.

The Board of Trustees have outsourced the operation of its lottery activities to STV ELM Limited, a licensed external lottery manager regulated by the UK Gambling Commission. The charity's lottery activities are conducted in association with partner Charities Chance to Connect (SC046173), Chance to Succeed (SC046179) and Chance to Study (SC046177) and are promoted under the brand of The Scottish Children's Lottery.

STV ELM Limited works with the Board of Trustees and the performance of the lottery activities is reviewed at regular meetings with the Board of Trustees.

Risk management

The principal risks faced by the charity are reputational and financial.

- UK Gambling Licence conditions

Whilst the responsibility for operating the lottery and ensuring the terms of the licence are adhered to lies with the STV ELM, there is reputational risk to the charity if there are any serious licence breaches which could result in sanctions, financial penalties and revocation of licences. The Board of trustees has oversight to the internal controls that have been put in place by the STV ELM to ensure that the terms of the operating licence are adhered to.

- Financial risk

If the lottery was unsuccessful, the charity would have a financial liability to STV ELM and the continued existence of the charity would be in doubt. This risk is monitored and managed in part through the charity's business plan, and through receipt of a letter of support from STV Group plc, the ultimate parent company of the STV ELM Limited. The Board of Trustees are kept up-to-date with the performance of lottery with regular reports and updates at the quarterly meetings.

- COVID-19

The STV ELM team has been working from home since March 2020 and will continue to do so throughout 2020. Whilst lockdown has had an impact on retail sales with less customers entering shops on a regular basis this is a relatively small proportion of ticket sales. The vast majority of Lottery ticket sales are online and the SCIO's cash outflows are largely driven by the level of income received, accordingly the impact of COVID-19 on the liquidity position has not been as significant for Chance to Flourish as for many other organisations.

The Board of Trustees regularly evaluates the risks to which the charity is exposed and the systems in place to manage them. The Board of Trustees consider that the systems in place are adequate to manage the risks faced by Chance to Flourish.

Objectives, activities and achievements of Chance to Flourish

Charitable objectives

The charitable objectives of Chance to Flourish as set out in its constitution are to support and promote (through financial distributions to charities, community groups and others) early years intervention through education, improvement of health and social development of pre-school children and their families/carers. In doing so the financial distributions will seek to alleviate the impact of poverty, financial hardship, disability, illness or socio-economic disadvantage, with the aim of ensuring that all young people in Scotland have the opportunity of a productive future where they can become young adults with a positive contribution to make to society relieve

To achieve those objectives, the primary activities of Chance to Flourish are:

- To generate funds through the operation of a society lottery which is regulated by the Gambling Commission under licence 000-045496-R-324704-001. Chance to Flourish has engaged STV ELM Limited (who operate under the brand name, the Scottish Children's Lottery) as its external lottery manager.
- To distribute the net funds generated by the society lottery to charities and other organisations which engage in activities aligned with Chance to Flourish's charitable objectives as outlined above.



Chance to Flourish

SCIO: SCo46177

Report of the Trustees

For the year ended 31 December 2019

Activities

Over 220,000 children in Scotland struggle daily with the effects of poverty - whether that's being hungry, being cold, or having no home of their own.

We know we can't change that by ourselves, but what we can do is help.

Chance to Flourish is driven by a desire to make a real difference to the lives of vulnerable children across Scotland. Through our work with charities and communities, and through the grants we distribute, it's our mission to invest in projects that provide effective early years intervention for those in need.

We believe that no baby born into poverty should be left behind. With our help, the detrimental effects that hunger, cold and illness have on a child's development can be reduced.

Achievements

In 2019, Chance to Flourish, made 32 awards to charities all over Scotland, supporting over 3,000 families, through innovative projects working with pre-school children. These projects are detailed in note 13. The total value of the grants awarded in 2019 was £371,532 (2019: £535,981).

Projects supported by Chance to Flourish

The following are some of the projects supported by Chance to Flourish in 2019.

Fife Gingerbread

Fife Gingerbread received £10,000 from Chance to Flourish for its work in the heart of local communities which is tailored to meet the needs of vulnerable lone parents and disadvantaged families. They have a clear focus on alleviating poverty and an ambition that all children in Fife have good homes in which to grow and flourish. Their grant was specifically for the Fife Teen Parent Project which engages with vulnerable teenage parents and their babies. Its aim is to improve the support offered to young families by creating long-term change, as evidence demonstrates that babies born into teen parent families are vulnerable and at high risk of having poor outcomes.

With Kids (Glasgow)

With Kids (Glasgow) received £10,080 for their early intervention service working in the most deprived areas of Glasgow. The funding was specifically to expand a pilot project, offering dyadic therapy to vulnerable infants (10-30mths) and their carers. Specialist workers implement Watch, Wait and Wonder therapy over a 16 week programme which is delivered within existing partner nurseries in Glasgow's East end. They work with up to 24 children and their carers, allowing them to spend time together and to eventually trust and bond together in a safe and secure environment.

Measuring success

The evaluation of our investments is essential to ensure that maximum benefit can be derived from the funding we provide.

In the case of larger awards, each project's impact is measured against agreed target outcomes and will typically be required to be reviewed. In recognition that the smaller projects have limited resources, the reporting requirements upon them are less onerous though still necessary to ensure objectives are met.

Future plans

STV Group plc, the ultimate parent company of the STV ELM Limited, has indicated an intention to dispose of STV ELM. In the intervening period it remains the aim of Chance to Flourish to continue to invest in projects and activities which are focused on working in the areas of community development and citizenship, giving young people in Scotland to live in a safe, supportive and stimulating community. Chance to Flourish will maintain this as a focus within the current ownership structure. There is no intention for the aims of the organisation to change post disposal.

Chance to Flourish

SCIO: SC046177

Report of the Trustees

For the year ended 31 December 2019

Financial review of Chance to Flourish

Chance to Flourish's activities in the year to 31 December 2019 generated total incoming resources of £1,526,989 (2018: £1,751,877) through the net proceeds of the Scottish Children's Lottery. The operating costs and grants awarded for the year are £1,663,557 (2018: £2,007,113) and lottery gaming prizes paid are £613,365 (2018: £591,609) resulting in a deficit of £749,933 (2018: £846,845).

The charity is in a net liability position at the end of the year. STV ELM has provided working capital support from the initial launch, through the early operation of the Scottish Children's Lottery, and continues to do so. STV Group plc (as the ultimate owners of the STV ELM, and being the party which has extended flexible credit terms to the SCIO), has provided a letter confirming that this financial support will continue. The trustees have considered future budgets and forecasts. Accordingly, the Trustees deem it appropriate to prepare the financial statements on a basis of going concern.

A reserve of funds has been retained by Chance to Flourish so that it can meet its obligations (as a charity and under its gambling licence) to provide support to charities and projects which seek to support pre-school children and their families or carers.

Income

20% of all Lottery ticket sales are restricted to be made available for awards to good causes. Of the remaining proceeds from ticket sales an average of 40% covers prizes and the rest is used to cover Chance to Flourish's share of the operating costs of the Scottish Children's Lottery and general administrative costs of the charity.

Reserves

The reserves of the charity at 31 December 2019 were a deficit of £3,238,511 (2018: deficit of £2,488,578) of which £3,323,137 (2018: £2,639,338) were unrestricted. These unrestricted funds in deficit are as a result of the lottery being in the growth phase and at this point operating costs are exceeding income. Restricted funds were in a surplus position as at 31 December 2019. During this period funding requirements have been supported by the STV ELM Limited. When the charity's reserves are in a surplus the trustees would expect to hold adequate unrestricted reserves in order to settle commitments to the STV ELM for services provided.

The trustees of Chance to Flourish strive to keep reserves to a minimum but ensure that the charity's restricted funds are at a level that enables the charity to meet its funding commitments to charitable objectives.

Chance to Flourish's reserves policy is monitored and reviewed by the trustees on an annual basis in order to maintain reserves at the agreed minimum level.

1. Ring-fenced funds for charitable contributions

As required under the provisions of its gambling licence, Chance to Flourish must retain a minimum of 20% of the value of ticket sales of any given lottery draw for distribution to good causes in accordance with its charitable objectives. Where, at the year end, not all funds have been committed, the Trustees shall endeavour to identify and evaluate suitable projects to which surplus funds may be awarded.

2. Total Funds of the Charity

Where total funds of the charity as reflected in the balance sheet are reserved, Chance to Flourish will strive to award all available cash funds to charitable projects and therefore to minimise reserves. Where not all funds have been committed, the Trustees shall endeavour to identify and evaluate suitable projects to which surplus funds that are reserved, may be awarded

Signed on behalf of the Board of Trustees



Ken Barclay
Trustee and Chairman

Date: 30 October 2020



Chance to Flourish

SCIO: SC046177

Statement of Trustees' Responsibilities

For the year ended 31 December 2019

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland 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 charity and of the incoming resources and application of resources of the charity for that period.

In preparing these 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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

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



Chance to Flourish

SCIO: SC046177

Independent auditors' report to the trustees of Chance to Flourish

Report on the audit of the financial statements

Opinion

In our opinion, Chance to Flourish's financial statements (the "financial statements"):

- give a true and fair view of the state of the charity's affairs as at 31 December 2019 and of its incoming resources and application of resources, and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005.

We have audited the financial statements, included within the Report of the Trustees and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2019; the statement of financial activities, the cash flow statement for the year then ended and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

- 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the charity's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Report of the Trustees and Financial Statements other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Chance to Flourish

SCIO: SC046177

Independent auditors' report to the trustees of Chance to Flourish (continued)

Reporting on other information (continued)

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Trustees' Report

Under the Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they 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.

Auditors' responsibilities for the audit of the financial statements

We are eligible to act and have been appointed under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charity's trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulations made under that Act (regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended)) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Chance to Flourish

SCIO: SC046177

Other required reporting

Charities Accounts (Scotland) Regulations 2006 (as amended) exception reporting

Under the Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion

- we have not received all the information and explanations we require for our audit; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
Glasgow
30 October 2020

Chance to Flourish

SCIO : SC046177

Statement of Financial Activities

For the year ended 31 December 2019

	<i>Note</i>	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £
Income and endowments				
Other Trading Activities:				
Lottery Gaming Proceeds	2	1,221,591	305,398	1,526,989
Total income and endowments		1,221,591	305,398	1,526,989
Expenditure				
Expenditure on raising funds	3	(1,895,153)	-	(1,895,153)
Expenditure on charitable activities:				
Awards to charitable causes	3	-	(371,532)	(371,532)
Other	3	(10,237)	-	(10,237)
Total expenditure	3	(1,905,390)	(371,532)	(2,276,922)
Net expenditure and net movement in funds		(683,799)	(66,134)	(749,933)
Reconciliation of funds				
Total Funds brought forward		(2,639,338)	150,760	(2,488,578)
Total Funds carried forward	9	(3,323,137)	84,626	(3,238,511)

The charity has no recognised gains and losses other than those included in the results above and therefore no separate statement of recognised gains and losses has been presented.

Chance to Flourish

SCIO : SC046177

Statement of Financial Activities For the year ended 31 December 2018

		Unrestricted	Restricted	2018
	<i>Note</i>	Funds	Funds	Total
		£	£	Funds
				£
Income and endowments				
Other Trading Activities:				
Lottery Gaming Proceeds	2	1,226,314	525,563	1,751,877
Total income and endowments		1,226,314	525,563	1,751,877
Expenditure				
Expenditure on raising funds	3	(2,055,296)	-	(2,055,296)
Expenditure on charitable activities:				
Awards to charitable causes	3	-	(535,981)	(535,981)
Other	3	(7,445)	-	(7,445)
Total expenditure	3	(2,062,741)	(535,981)	(2,598,722)
Net expenditure and net movement in funds		(836,427)	(10,418)	(846,845)
Reconciliation of funds				
Total Funds brought forward		(1,802,911)	161,178	(1,641,733)
Total Funds carried forward	9	(2,639,338)	150,760	(2,488,578)

The charity has no recognised gains and losses other than those included in the results above and therefore no separate statement of recognised gains and losses has been presented.

Chance to Flourish

SCIO : SCo46177

Balance Sheet

As at 31 December 2019

	Note	2019 £	2018 £
Current assets			
Cash at bank and in hand	7	153,370	232,499
Total current assets		153,370	232,499
Liabilities			
Creditors: amounts falling due within one year	8	(3,391,881)	(2,721,077)
Net liabilities		(3,238,511)	(2,488,578)
The funds of the charity			
Unrestricted funds		(3,323,137)	(2,639,338)
Restricted income funds		84,626	150,760
Total charity funds	9	(3,238,511)	(2,488,578)

The Financial Statements were approved by the Board of Trustees on 30 October 2020 and signed on their behalf by Ken Barclay:



Chance to Flourish

SCIO : SCo46177

Statement of cash flows

For the year ended 31 December 2019

	2019 £	2018 £
Cash flows from operating activities:		
Net expenditure for the reporting period (as per the statement of financial activities)	(749,933)	(846,844)
Adjustment for:		
Increase in Creditors	670,804	858,049
Net cash (used in) / provided by	(79,129)	11,205
Change in cash and cash equivalents in the reporting period	(79,129)	11,205
Cash and cash equivalents at the beginning of the reporting period	232,499	221,295
Cash and cash equivalents at the end of the reporting period	153,370	232,500

Chance to Flourish

SCIO : SC046177

Notes to the Financial Statements

For the year ended 31 December 2019

1 Accounting policies

Statement of Compliance

The financial statements have been prepared on a going concern basis under the historical cost convention and the requirements of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued May 2014. Chance to Flourish is a public benefit entity.

Going Concern

The charity is in a net liability position at the end of the year. STV ELM has provided working capital support from the initial launch, through the early operation of the Scottish Children's Lottery, and continues to do so. STV Group plc (as the ultimate owners of the STV ELM, and being the party which has extended flexible credit terms to the SCIO), has provided a letter confirming that this financial support will continue. The trustees have considered future budgets and forecasts. Accordingly, the Trustees deem it appropriate to prepare the financial statements on a basis of going concern.

Accounting Period

The financial reports are for the 12 month period to 31 December 2019.

Fund accounting

Unrestricted funds may be used in accordance with the charitable objectives of Chance to Flourish and at the discretion of the Trustees.

Restricted funds can only be used for specific purposes within the objectives of Chance to Flourish. Restrictions arise where specified by a donor or where funds are raised for a particular restricted purpose.

Surplus funds may be retained to finance fundraising activities in subsequent years or be used, subject to the charitable objectives of Chance to Flourish, for additional charitable activities not specifically identified by the Trustees at the year end.

Incoming resources

Income is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income generated from the sale of lottery tickets and online gaming is recognised before deduction of prizes and operating costs.

Irrecoverable VAT

Irrecoverable VAT is charged to the statement of financial activities where appropriate.

Recognition of financial assets and liabilities

Assets and liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events. They are released when the obligation is fulfilled. Cash, debtors and creditors are held at cost.

Resources expended

Expenditure is accounted for on an accruals basis.

Taxation

Chance to Flourish is exempt from corporation tax on its charitable activities.

Chance to Flourish

SCIO : SC046177

Notes to the Financial Statements

For the year ended 31 December 2019

2 Other Trading Activities

Income and endowments

	2019			2018		
	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£	£	£	£
Lottery proceeds	1,104,161	276,040	1,380,201	1,107,923	474,824	1,582,747
Gaming proceeds	117,430	29,358	146,788	118,391	50,739	169,130
	1,221,591	305,398	1,526,989	1,226,314	525,563	1,751,877

	2019			2018		
	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£	£	£	£
Lottery proceeds	1,104,161	276,040	1,380,201	1,107,923	474,824	1,582,747
Lottery prizes paid	(524,781)	-	(524,781)	(490,799)	-	(490,799)
Gaming proceeds	117,430	29,358	146,788	118,391	50,739	169,130
Gaming prizes paid	(88,584)	-	(88,584)	(100,810)	-	(100,810)
	608,226	305,398	913,623	634,705	525,563	1,160,268

3 Expenditure

	Fundraising Activities	Charitable Activities	2019 Total	Fundraising Activities	Charitable Activities	2018 Total
	£	£	£	£	£	£
	Expenditure on raising funds:					
Lottery operating costs	626,887	-	626,887	644,168	-	644,168
Lottery prizes	524,781	-	524,781	490,799	-	490,799
Gaming operating costs	32,994	-	32,994	33,904	-	33,904
Gaming Prizes	88,584	-	88,584	100,810	-	100,810
Marketing costs	621,906	-	621,906	785,615	-	785,615
Expenditure on charitable activities:						
Awards to charitable causes	-	371,532	371,532	-	535,981	535,981
Governance costs: audit and tax advisory services	-	7,416	7,416	-	7,416	7,416
Other - administration costs	2,821	-	2,821	29	-	29
	1,897,974	378,948	2,276,922	2,055,325	543,397	2,598,722

4 Employees

Chance to Flourish had no employees during the period. The services of individuals were obtained from STV ELM and invoiced to the charity. The monthly average number of full time employees working for the charity but employed and paid by STV ELM during the period was 10 (2018: 9)

The table below shows the total costs for staff working for the charity but employed and paid by STV ELM.

	2019	2018
	£	£
Wages and salaries	96,032	106,717
Social Security Costs	10,962	12,182
Other pension costs	2,769	3,077
Total staff costs	109,763	121,976

No employees received total benefits (excluding employer pension costs) of more than £60,000 in the current period. (2018: nil)

5 Trustees' remuneration and benefits

The Trustees of Chance to Flourish received no remuneration, benefits or expenses during the period.

Chance to Flourish

SCIO : SC046177

Notes to the Financial Statements

For the year ended 31 December 2019

6 Governance costs

	2019 £	2018 £
Audit fees	6,180	6,180

7 Cash at bank and in hand

	2019 £	2018 £
Proceeds account	48,110	69,472
Charity account	105,260	163,027
	153,370	232,499

8 Creditors: amounts falling due within one year

	2019 £	2018 £
Commitments to charitable projects	10,000	1,640
Trade Payables	3,351,265	2,694,502
Accruals and Deferred Income	30,616	24,935
	3,391,881	2,721,077

Chance to Flourish

SCIO : SC046177

Notes to the Financial Statements

For the year ended 31 December 2019

9 Movement in funds

	Unrestricted Funds £	Restricted Funds £	2019 £	Unrestricted Funds £	Restricted Funds £	2018 £
Balance of funds brought forward	(2,639,338)	150,760	(2,488,578)	(1,802,911)	161,178	(1,641,733)
Incoming resources	1,221,591	305,398	1,526,989	1,226,314	525,563	1,751,877
Resources expended	(1,905,390)	(371,532)	(2,276,922)	(2,062,741)	(535,981)	(2,598,722)
Balance of funds carried forward	(3,323,137)	84,626	(3,238,511)	(2,639,338)	150,760	(2,488,578)

10 Analysis of net assets between funds

	2019			2018		
	Current Assets £	Current Liabilities £	Total Net Liabilities £	Current Assets £	Current Liabilities £	Total Net Liabilities £
Unrestricted Funds	48,110	(3,371,247)	(3,323,137)	69,472	(2,708,811)	(2,639,339)
Restricted Funds	105,260	(20,634)	84,626	163,027	(12,266)	150,761
	153,370	(3,391,881)	(3,238,511)	232,499	(2,721,077)	(2,488,578)

Restricted funds are retained from lottery ticket sales and reserved solely for awards to good causes in accordance with the charitable objectives of Chance to Flourish.

Unrestricted funds are funds available to cover operating costs and any other use subject to the charitable objectives as set out in the constitution of Chance to Flourish.

11 Related party transactions

The STV ELM Limited is considered to be the only related party with related party transactions. All transactions with this organisation are reflected within the financial statements and annual report.

These transactions can be represented as:

	2019 £	2018 £
Operating costs		
Lottery operating costs	(626,887)	(644,168)
Gaming operating costs	(32,994)	(33,904)
Marketing costs	(621,906)	(785,615)
STV ELM Limited	(1,281,787)	(1,463,687)

A balance of £3,351,265 was payable to the STV ELM as at 31 December 2019

STV ELM provides management services to the charity which include;

Marketing - advertising, player management and promotions services
 Technology - facilitation of ticket sales and player account management
 Compliance - product compliance, risk management and reporting services
 Financial management and accounting, including payment processing and banking services
 Operations management including customer service and management of all 3rd party suppliers

12 Contingent Liability

The STV ELM incurred costs to set up the lottery. Chance to Flourish's portion of these costs is £796,996. In terms of the Agreement between the charity and STV ELM the liability of Chance to Flourish for set up costs shall accrue on receipt of each invoice. Chance to Flourish shall be obliged to make payment of its accrued liabilities for set up costs by applying in full the amount of any surplus until all accrued liabilities are settled. If no surplus is generated Chance to Flourish will not be required to make any payments in respect of set up costs.

Set up costs are invoiced on a weekly basis over a period of 39 months from the launch of the lottery.

Chance to Flourish

SCIO : SCo46177

Notes to the Financial Statements

For the year ended 31 December 2019

13 Organisations supported by Chance to Flourish

	2019
	£
Park Villa Football Development	
Step by Step Moray	22,250
MindMosaic Counselling and Therapy	8,075
Poppyview Family Centre	12,575
Edinburgh City Youth Cafe	7,470
Tailor Ed Foundation	20,000
Kilmacolm Playgroup & Toddlers	1,365
Projekt 42	21,869
Bellsbank Project	20,000
PEEK	16,617
Krazykat Theatre	3,240
Glasgow Childrens Hospital Charity	15,000
Play Midlothian	12,500
Stepping Stones North	24,710
With Kids	10,080
Homestart Dundee	6,500
Tron Theatre	10,315
Play Therapy Base	16,620
Multi Cultural Family Base	11,971
Home Start Aberdeen	10,000
Fife Gingerbread	10,000
Mum & Me	10,000
Grampian Womens Aid	10,000
Dr Bells Family Centre	13,800
Crossreach	10,000
Starcatchers Productions Ltd	10,000
Park Villa Football Development	5,000
Watermill Foundation	10,000
Families Like Us	10,000
Home Start Glasgow South	10,000
Unity Enterprises	1,575
IP Arts & Sports Academy	10,000
Home Start West Lothian	10,000
Total grants	<u>371,532</u>

All grants paid in the year were made to institutions.

Chance to Flourish

SCIO : SCo46177

Notes to the Financial Statements

For the year ended 31 December 2018

13 Organisations supported by Chance to Flourish

	2018
	£
Bridging the Gap	12,686
Bute Advice Centre	20,000
Centrestage Communities	12,500
Circle	38,541
East Pollokshields Mobile Creche	10,307
Eildon West Youth Hub	19,744
Enterprise Childcare	13,730
Family Mediation Tayside and Fife	15,000
Getting Better Together	10,164
Healthy n Happy Community Dev Trust	14,385
Healthy Valleys	44,094
Home Link Family Support	5,000
Home Start West Lothian	18,406
Home-Start Glasgow South	15,000
Home-Start Renfrewshire/Inverclyde	10,784
Kids Love Clothes	2,000
Mentor Foundations UK	26,089
Merkinch Enterprise	3,311
Methilhill Community Learning Garden	31,164
Mid Argyll Youth Development Service (MAYDS)	5,164
North Edinburgh Childcare	21,174
Park Villa Football Development	1,640
Play Midlothian	10,000
Refugee Survival Trust	20,000
Safe, Strong and Free	7,508
Scottish Adoption	16,000
South Glasgow Childcare Partnership Forum	23,500
St Ninians Stay and Play Family Support Group	8,000
Stepping Stones for Families	10,000
Stoneyburn and Bents Future Vision Group	1,652
Tailor ED Foundation	29,389
The Balivanich Community Leisure Area Group	21,653
The Crazy Kat Theatre Company	3,240
The Muirhead Outreach Project	19,660
Tron Theatre Ltd	13,296
Unity	1,200
Total grants	<u>535,981</u>

All grants paid in the year were made to institutions.