



# **Chance to Succeed**

**SCIO : SCo46179**

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

**Remote Operating Licence : 000-045490-R-324706-001**  
**Non Remote Operating Licence : 000-045490-N-329303-001**

# Chance to Succeed

SCIO: SCo46179

## 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 Succeed**

**SCIO: SCo46179**

### **Administrative Information**

**For the year ended 31 December 2019**

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

#### **SCIO registration details**

SCIO name:	Chance to Succeed
SCIO registration number:	SC046179
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  
Alan Eccles

#### **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.chancetosucceed.co.uk](http://www.chancetosucceed.co.uk)

# Chance to Succeed

SCIO: SC046179

## Report of the Trustees

For the year ended 31 December 2019

### Governance, structure and management of Chance to Succeed

#### **Governing document**

Chance to Succeed 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 Study (SC046178), Chance to Connect (SC046173) and Chance to Flourish (SC046177) and are promoted under the brand of The Scottish Children's Lottery.

STV ELM Limited works with of 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 Succeed as for many other organisations.

The Board of Trustees regularly evaluate 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 Succeed.

### Objectives, activities and achievements of Chance to Succeed

#### **Charitable objectives**

The charitable objectives of Chance to Succeed as set out in its constitution are to support and promote (through financial distributions to charities, community groups and others) employment skills and the employability of young people. 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.

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

- To generate funds through the operation of a society lottery which is regulated by the Gambling Commission under licence 000-045490-R-324706-001. Chance to Succeed 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 Succeed's charitable objectives as outlined above.

We believe that every young person in Scotland deserves a chance. A chance to be seen; A chance to prove themselves; A chance to forge a successful career for themselves.

# Chance to Succeed

SCIO: SCo46179

## Report of the Trustees

For the year ended 31 December 2019

### Activities (cont'd)

Without intervention, not everyone gets that same chance. Whether as a result of financial hardship, disability, illness or situations often beyond their control, many Scottish children simply do not enjoy the same opportunities as others. We are working to change that. Operating as a grant-giving charity, Chance to Succeed strives to ensure that all young people in Scotland can make a positive contribution to society through gainful employment. With projects aimed at building employment skills and instilling confidence, we help the youth of today find their feet so that they can be prepared for the workplace of tomorrow.

Using the funds generated by our promotion of the Scottish Children's Lottery scheme, we strive to alleviate the impact of child poverty and make steps toward securing brighter futures.

### Achievements

In 2019, Chance to Succeed, made 40 awards to charities all over Scotland. These projects are detailed in note 13. The total value of the grants awarded in 2019 was £366,490 (2018: £557,626).

6,729 young people were supported through innovative employment projects.

### Projects supported by Chance to Succeed

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

#### Youth Connections Inverclyde

Youth Connections Inverclyde received £9,889 from Chance to Succeed. It covers both the South and the East of Greenock which are two of the most deprived areas in Inverclyde. Recognising a need for effective digital skills provision in order to reduce the barriers facing young people, they established The Digital Skills Academy which is a collaborative project with Access Technology Scotland. The project is widening digital participation, allowing local young people to actively engage with a digital world, ensuring that they have the essential skills to maximise all opportunities available.

#### The Citadel Youth Centre

The Citadel Youth Centre in Edinburgh received £10,000. They provide social, recreational and opportunities for families in Leith. They offer a variety of services including youth clubs, 1-1 support, careers café and family/carer groups. The grant was specific to Citadel Connect, a project which reaches out to unemployed local young people and offers a training/volunteering and employment skills programme. Each programme lasts 6mths and is aimed at helping each young person find their way to a positive destination at the end.

### 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 Succeed 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 Succeed 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 Succeed

SCIO: SC046179

## Report of the Trustees

For the year ended 31 December 2019

### Financial review of Chance to Succeed

Chance to Succeed's activities in the year to 31 December 2019 generated total incoming resources of £1,556,775 (2018: £1,754,696) through the net proceeds of the Scottish Children's Lottery. The operating costs and grants awarded for the year are £1,643,118 (2018: £2,033,644) and lottery gaming prizes paid are £561,023 (2018: £594,962) resulting in a deficit of £647,366 (2018: £873,910).

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 Succeed 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 help young people into work.

#### **Income**

20% of all Lottery ticket sales are reserved to be made available for awards to good causes. Of the remaining proceeds from ticket sales an average of 34% covers prizes and the rest is used to cover operating costs.

#### **Reserves**

The reserves of the charity at 31 December 2019 were a deficit of £3,007,234 (2018: deficit of £2,359,868) of which £3,036,984 (2018: £2,429,276) 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 Succeed 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 Succeed'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 Succeed 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 Succeed 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 Succeed

SCIO: SCo46179

## 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 Succeed**

SCIO: SC046179

# ***Independent auditors' report to the trustees of Chance to Succeed***

## **Report on the audit of the financial statements**

---

### **Opinion**

In our opinion, Chance to Succeed'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, and 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 Succeed

SCIO: SC046179

### *Independent auditors' report to the trustees of Chance to Succeed (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](http://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 Succeed

SCIO: SCo46179

---

### 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 Succeed

SCIO : SCo46179

## Statement of Financial Activities

For the year ended 31 December 2019

		2019		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	
<b>Income and endowments</b>				
Other trading Activities:				
Lottery Gaming Proceeds	2	1,245,420	311,355	1,556,775
<b>Total income and endowments</b>	1,245,420	311,355	1,556,775	
<b>Expenditure</b>				
Expenditure on raising funds	3	(1,842,895)	-	(1,842,895)
Expenditure on charitable activities:				
Awards to charitable causes	3	-	(351,013)	(351,013)
Other	3	(10,234)	-	(10,234)
<b>Total expenditure</b>	3	(1,853,128)	(351,013)	(2,204,141)
<b>Net expenditure and net movement in funds</b>		(607,708)	(39,658)	(647,366)
<b>Reconciliation of funds</b>				
<b>Total Funds brought forward</b>		(2,429,276)	69,408	(2,359,868)
<b>Total Funds carried forward</b>	9	(3,036,984)	29,750	(3,007,234)

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 Succeed

SCIO : SC046179

## Statement of Financial Activities

For the year ended 31 December 2018

		<b>Unrestricted</b>	<b>Restricted</b>	<b>2018</b>
	<i>Notes</i>	<b>Funds</b>	<b>Funds</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>Funds</b>
				<b>£</b>
<b>Income and endowments</b>				
Other trading Activities:				
Lottery Gaming Proceeds	2	1,228,287	526,409	1,754,696
<b>Total income and endowments</b>		<b>1,228,287</b>	<b>526,409</b>	<b>1,754,696</b>
<b>Expenditure</b>				
Expenditure on raising funds	3	(2,063,536)	-	(2,063,536)
Expenditure on charitable activities:				
Awards to charitable causes	3	-	(557,626)	(557,626)
Other	3	(7,444)	-	(7,444)
<b>Total expenditure</b>	3	<b>2,070,979</b>	<b>(557,626)</b>	<b>2,628,605</b>
<b>Net (expenditure)/income and net movement in funds</b>		<b>(842,692)</b>	<b>1,084,035</b>	<b>(873,909)</b>
<b>Reconciliation of funds</b>				
<b>Total Funds brought forward</b>		<b>(1,586,584)</b>	<b>100,625</b>	<b>(1,485,959)</b>
<b>Total Funds carried forward</b>	9	<b>(2,429,276)</b>	<b>69,408</b>	<b>(2,359,868)</b>

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 Succeed

SCIO : SCo46179

## Balance Sheet

As at 31 December 2019

### Current Assets

	Note	2019 £	2018 £
Cash at bank and in hand	7	40,037	134,001
<b>Total current assets</b>		<b>40,037</b>	<b>134,001</b>

### Liabilities

Creditors: amounts falling due within one year	8	(3,047,272)	(2,493,870)
<b>Net liabilities</b>		<b>(3,007,235)</b>	<b>(2,359,869)</b>

### The funds of the charity

Unrestricted funds		(3,036,984)	(2,429,277)
Restricted income funds		29,750	69,408
<b>Total charity funds</b>	9	<b>(3,007,234)</b>	<b>(2,359,869)</b>

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



# Chance to Succeed

SCIO : SCo46179

## Statement of cash flows For the year ended 31 December 2019

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Cash flows from operating activities:		
Net expenditure for the reporting period (as per the statement of financial activities)	(647,366)	(873,909)
<b>Adjustment for:</b>		
Increase in Creditors	553,402	830,013
Net cash (used in)/provided by operating activities	(93,964)	(43,897)
Change in cash and cash equivalents in the reporting period	(93,964)	(43,897)
Cash and cash equivalents at the beginning of the reporting period	134,001	177,898
Cash and cash equivalents at the end of the reporting period	40,037	134,001

# Chance to Succeed

SCIO : SC046179

## 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 Succeed 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 Succeed and at the discretion of the Trustees.

Restricted funds can only be used for specific purposes within the objectives of Chance to Succeed.

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 Succeed, 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 Succeed is exempt from corporation tax on its charitable activities.

# Chance to Succeed

SCIO : SC046179

## 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	1,121,384	280,346	1,401,730	1,106,766	474,328	1,581,094
Gaming proceeds	124,036	31,009	155,045	121,521	52,081	173,602
	<b>1,245,420</b>	<b>311,355</b>	<b>1,556,775</b>	<b>1,228,287</b>	<b>526,409</b>	<b>1,754,696</b>

	2019			2018		
	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£	£	£	£
Lottery proceeds	1,121,384	280,346	1,401,730	1,106,766	474,328	1,581,094
Lottery prizes paid	(469,043)	-	(469,043)	(492,176)	-	(492,176)
Gaming proceeds	124,036	31,009	155,045	121,521	52,081	173,602
Gaming prizes paid	(91,980)	-	(91,980)	(102,786)	-	(102,786)
	<b>684,397</b>	<b>311,355</b>	<b>995,752</b>	<b>633,325</b>	<b>526,409</b>	<b>1,159,734</b>

### 3 Expenditure

	Fundraising Activities	Charitable Activities	2019 Total	Fundraising Activities	Charitable Activities	2018 Total
	£	£	£	£	£	£
Expenditure on raising funds:						
Lottery operating costs	632,588	-	632,588	639,650	-	639,650
Lottery prizes	469,043	-	469,043	492,176	-	492,176
Gaming operating costs	33,294	-	33,294	33,666	-	33,666
Gaming prizes	91,980	-	91,980	102,786	-	102,786
Marketing costs	615,989	-	615,989	795,258	-	795,258
Expenditure on charitable activities:						
Awards to charitable causes	-	351,013	351,013	-	557,626	557,626
Governance costs: audit and tax advisory services	-	7,416	7,416	-	7,416	7,416
Other - administration costs	2,818	-	2,818	28	-	28
	<b>1,845,712</b>	<b>358,429</b>	<b>2,204,141</b>	<b>2,063,564</b>	<b>565,042</b>	<b>2,628,606</b>

### 4 Employees

Chance to Succeed 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	96,851	106,717
Social Security Costs	11,056	12,182
Other pension costs	2,793	3,077
Total staff costs	<b>110,699</b>	<b>121,976</b>

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

### 5 Trustees' remuneration and benefits

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

# Chance to Succeed

SCIO : SCo46179

## Notes to the Financial Statements

SCIO : SCo46179

### 6 Governance costs

	2019 £	2018 £
Audit fees	6,180	6,180

### 7 Cash at bank and in hand

	2019 £	2018 £
Proceeds account	1	43,070
Charity account	40,036	90,931
	40,037	134,001

### 8 Creditors: amounts falling due within one year

	2019 £	2018 £
Commitments to charitable projects	-	11,250
STV ELM Limited	3,026,656	2,462,004
Sundry creditors - accruals	20,616	20,616
	3,047,272	2,493,870

# Chance to Succeed

SCIO : SC046179

## 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	(2,429,276)	69,408	(2,359,868)	(1,586,584)	100,625	(1,485,959)
Incoming resources	1,245,420	311,355	1,556,775	1,228,287	526,409	1,754,696
Resources expended	(1,853,128)	(351,013)	(2,204,141)	(2,070,979)	(557,626)	(2,628,605)
Balance of funds carried forward	(3,036,984)	29,750	(3,007,234)	(2,429,276)	69,408	(2,359,868)

### 10 Analysis of net assets between funds

	Current Assets £	Current Liabilities £	2019 Total Net Assets £	Current Assets £	Current Liabilities £	2018 Total Net Assets £
Unrestricted Funds	1	(3,036,986)	(3,036,985)	43,070	(2,472,348)	(2,429,278)
Restricted Funds	40,036	(10,286)	29,750	90,931	(21,523)	69,408
	40,037	(3,047,272)	(3,007,235)	134,001	(2,493,871)	(2,359,870)

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 Succeed.

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 Succeed.

### 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	(632,588)	(639,650)
Gaming operating costs	(33,294)	(33,666)
Marketing costs	(615,989)	(795,258)
STV ELM Limited	(1,281,871)	(1,468,574)

A balance of £3,026,656 (2018: £2,462,004) 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 Succeed's portion of these costs is £796,996. In terms of the Agreement between the charity and STV ELM the liability of Chance to Succeed for set up costs shall accrue on receipt of each invoice. Chance to Succeed 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 Succeed 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 Succeed

SCIO : SC046179

## Notes to the Financial Statements

For the year ended 31 December 2019

### 13 Organisations supported by Chance to Succeed

	2019
	£
Scottish Sports Futures	25,000
Scottish Music Information Centre	10,000
Leith Sea Cadets	1,000
Glasgow Acting Academy	3,600
Connect Berwickshire Youth Project	17,765
Fuse Youth Cafe Glasgow	13,500
Youth Connections	9,889
The Zone Initiative Ltd	20,000
Articulate Cultural Trust	10,000
Citadel Youth Centre	10,000
Day 1	5,000
Friends of Tramanna	925
Judy Murray Foundation	7,200
Linton Lane Centre	10,000
Downs Syndrome Scotland	10,000
Stable Life	10,000
Perth District YMCA	10,000
Options for Life	10,000
Dundee and Angus ADHD	5,000
Strathmore Centre for the Youth Development	5,000
Whiteinch Centre	2,000
Rosemount Lifelong centre	10,000
The Outward Bound Trust	10,000
Sunrise Partnership	2,675
Toonspeak Young Peoples Theatre	10,000
Royal Lyceum Theatre	5,000
CLIC Sargent cancer Care for Children	10,000
GK Experience	10,000
North Kelvin Sports Grant	9,872
For the Right Reasons	10,000
Project Ability	3,064
Castlemilk Youth Complex	10,000
Input	10,000
Living Solutions (Scotland)	10,000
Skills Exchange	10,000
Venture trust	10,000
Granton Youth Centre	10,000
Checkin Works	10,000
The Wise Group	10,000
School of Hard Knocks	10,000
Total grants	<u>366,490</u>

All grants paid in the year were made to institutions.

# Chance to Succeed

SCIO : SCo46179

## Notes to the Financial Statements

For the year ended 31 December 2018

### 13 Organisations supported by Chance to Succeed

	2018
	£
4th Fife (Cardenden) Scout Group	5,000
Banchory & District Initiative	3,500
Befriend a Child	30,000
Capital City Partnership	20,000
Cheviot Youth	17,289
Cosgrove Care	31,778
Denis Law Legacy Trust	15,000
Epilepsy Scotland	6,403
Fabb Scotland	5,000
Fife Employment Access Trust	29,522
Hand of Solace	3,790
Helm Training Limited	10,000
Input	17,134
KibbleWorks	24,644
Modo-Circus with a Purpose	17,000
Move On	24,208
Moving On Employment Project	20,000
Netherthird Community Action Training	11,250
Nevis Community Radio Limited	2,190
Ocean Youth Trust	19,000
PEEK	19,270
Perth and Kinross Assoc. of Voluntary Services	8,800
Positive Help	2,000
Reeltime Music	19,187
Rock Trust	20,865
Rosemount Lifelong Learning	37,002
SOAR Youth Projects	19,104
Strathmore Centre for Youth Development	15,835
The Outward Bound Trust	37,408
Venture Scotland	30,000
Voluntary Action Orkney	15,447
Young Enterprise Scotland	20,000
Total grants	<u>557,626</u>

All grants paid in the year were made to institutions.