

**HADDINGTON COMMUNITY DEVELOPMENT TRUST
A COMPANY LIMITED BY GUARANTEE**

Report of the Directors and
Unaudited Financial Statements for the 12 Months 31 March 2016

Company Registration Number: SC441641
Charity Registration Number: SC044691

HADDINGTON COMMUNITY DEVELOPMENT TRUST

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for the year ended 31 March 2016

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2016.

Our purpose and activities:

Charitable Purposes

According to the Trust's Articles of Association the companies charitable objectives are to benefit the community of Haddington and its environs and the company's objects are:

- a) To provide within Haddington recreational facilities, or organise recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended
- b) To advance environmental protection and improvement in Haddington through the provision, maintenance and/or improvement of public open space and other public amenities and other environmental and regeneration projects (but subject to appropriate safeguards to ensure that the public benefits so arising clearly outweigh any private benefit thereby conferred on private landowners)
- c) To relieve those in need by reason of unemployment, particularly among residents of Haddington, for the public benefit in such ways as may be thought fit, including assistance to find employment
- d) To relieve those in need by promoting training, particularly among residents of Haddington, and with particular reference to skills which will assist the participants in obtaining paid employment
- e) To help young people, particularly those resident in Haddington, to develop their physical, mental and spiritual capacities, such that they may grow to full maturity as individuals and as members of society
- f) To advance heritage and/ or preserve, for the benefit of the general public, the historical, architectural and constructional heritage that may exist in and around Haddington in buildings (including any structure or erection, and any part of a building as so defined) of particular beauty or historical, architectural or constructional interest
- g) To encourage, stimulate and support volunteering principally in Haddington
- h) To advance citizenship and/or community development (including the promotion of civic responsibility and the promotion of the voluntary sector and/or the effectiveness or efficiency of charities)
- i) To relieve those in need by the promotion of trade and industry within Haddington for the benefit of the general public
- j) To promote, establish, operate and/or support other similar schemes and projects of a charitable nature for the benefit of the community within Haddington but such that the company shall do so following principles of sustainable development.

for the year ended 31 March 2016

- k) To advance citizenship and/or community development (including the promotion of civic responsibility and the promotion of the voluntary sector and/or the effectiveness or efficiency of charities)
- l) To relieve those in need by the promotion of trade and industry within Haddington for the benefit of the general public
- m) To promote, establish, operate and/or support other similar schemes and projects of a charitable nature for the benefit of the community within Haddington but such that the company shall do so following principles of sustainable development

ACHIEVEMENTS AND PERFORMANCE

Summary of the main achievements of the charity during the financial period

In agreement with the wishes of the outgoing Board the Lease of The Corn Exchange in agreement with East Lothian Council was terminated on 29 May 2015.

The Board used the AGM as an opportunity to re-engage with the membership, and to involve others across the Haddington Community to help determine priorities for the Trust to focus on throughout this reporting period. The priorities were identified as making the most of Haddington's history, town centre improvements and marketing the town.

The Trust launched its website www.trusthaddington.org.uk in April 2016 and this gives us the ability to keep the membership and others informed about the work of the Trust.

The Trust made an application to the Scottish Governments Town Centre Community Capital Fund in September 2015, however we were unsuccessful with the application. The Trust will continue to look for funding opportunities that will enable improvements to the build environment in the town centre.

The Board have been working with Shaw Marketing from Edinburgh to deliver a Haddington website and marketing strategy for the town and this will be delivered in the next financial year.

The Trust contributed £5,000 to the Haddington Skate Park facility, which was opened in June 2016.

for the year ended 31 March 2016

Financial Review

The organisation made a surplus of £50,732 (2015: £11,914) as a result of a surplus arising from restricted funds activities of £47,738 (2015: £NIL) and £2,994 (2015: £11,914) from unrestricted fund activities. Details of each individual fund movement for the year are shown in note 10.

In relation to reserves, the directors have considered that the ideal level of reserves would be sufficient to cover 3 to 4 months operating costs. At the year end there were reserves of £15,467 and the directors are of the opinion that these are sufficient for the organisation.

Investment Policy

The charity does not hold any investments. Any surplus cash flow during the year is re-invested in pursuit of the charity's aim and objectives.

Risk Management

The trustees have conducted a review of the major risks to which the charity is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors. Annual review by the Board of key Policies and Procedures is carried out and updated to reflect this.

Future Plans

The election of 2 new member Directors and the re-election of the Board at the third AGM in August 2016 brings the Board to full capacity with regards to member Directors but three co-opted directors are still to be chosen.. This should bring some stability to the Trust and enable us to continue working towards delivering key objectives from the "Vision for Haddington".

STRUCTURE, GOVERNANCE AND MANAGEMENT

Type of Governing Document

The company is limited by guarantee and governed by its Memorandum and Articles of Association. The liability of members is £1 each. The company is accepted as a charitable body by the Inland Revenue.

Appointment of trustees and induction

The directors of the company are its trustees for the purposes of charity law, throughout this report they are collectively referred to as trustees as opposed to directors. Under the requirements of the Memorandum and Articles of Association any person who is willing to act as a trustee, and is permitted by law to do so may be appointed to be a trustee; by ordinary resolution, or by a decision of the trustees. Each trustee of the company becomes a Member of the company from the date of their appointment. The number of trustees must not be less than nine.

for the year ended 31 March 2016

On appointment, new trustees are provided with an induction programme to cover their legal obligations under charity and company law, the Scottish Charity Regulator's guidance on trustees duties and to inform them of the content of the Memorandum of Association and the decision making process, along with the business plan and the recent financial performance of the charity.

Organisation

The board of trustees, which can have a minimum of nine members, administers the charity. At the quarterly trustees' meetings the trustees agree the broad strategy and areas of activity for the organisation, including reserves and risk management policies and performance.

HADDINGTON COMMUNITY DEVELOPMENT TRUST

Management Structure

The trustees who served during the year:

Surname	First Name	From	To	Comments
Clarke	Christopher Lacey	12.5.14	11.5.15	Nominated by HADAS
Darling	Paul Ramsay	12.5.14	10.8.15	Nominated by Community Council
Darling	Paul Ramsay	10.8.15		Elected at AGM
Kinnoch	Paul Mazzoli	12.5.14	11.5.15	Nominated by Business Association
Rogan	Jack Harrison William	12.5.14	10.8.15	Nominated by Knox Academy
Dickson	Hilary	12.5.14	30.3.15	Elected at the AGM
Hayman	Martin Paul	12.5.14	16.9.14	Elected at the AGM
Taylor	Christopher Frank	12.5.14	23.10.14	Elected at the AGM
Barnard	Joy Elizabeth	25.5.14	30.3.15	Co-opted Member
Pathirana	Stephen Vipaul	5.6.14	22.4.15	Co-opted Member
Goodwin	Claire	26.9.14	10.8.15	Co-opted Member
Goodwin	Claire	10.8.15		Elected at AGM
Bain	Fiona Catherine Anne	24.11.14	23.4.15	Co-opted
Wright	Frances	25.5.15	10.8.15	Co-opted Member
Wright	Frances	10.8.15		Elected at AGM
Goldie	Ronald	25.5.15	10.8.15	Co-opted Member
Stevenson	Karen	25.5.15		Nominated by HADAS
Adam	Fiona-Frances Buchanan	25.5.15	10.8.15	Co-opted
Adam	Fiona-Frances Buchanan	12.10.15		Nominated by Haddington Community Council
Warren	Judith Margaret	25.5.15		Nominated by Business Association
Wilson	Janet	25.5.15	10.8.15	Co-opted Member
Scott	Duncan	10.8.15		Elected at AGM
Bateman	Eric	10.8.15		Elected at AGM
Linton-Main	Adam	12.10.15		Nominated by Knox Academy

**HADDINGTON COMMUNITY DEVELOPMENT TRUST
REPORT OF THE TRUSTEES (continued)**

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for the year ended 31 March 2016

Interim Officers appointed 25 May 2015:

Frances Wright (Chair)

Paul Darling (Treasurer)

Karen Stevenson (Secretary)

Registered Office:

The Bridge Centre

Poldrate

Haddington

East Lothian

EH41 4DA

Registered Company Number

SC441641

Registered Charity Number

SCO44691

Bankers

The Co-operative Bank p.l.c

1 Balloon Street

Manchester

M60 4EP

Independent Examiner

Fiona Takahashi FCA

Chartered Accountant, ICAEW

20 -23 Woodside Place

GLASGOW

G3 7QL

The Trust will maintain reserves sufficient to cover ongoing commitments on a year-to-year basis. To date no such ongoing commitments have been entered into.

Related Parties

None of the Trustees receive remuneration or other benefit from their work with the charity. Any connection between a director or senior manager of the charity and one of its customers must be disclosed to the full Board of Trustees in the same way as an other contractual relationship with the related party. The Trustee should then withdraw from decisions where a conflict of interest arises.

Statement of Responsibilities of Members of the Board of Trustees

Company and charity law requires the Trustees to prepare financial statements for each financial year, which give a true and fair value of the state of affairs of the charity and the surplus or deficit 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 applicable Charities SORP;
- make judgments and estimates that are reasonable and prudent; and
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and estimates that are reasonable and prudent; 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 which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with Companies Act 2006, The Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). The trustees are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small Company Exemption

The above report has been prepared in accordance with the special provision relating to small companies within part 15 of the Companies Act 2006 relating to small companies

Signed on behalf of the trustees:



Frances Wright (Chair)
7 November 2016

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HADDINGTON COMMUNITY DEVELOPMENT TRUST

I report on the financial statements of the charity for the year 31 March 2016 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the balance sheet and the related notes.

This report is solely to the charity's directors, as a body, in accordance with section 44 (1) (C) of the Charities and Trustees Investment (Scotland) Act 2005. My examination has been undertaken so that I might state to the charity's directors those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's directors as a body, for my examination, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) (the Regulations). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Regulations do not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

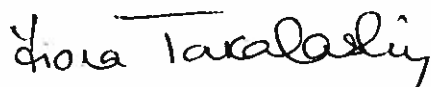
Basis of the independent examiner's report

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- a) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met, or
- b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Fiona Takahashi FCA
Soroban
20 – 23 Woodside Place
GLASGOW
G3 7QL
7 November 2016

HADDINGTON COMMUNITY DEVELOPMENT TRUST
 STATEMENT OF FINANCIAL ACTIVITIES
 for the year end 31 March 2016

	Notes	2016 Unrestricted funds £	2016 Restricted funds £	2016 Total funds £	2015 Total funds £
Income					
Charitable activities	2	95	50,000	50,095	76,205
Trading activities	2	7,891	-	7,891	14,877
Investment Income	3	8	-	8	24
Total income		<u>7,994</u>	<u>50,000</u>	<u>57,994</u>	<u>91,106</u>
Expenditure					
Charitable activities		<u>5,000</u>	<u>2,262</u>	<u>7,262</u>	<u>79,192</u>
Total expenditure	5	<u>5,000</u>	<u>2,262</u>	<u>7,262</u>	<u>79,192</u>
Net income/(expenditure) and net movement in funds	4	2,994	47,738	50,732	11,914
Reconciliation of funds					
Total funds brought forward	10	12,473	-	12,473	559
Total funds carried forward		<u><u>15,467</u></u>	<u><u>47,738</u></u>	<u><u>63,205</u></u>	<u><u>12,473</u></u>

HADDINGTON COMMUNITY DEVELOPMENT TRUST
BALANCE SHEET
at 31 March 2016

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	Notes	2016 Total funds £	2015 Total funds £
Current assets			
Cash at Bank and in hand		64,155	13,951
		<u>64,155</u>	<u>13,951</u>
Creditors: amounts falling due within one year	9	<u>(950)</u>	<u>(1,478)</u>
Net current assets		<u>63,205</u>	<u>12,473</u>
Total assets less current liabilities		63,205	12,473
NET ASSETS		<u><u>63,205</u></u>	<u><u>12,473</u></u>
The funds of the charity:			
Unrestricted income funds	10	15,467	12,473
Restricted income funds		47,738	-
TOTAL FUNDS		<u><u>63,205</u></u>	<u><u>12,473</u></u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective January 2015)

For the financial year ended 31 March 2016, the company was entitled to exemption from audit under section 477 of the Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and its profit for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements were authorised for issue by the board of directors and signed on its behalf by:



Frances Wright
Chair

Date: 7 November 2016

The notes on page 10-15 form part of these financial statements

1 Accounting policies

Accounting convention

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policies.

Going concern

The directors have considered a period of twelve months from the date of their approval of the financial statements and, taking into account the company's net asset position and expected future incoming resources, they consider it appropriate to prepare the financial statements on the going concern basis.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Board of Directors have considered whether in applying the accounting policies required the Charities Statement of Recommended Practice and the Financial reporting Standard for Smaller Entities (effective January 2015), the restatement of comparative items was required: no restatements were required.

Income

Income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Donations and legacies

Donations, grants and gifts are included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity become unconditionally entitled to the grant. Grant income, where related to performance and specific deliverable, is accounted for as the charity earns the right to consideration by its performance.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of the services provided by volunteers has not been included in these accounts.

Income from charitable activities

Income raised from contractual payments from government or public authorities and other parties which fund the provision of particular goods or services. Also income raised from performance related grants where income is conditional on delivering certain levels or volumes of a service or supply of goods.

Income from other trading income

Income raised from fundraising activities and other commissioned activities are credited in full in the period in which the event takes place. Other income is recognised as income in the period in which the amounts are received.

1 Accounting policies (contd)

Expenditure

Expenditure is recognised when there a legal or constructive obligation arises.

Expenditure incurred, which related directly to any one cost category, is allocated directly to that category. Expenditure common to more than one cost category is apportioned on a reasonable and consistent basis to the categories involved, in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities, preparing their accounts in accordance with the Financial reporting Standard for Smaller Entities published on 16 July 2014.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It included both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Allocation of support costs

Support costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include the independent examination and costs linked to the strategic management of the charitable company.

Raising Funds

Comprise those costs incurred in respect of the fundraising activities undertaken by the company in the period.

Funds

The charity receives some restricted income funds to account for the situation where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

Where restricted funding received does not cover expenditure, a transfer of unrestricted funds to cover the additional expenditure not covered by the restricted funding received is made.

Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare a statement under the Financial Reporting Standard for Smaller Entities (effective January 2015).

Taxation

As a charity is exempt from tax on income and gains falling within sections 478-489 of the Corporation Tax Act 2010 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

Accounting policies (contd)

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors are recognised where the charity has present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discount due.

2 Income from charitable activities

	2016 £	2015 £
Restricted funds		
East Lothian Council Grant	50,000	60,000
Leader Grant		16,106
	<u>50,000</u>	<u>76,106</u>

2 Income from charitable activities

	2016 £	2015 £
Unrestricted funds		
Membership fees	95	99
	<u>95</u>	<u>99</u>

2 Income from other trading activities-unrestricted

	2016 £	2015 £
Trading income	7,891	14,877
	<u>7,891</u>	<u>14,877</u>

3 INVESTMENT INCOME

	2016 £	2015 £
Bank interest	8	24
	<u>8</u>	<u>24</u>

4 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	Total 2016 £	Total 2015 £
<i>Corn Exchange</i>				
Building Warrant Fees	-	-	-	1,830
Lighting Refurbishment	-	-	-	41,512
Architectural Services	-	-	-	13,140
Structural Design	-	-	-	1,194
Music License Fees	-	-	-	432
Legal Fees	-	-	-	3,317
Insurance	-	-	-	2,961
Haddington in Bloom	-	-	-	1,000
Friends of Neilson Park	-	-	-	10,000
Postage & Printing		238	238	228
Advertising and sundry		313	313	
Subscriptions		261	261	
AGM and meeting costs		76	76	131
Trustee Insurance		424	424	229
Consultancy fee		-	-	2,268
Skate park donation	5,000		5,000	-
Accounts preparation and Independent Examination	-	950	950	950
	<u>5,000</u>	<u>2,262</u>	<u>7,262</u>	<u>79,192</u>

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	2016 £	2015 £
Accountancy	950	950
Trustee insurance	424	229
AGM costs	76	131
	<u>1,450</u>	<u>1,310</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Accrued expenses	<u>150</u>	<u>1,478</u>

10 ANALYSIS OF CHARITABLE FUNDS

Analysis of movement in unrestricted funds

	At 1 April 2015	Income	Expenditure	At 31 March 2016
	£	£	£	£
Unrestricted funds				
General fund	12,473	7,994	(5,000)	15,467
	<u>12,473</u>	<u>7,994</u>	<u>(5,000)</u>	<u>15,467</u>

Name of unrestricted funds Description, nature and purpose of the fund

General fund The general fund of the company is all unrestricted reserves, where there are no further specified purposes for these funds. Transfers can be made to restricted funds to meet any shortfalls in these activities.

Analysis of movement in restricted funds

	At 1 April 2015	Income	Expenditure	At 31 March 2016
Restricted funds				
East Lothian Council	-	50,000	(2,262)	47,738
TOTAL FUNDS	<u>-</u>	<u>50,000</u>	<u>(2,262)</u>	<u>47,738</u>

Name of restricted fund Description, nature and purpose of the fund

East Lothian Council Funding towards activities which contribute towards the delivery of the Haddington Vision including the running costs of the charity

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

	Incoming resources £	Resources expended £	Net movement in funds £
Unrestricted funds			
General fund	7,994	(5,000)	2,994
Restricted funds			
East Lothian Council	50,000	(2,262)	47,738
TOTAL FUNDS	<u>57,994</u>	<u>(7,262)</u>	<u>50,732</u>

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2016

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2016 Total Funds	2015 Total Funds
	£	£	£	£
Current assets	16,417	47,738	64,155	13,951
Current liabilities	(950)	-	(950)	(1,478)
	<u>15,467</u>	<u>47,738</u>	<u>63,205</u>	<u>12,473</u>

12 Transition to SORP FRSSSE 2015

These financial statements for the year ended 31 March 2016 are the company's first financial statements that comply with SORP FRSSSE 2015. The company's date of transition to SORP FRSSSE 2015 is 1 April 2014. The company's last financial statements prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice-Accounting by Charities (revised 2005) and the Charities Accounts (Scotland) Regulations 2006 (as amended) were for the year ended 31 March 2015.