

Haddington Community Development Trust

Charity No. SC044691

Company No. SC441641

Trustees' Report and Unaudited Accounts

31 March 2018

Haddington Community Development Trust
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The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 March 2018.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. SC441641

Charity No. SC044691

Registered Office

The Bridge Centre
Poldrate
Haddington
East Lothian
EH41 4DA

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.
The following Directors and Trustees served during the year:

Claire Goodwin	
Duncan Scott	
Eric Bateman	
Ewan Ogilvie	
Fiona-Frances Adam	(Resigned 31 October 2017)
Frances Wright	
Fraser Wright	(Appointed 31 October 2017)
Jose De Frietas	
Karen Stevenson	
Michael Rodger	(Resigned 31 October 2017)

Accountants

Soroban
20-23 Woodside Place
Glasgow
G3 7QL

Bankers

The Co-operative Bank P.L.C
1 Balloon Street
Manchester
M60 4EP

OBJECTIVES AND ACTIVITIES

According to the Trust's Articles of Association the company's 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
- 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

The Trust has been working with East Lothian Council on the Haddington Town Centre Design Project. Three well attended public consultation events took place on 1 August, 14 September and 31 October 2017, where the Design team from Ironside Farrar discussed priorities for the town centre with the community. The outcomes from these events will influence the final design for Haddington Town Centre. The Trust is represented on the Steering Group of the project along with other community groups and East Lothian Council. While the Trust will be an important vehicle for coordinating funding for the town centre project as it develops and is delivered, one of its significant roles may be to promote activity in the town and town centre using the town website. The board are working with other community groups to shape this future activity.

2018 was the 700th Anniversary of the Robert the Bruce Charter being granted to Haddington and it has been heartening to see so many of the town's organisations working together to celebrate this important anniversary. The events page on the "Haddington – The Hidden Toun" website developed by the Trust was an important resource for the community to discover events connected with this year-long celebration.

FINANCIAL REVIEW

The organisation made a deficit of £15,323 (2017: deficit of £21,909) as a result of a deficit arising from restricted funds activities of £13,710 (2017: £22,101) and a deficit of £1,613 (2017: £192) 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 unrestricted reserves of £14,046 (2017: £15,659) and the directors are of the opinion that these are sufficient for the organisation.

PLANS FOR FUTURE PERIODS

The Trust has been working with Shaw Marketing to develop a Virtual Tour of Haddington and it is hoped this will be launched in the near future.

The Trust look forward to continuing to work in partnership with Haddington and Lammermuir Local Area Partnership and other community organisations in the town, to deliver key objectives identified in the "Vision for Haddington". We will also work in partnership with East Lothian Council to identify funding opportunities to enable improvements to be made to the built environment in the Town Centre.

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. An annual review by the Board of key Policies and Procedures is carried out and updated to reflect this.

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.

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.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

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.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

Frances Wright
Trustee
10 December 2018

Haddington Community Development Trust
INDEPENDENT EXAMINERS REPORT

Independent Examiner's Report to the trustees of Haddington Community Development Trust

I report on the accounts of Haddington Community Development Trust for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes.

Respective responsibilities of trustees and examiner

The trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The trustees consider that an audit is not required for this year under Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under s.44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005;
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 seeking explanations from you as trustees concerning any such matters. The procedures do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair" view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) 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 Charities and Trustee Investment (Scotland) Act 2005, Regulation 4 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and
 - to prepare accounts which accord with the accounting records, comply with Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and with the methods and principles of the Charities Statement of Recommended Practice: Accounting and Reporting by Charities,have not been met: or
- (2) 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
Chartered Accountant, ICAEW
20-23 Woodside Place
Glasgow
G3 7QL
10 December 2018

Haddington Community Development Trust

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2018

	Notes	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income and endowments from:					
Donations and legacies	3	18	-	18	20
Charitable activities	4	-	-	-	55
Investments	5	-	-	-	25
Other	6	-	-	-	92
Total		18	-	18	192
Expenditure on:					
Charitable activities	7	1,631	13,710	15,341	22,101
Total		1,631	13,710	15,341	22,101
Net gains on investments		-	-	-	-
Net expenditure		(1,613)	(13,710)	(15,323)	(21,909)
Net expenditure before other gains/(losses)		(1,613)	(13,710)	(15,323)	(21,909)
Other gains and losses:					
Net movement in funds		(1,613)	(13,710)	(15,323)	(21,909)
Reconciliation of funds:					
Total funds brought forward		15,659	25,637	41,296	63,205
Total funds carried forward		14,046	11,927	25,973	41,296

Haddington Community Development Trust
SUMMARY INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 March 2018

	2018 £	2017 £
Income	18	167
Interest and investment income	-	25
Gross income for the year	<u>18</u>	<u>192</u>
Expenditure	15,341	22,101
Total expenditure for the year	<u>15,341</u>	<u>22,101</u>
Net expenditure before tax for the year	(15,323)	(21,909)
Net expenditure for the year	<u>(15,323)</u>	<u>(21,909)</u>

Haddington Community Development Trust

BALANCE SHEET

at 31 March 2018

Company No. SC441641	Notes	2018 £	2017 £
Current assets			
Cash at bank and in hand		26,498	43,075
		<u>26,498</u>	<u>43,075</u>
Creditors: Amount falling due within one year	9	(525)	(1,779)
Net current assets		<u>25,973</u>	<u>41,296</u>
Total assets less current liabilities		<u>25,973</u>	<u>41,296</u>
Net assets excluding pension asset or liability		<u>25,973</u>	<u>41,296</u>
Total net assets		<u><u>25,973</u></u>	<u><u>41,296</u></u>
The funds of the charity			
Restricted funds			
Restricted income funds	10	11,927	25,637
		<u>11,927</u>	<u>25,637</u>
Unrestricted funds			
General funds	10	14,046	15,659
		<u>14,046</u>	<u>15,659</u>
Reserves	10		
Total funds		<u><u>25,973</u></u>	<u><u>41,296</u></u>

The trustees have prepared the accounts in accordance with section 44 of the Charities and Trustee Investment (Scotland) Act 2005 and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the year ended 31 March 2018 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 10 December 2018

And signed on its behalf by:

Frances Wright

Trustee

10 December 2018

for the year ended 31 March 2018

1 Accounting policies

Basis of preparation

The financial statements 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 applicable in the UK and Republic of Ireland (FRS 102) - Charities SORP (FRS 102) (effective 1 January 2015) - the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

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, the restatement of comparative items was required: no restatements were required.

Fund accounting

Unrestricted funds These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.

Restricted funds These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

Income with related expenditure Where income has related expenditure the income and related expenditure is reported gross in the SoFA.

Donations and legacies Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

Tax reclaims on donations and gifts Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.

Donated services and facilities These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.

Investment income This is included in the accounts when receivable.

NOTES TO THE ACCOUNTS

Expenditure

Recognition of expenditure Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure on raising funds These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.

Expenditure on charitable activities These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.

Grants payable All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.

Governance costs These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.

Other expenditure These are support costs not allocated to a particular activity.

Taxation

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

Trade and other debtors

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

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

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

Haddington Community Development Trust
 NOTES TO THE ACCOUNTS

3 Income from donations and legacies

	Unrestricted	Total 2018	Total 2017
	£	£	£
General donations	18	18	20
	<u>18</u>	<u>18</u>	<u>20</u>

4 Income from charitable activities

	Total 2018	Total 2017
	£	£
Membership fees	-	55
	<u>-</u>	<u>55</u>

5 Income from investments

	Total 2018	Total 2017
	£	£
Bank interest	-	25
	<u>-</u>	<u>25</u>

6 Other income

	Total 2018	Total 2017
	£	£
Room hire and other Corn Exchange revenues	-	92
	<u>-</u>	<u>92</u>

Haddington Community Development Trust
NOTES TO THE ACCOUNTS

7 Expenditure on charitable activities

	Unrestricted	Restricted	Total 2018	Total 2017
	£	£	£	£
<i>Expenditure on charitable activities</i>				
Donations	250	8,678	8,928	4,000
Development of website and marketing strategy for the delivery of the Haddington Vision	50	5,032	5,082	16,812
Printing and Postage	10	-	10	8
Subscriptions	294	-	294	194
Advertising and Sundry	123	-	123	37
<i>Governance costs</i>				
Cost of independent examination	525	-	525	415
Trustee insurance	379	-	379	438
AGM costs	-	-	-	197
	<u>1,631</u>	<u>13,710</u>	<u>15,341</u>	<u>22,101</u>

8 Staff costs

No employee received emoluments in excess of £60,000.

9 Creditors:

amounts falling due within one year

	2018	2017
	£	£
Accruals and deferred income	525	1,779
	<u>525</u>	<u>1,779</u>

NOTES TO THE ACCOUNTS

10 Movement in funds

	At 1 April 2017	Incoming resources (including other gains/losses) £	Resources expended £	Gross transfers £	At 31 March 2018 £
Restricted funds:					
Restricted income funds:					
East Lothian Council	25,637	-	(13,710)	-	11,927
<i>Total</i>	<u>25,637</u>	<u>-</u>	<u>(13,710)</u>	<u>-</u>	<u>11,927</u>
Unrestricted funds:					
General funds	15,659	18	(1,631)	-	14,046
Revaluation Reserves:					
Total funds	<u>41,296</u>	<u>18</u>	<u>(15,341)</u>	<u>-</u>	<u>25,973</u>

11 Analysis of net assets between funds

	Unrestricted funds £	Total £
Net current assets	25,973	25,973
	<u>25,973</u>	<u>25,973</u>

12 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

Haddington Community Development Trust
 DETAILED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2018

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income and endowments from:				
Donations and legacies				
General donations	18	-	18	20
	<u>18</u>	<u>-</u>	<u>18</u>	<u>20</u>
Charitable activities				
Membership fees	-	-	-	55
	<u>-</u>	<u>-</u>	<u>-</u>	<u>55</u>
Investments				
Bank interest	-	-	-	25
	<u>-</u>	<u>-</u>	<u>-</u>	<u>25</u>
Other				
Room hire and other Corn Exchange revenues	-	-	-	92
	<u>-</u>	<u>-</u>	<u>-</u>	<u>92</u>
Total income and endowments	18	-	18	192
Expenditure on:				
Charitable activities				
Donations	250	8,678	8,928	4,000
Development of website and marketing strategy for the delivery of the Haddington Vision	50	5,032	5,082	16,812
Printing and Postage	10	-	10	8
Subscriptions	294	-	294	194
Advertising and Sundry	123	-	123	37
	<u>727</u>	<u>13,710</u>	<u>14,437</u>	<u>21,051</u>
Governance costs				
Cost of independent examination	525	-	525	415
Trustee insurance	379	-	379	438
AGM costs	-	-	-	197
	<u>904</u>	<u>-</u>	<u>904</u>	<u>1,050</u>
Total of expenditure on charitable activities	1,631	13,710	15,341	22,101
Total expenditure	1,631	13,710	15,341	22,101
Net gains on investments	-	-	-	-
	<u>(1,613)</u>	<u>(13,710)</u>	<u>(15,323)</u>	<u>(21,909)</u>
Net expenditure	(1,613)	(13,710)	(15,323)	(21,909)
Net expenditure before other gains/(losses)	(1,613)	(13,710)	(15,323)	(21,909)

Haddington Community Development Trust
DETAILED STATEMENT OF FINANCIAL ACTIVITIES

Other Gains	-	-	-	-
Net movement in funds	(1,613)	(13,710)	(15,323)	(21,909)