

COMPANY REGISTRATION NUMBER SC412275

**FORRES AREA COMMUNITY
TRUST**

**UNAUDITED FINANCIAL
STATEMENTS**

31 MARCH 2016

Charity Number SC044953

RITSONS

Chartered Accountants
103 HIGH STREET
FORRES
MORAY
IV36 1AA

FORRES AREA COMMUNITY TRUST

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

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FORRES AREA COMMUNITY TRUST

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2016

The trustees', who are also directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2016.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name Forres Area Community Trust

Charity registration number SC044953

Company registration number SC412275

Registered office c/o FACT
1 Leask Road
Forres
Moray
IV36 1SW

The trustees'

The trustees' who served the charity during the period were as follows:

Mr B McDonald
Ms H Shaw
Mr P Airey
Mrs L A A Laing
Mr J E Mackessack-Leitch
Mr T E R Monaghan
Ms K M Aigner
Mrs T A Coffey
Mr M F Hindley
Ms S M Ferguson
Ms L Creswell
Ms E Egan
Dr B A Jefferson

Ms E Egan was appointed as a trustee on 15 June 2015.

Dr B A Jefferson was appointed as a trustee on 9 November 2015.

Ms H Shaw retired as a trustee on 15 June 2015.

Ms K M Aigner retired as a trustee on 9 November 2015.

Mr M F Hindley retired as a trustee on 8 February 2016.

Ms S M Ferguson retired as a trustee on 14 September 2015.

Ms E Egan retired as a trustee on 14 March 2016.

Secretary Mrs Tina Ann Coffey

FORRES AREA COMMUNITY TRUST

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The organisation is a charitable company limited by guarantee, incorporated 29 November 2011 and registered as a charity on 25 June 2014. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Organisational Structure & Decision Making

The structure of the company consists of the members, the Directors and the staff as follows;

Members - Full Members (adults who live in the Forres Academy catchment area); who elect people to serve as Directors, and Associate Members (adults who live out with the Forres Academy catchment area) and Junior Members (those aged below 18)

Directors - Devise strategy, and supervise the activities of the company; in particular, the directors are responsible for monitoring the financial position of the company

Staff - three part time members of staff recruited locally carry out Development and Administrative work

At each Annual General Meeting, the Full Members may elect any Full Member to be a Director. The Directors may at any time appoint any Full Members to be a Director.

The company has a Board of Directors of up to fifteen members who meet monthly and are responsible for the strategic direction and decision making of the charity. At present, the board has seven members from a variety of professional backgrounds and a scheme of delegation is in place meaning day to day activities of the company are carried out by the staff. Staff members are managed by the Chair of the board.

Appointment of Directors

The directors of the company are also charity trustees' for the purposes of charity law and are also known as board members. Directors are elected to serve for a period of one year after which they must be re-elected at the next Annual General Meeting. All Directors give their time voluntarily and received no benefits, financial or other, from the charity. Kresanna Aigner, Peter Airey, Panny Laing and Terry Monaghan retired by rotation at the 15 June 2015 Annual General Meeting, and being eligible, were re-elected.

The Directors and staff seek to ensure that the needs of the organisation and local community are appropriately reflected through a diverse board membership. To enhance the potential pool of Directors, membership to the organisation is encouraged verbally, through social media and in quarterly newsletters. In an effort to maintain the broad mix of skills represented on the board, Directors complete a skills audit and in the event of particular skills being lost due to retirements, appropriate individuals are then approached to be co-opted or elected to the board.

Roles and Responsibilities of Directors

The role of the Directors is to set overall strategy and to exercise overall supervision in relation to the company's activities.

Company law requires the Directors to prepare financial statements for each financial year. These give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its income and expenditure, for the financial year. The annual accounts are prepared in

FORRES AREA COMMUNITY TRUST

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2016

accordance with statutory requirements and Directors are responsible for there being adequate systems of internal control and ensure that members of staff or external providers involved in accounting and accounts are competent and reliable.

The board of Directors is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The board of Directors is also responsible for safeguarding the assets of the charitable company and for taking reasonable steps for the prevention and detection of fraud or other irregularities.

All Directors when appointed are required to read, agree to and sign a Code of Practice and follow the Charities & Trustee Investment (Scotland) Act 2005 and Companies Act 2006.

Related Parties

The company is affiliated with and is a provisional member of the Development Trusts Association Scotland, number SE155 and is a member of the Third Sector Interface, Moray. Membership has proved invaluable for access to professional guidance, for use of model policies, access to free training and resources, and for learning and networking opportunities for the company and community to benefit from.

Risk Management & Statement of Risk

The board of Directors has established the major risks to which the charity is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. The external risk to funding has led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control of 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 to the office. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Members of the board who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report, certify in accordance with company law as the company's directors that:

So far as we are aware, there is no relevant audit information of which the company's auditors are unaware;

And, as the directors of the company we have taken all steps necessary in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

FORRES AREA COMMUNITY TRUST

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2016

OBJECTIVES AND ACTIVITIES

The company has been formed to benefit the community of the Forres Academy catchment area with the following objects;

1. To advance citizenship and community development
 - To advance community development including rural regeneration and the promotion of civic Responsibility, volunteering, the voluntary sector and charities within the community
 - To promote, establish, operate and/or support other similar schemes and projects of a charitable nature for the benefit of the community within the Forres Area
2. To advance and protect the environment, culture and heritage
 - To involve local people in caring for the area's environment, heritage and culture and encourage others to visit the area
3. To advance education and lifelong learning for the benefit of the general public

The company shall do so following the principles of sustainable development and make best use of the assets of Forres area communities to address challenges facing the community 'by working together to create a better place to live work and visit'. The main aims are informed by the Growth Plan which provided community-led priorities for action in the area. Activities include:

- Town Centre Renewal: the company will work with others to develop plans for Forres town centre, supporting events and encouraging the production and purchase of local products and services. A Town Centre Working Group is facilitated by the charity to foster positive relations between local business owners and others to stimulate positive developments and activities in the town
- Community Tourism Initiative: the company will assist collaboration between local tourism organisations, improve marketing, and provide training in new approaches to tourism. A Community Tourism Forum is facilitated which has collectively devised a community tourism strategy and recently secured funds for an area-wide marketing initiative
- Youth Work: the company will, with others, develop activities and support for young people in the Forres area using new ways to engage and encourage them. The charity is working with others to seek support and funds to set up a skatepark, and works in partnership with other youth-led initiatives in the area
- Community Assets: the company will support the transfer of existing assets from the public sector into community ownership. The company is in discussion with the developer of a local windfarm and seeks to form a partnership to secure long term income to the organisation and for community development purposes
- Wellbeing and Healthy Living: the company will support the development of facilities which enhance mental, social and physical wellbeing through new services and activities. The charity has consulted widely with older people in Forres and has developed a comprehensive directory of relevant services. The charity will also provide training and support to help older people become digitally aware to enable their fuller participation and networking opportunities in the community
- Environmental Projects: the company will support the development of projects that attract visitors, offer employment, training and volunteer opportunities. The charity has assisted existing environmental groups to increase their activities and enhance their services by facilitating partnership working between groups and encouraging the sharing of resources.

FORRES AREA COMMUNITY TRUST

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2016

The strategy for achieving these objects and aims includes the promotion and facilitation of partnership working, by encouraging individuals and groups with specific skill, experience and interests to work together for the benefit of Forres area communities. The company works collaboratively with partners from the public and private sectors to ensure best use of resources and, efficient and effective results are achieved. The charity has access to community views and can facilitate consultations on behalf of others to ensure the necessary neutrality to provide authentic information. By communicating about national resources and our membership of national network organisations, the company brings funding and other opportunities to the Forres area to ensure relevant developments are accessed and maximised.

ACHIEVEMENTS AND PERFORMANCE

Key achievements and performance highlights from the period include;

Business plan for 2016-2020 developed and finalised

Funding secured for Development Officers and Administrator until December 2016

Digital inclusion project Forres Online started and exceeded targets during funding period

Town Centre office relocated to 1 Leask Road and open daily for public access

Income sources generated from hire of meeting space, equipment and printing facilities

Town Centre Working Group developed to re-establish the Forres Business Association

Tourism Working Group produced a Forres advertising leaflet distributed nationally

A successful fundraising coffee morning was held in the town centre

A Community Directory of information for older people was produced and distributed in the area

Work started to have Forres recognised as a 'Walkers are Welcome' town

A questionnaire was circulated to gather opinion about a Skatepark being built in Forres

FORRES AREA COMMUNITY TRUST

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2016

FINANCIAL REVIEW

The charity had secured funding for the period from Highlands & Islands Enterprise totalling £53,438 spread across two projects as follows;

Part time employment of two Development Officers and supporting activity £43,894

Part time employment of an Administrator and supporting activity £9,544

Income from this funding stream is paid to the company in retrospect of spend. With this funding the company was able to employ three part staff to carry out development and administrative work, accommodate office space suitable for public access, and helped towards project development.

In addition, £31,079 was secured from other funding sources for specific projects as follows;

£562 donations

£1,275 from rental of room

£89 printing income

£569 from Coffee Morning

£810 from local business for 50 for 50 project

£2,354 from Forres Area Forum for a local history book called Forres Companion

£6,440 from Forres Online project

£1,844 from Directory project

£17,136 from Community and Renewable Energy Scheme

The total income for the period was £84,517

The total expenditure for the period was £88,753

The unrestricted balance in reserves at the end of the period was £4,504

The Directors have examined the charity's requirements for financial reserves in light of the main risk to the organisation. It is accepted that funds which are not restricted should amount to at least three months of the expenditure. Expenditure for 2015/2016 was £88,753, therefore, the estimated target amount of unrestricted reserve funds for the company to generate is approximately £22,188. Unrestricted reserves are needed to meet the working capital requirements of the charity, so if in the instance of funding reduction, the charity would be able to continue current activity for three months.

The present level of reserves available to the charity of £4,504 falls significantly short of the target level. However, with the strategy to continue to build reserves through planned activity, the board of Directors is confident that the desirable level of reserve funds can be built up and that it will likely take several years to reach this level.

PLANS FOR FUTURE PERIODS

Plans for future periods are detailed in the Forres Area Community Trust Business Plan for 2016-2020.

FORRES AREA COMMUNITY TRUST

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2016

INDEPENDENT EXAMINER

James Brash, C A has been re-appointed as independent examiner for the ensuing year.

Registered office:
c/o FACT
1 Leask Road
Forres
Moray
IV36 1SW

Signed on behalf of the trustees

Mr B McDonald
Director

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FORRES AREA COMMUNITY TRUST
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES AND
MEMBERS OF FORRES AREA COMMUNITY TRUST
YEAR ENDED 31 MARCH 2016

I report on the accounts of the charity for the year ended 31 March 2016 which are set out on pages 10 to 14.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The trustees (who are also the directors of Forres Area Community Trust 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 (the 2005 Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended) (the 2006 Accounts Regulations). The charity's trustees consider that the audit requirements of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the 2005 Act and to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

My examination is carried out in accordance with the Regulation 11 of the 2006 Accounts Regulations. 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 view given by the accounts.

INDEPENDENT EXAMINER'S STATEMENT

In the course of 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 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 44(1)(b) of the 2005 Act and Regulation 8 of the 2006 Accounts Regulations and with the methods and principles of the 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.

FORRES AREA COMMUNITY TRUST

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES AND
MEMBERS OF FORRES AREA COMMUNITY TRUST *(continued)***

YEAR ENDED 31 MARCH 2016

James Brash, C A
Independent examiner

103 HIGH STREET
FORRES
MORAY
IV36 1AA

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FORRES AREA COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2016

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	2	<u>3,299</u>	<u>81,218</u>	<u>84,517</u>	<u>70,738</u>
TOTAL INCOMING RESOURCES		<u>3,299</u>	<u>81,218</u>	<u>84,517</u>	<u>70,738</u>
RESOURCES EXPENDED					
Charitable activities	3/4	<u>(89)</u>	<u>(88,664)</u>	<u>(88,753)</u>	<u>(54,160)</u>
TOTAL RESOURCES EXPENDED		<u>(89)</u>	<u>(88,664)</u>	<u>(88,753)</u>	<u>(54,160)</u>
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR/NET (EXPENDITURE)/INCOME FOR THE YEAR					
RECONCILIATION OF FUNDS	5	3,210	(7,446)	(4,236)	16,578
Total funds brought forward		<u>1,294</u>	<u>18,084</u>	<u>19,378</u>	<u>2,800</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>4,504</u></u>	<u><u>10,638</u></u>	<u><u>15,142</u></u>	<u><u>19,378</u></u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 12 to 14 form part of these financial statements.

FORRES AREA COMMUNITY TRUST

BALANCE SHEET

31 MARCH 2016

	Note	2016 £	£	2015 £
FIXED ASSETS				
Tangible assets	7		906	684
CURRENT ASSETS				
Debtors	8	12,856		11,845
Cash at bank and in hand		4,815		7,500
		<u>17,671</u>		<u>19,345</u>
CREDITORS: Amounts falling due within one year	9	<u>(3,435)</u>		<u>(651)</u>
NET CURRENT ASSETS			14,236	18,694
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>15,142</u>	<u>19,378</u>
NET ASSETS			<u>15,142</u>	<u>19,378</u>
FUNDS				
Restricted income funds	10		10,638	18,084
Unrestricted income funds	11		4,504	1,294
TOTAL FUNDS			<u>15,142</u>	<u>19,378</u>

For the year ended 31 March 2016 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the members of the committee and authorised for issue on the and are signed on their behalf by:

.....
Mr B McDonald

Company Registration Number: SC412275

The notes on pages 12 to 14 form part of these financial statements.

FORRES AREA COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005).

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Equipment - 25% reducing balance

2. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Donations				
H & I Enterprise Grants	–	53,438	53,438	62,058
Other income	2,495	–	2,495	3,612
Community Tourism Project	–	810	810	3,200
Forres Companion Project	804	1,550	2,354	1,868
Forres Online Project	–	6,440	6,440	–
Directory Project	–	1,844	1,844	–
Community and Renewable Energy Scheme Grant	–	17,136	17,136	–
	<u>3,299</u>	<u>81,218</u>	<u>84,517</u>	<u>70,738</u>

3. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
General activity	<u>89</u>	<u>88,664</u>	<u>88,753</u>	<u>54,160</u>

4. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Total Funds 2016 £	Total Funds 2015 £
General activity	<u>88,753</u>	<u>88,753</u>	<u>54,160</u>

FORRES AREA COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

5. NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	2016	2015
	£	£
Depreciation	<u>302</u>	<u>229</u>

6. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	42,325	42,820
Social security costs	—	—
	<u>42,325</u>	<u>42,820</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2016	2015
	No.	No.
	1.5	1.5

No employee received remuneration of more than £60,000 during the year (2015 - Nil).

7. TANGIBLE FIXED ASSETS

	Equipment
	£
COST	
At 1 April 2015	1,084
Additions	524
At 31 March 2016	<u>1,608</u>
DEPRECIATION	
At 1 April 2015	400
Charge for the year	302
At 31 March 2016	<u>702</u>
NET BOOK VALUE	
At 31 March 2016	<u>906</u>
At 31 March 2015	<u>684</u>

FORRES AREA COMMUNITY TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2016

8. DEBTORS

	2016	2015
	£	£
Other debtors	<u>12,856</u>	<u>11,845</u>

9. CREDITORS: Amounts falling due within one year

	2016	2015
	£	£
Other creditors	2,784	–
Accruals and deferred income	<u>651</u>	<u>651</u>
	<u>3,435</u>	<u>651</u>

10. RESTRICTED INCOME FUNDS

	Balance at 1 Apr 2015	Incoming resources	Outgoing resources	Balance at 31 Mar 2016
	£	£	£	£
General Funds	<u>18,084</u>	<u>81,218</u>	<u>(88,664)</u>	<u>10,638</u>

11. UNRESTRICTED INCOME FUNDS

	Balance at 1 Apr 2015	Incoming resources	Outgoing resources	Balance at 31 Mar 2016
	£	£	£	£
General Funds	<u>1,294</u>	<u>3,299</u>	<u>(89)</u>	<u>4,504</u>