

**CHARITY REGISTRATION NUMBER SC042792**

**REPORT OF THE COMMITTEE AND  
FINANCIAL STATEMENTS FOR  
THE YEAR TO 1 APRIL 2013**

**HEART OF SCOTSTOUN LIMITED**  
**A community co-operative registered under the**  
**Industrial & Provident Societies Acts 1965-1978 No. 2730RS**

**HEART OF SCOTSTOUN LIMITED  
REPORT AND ACCOUNTS  
FOR THE YEAR TO 1 APRIL 2013**

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**HEART OF SCOTSTOUN LIMITED  
OFFICERS AND PROFESSIONAL ADVISORS**

**COMMITTEE**

Martin Cowan	Appointed 12 September 2012	
Maria Fletcher	Appointed 12 September 2012	
Paul Gray	Appointed 12 September 2012	
May McKie	Appointed 12 September 2012	
Linzi McMaster	Appointed 12 September 2012	Resigned 11 February 2013
Clare Scott	Appointed 12 September 2012	
Marie de Souza	Appointed 12 September 2012	
Karzan Tahir	Appointed 12 September 2012	
Alison Earley	Resigned 12 September 2012	
Mary MacIntyre	Resigned 12 September 2012	
Julie Manson	Resigned 12 September 2012	

**INDEPENDENT EXAMINER**

Stuart J Girvan BA CA  
Graham & Co. (Accountants) Ltd  
Chartered Accountants  
76 Dumbarton Road  
Clydebank  
Glasgow  
G81 1UG

**BANKERS**

Unity Trust Bank plc  
Nine Brindleyplace  
Birmingham  
B1 2HB

**REGISTERED OFFICE**

64 Balmoral Street  
Glasgow  
G14 0BL

**COMPANY REGISTRATION NUMBER**

Industrial & Provident Societies Acts 1965-1978 No. 2730RS

**CHARITY REGISTRATION NUMBER**

SC042792

**HEART OF SCOTSTOUN LIMITED**  
**COMMITTEE MEMBERS' REPORT FOR THE YEAR TO 1 APRIL 2013**

The Committee members submit their report for the period ended 1 April 2013.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

The organisation is a charitable and co-operative Society registered with the FSA as an Industrial and Provident Society for the Benefit of the Community. It is recognised as a charity by OSCR. The company is governed by its registered Rules.

### **Organisational Structure of Charity**

Heart of Scotstoun Limited is managed by an elected Committee which takes all strategic decisions and directs employed staff, including a centre manager, on the policies and practices which are to be used in the day-to-day running of the Heart of Scotstoun Community Centre.

### **Recruitment and Appointment of Committee Members**

The Committee members are also the charity trustees for the purposes of charity law. The maximum number of Committee members is 12. All members of the Committee stand down at each AGM and an election takes place.

### **Committee Member Induction and Training**

Committee members are already familiar with the practical work of the charity having been interviewed by existing Committee members and received appropriate training to familiarise themselves with the work of the organisation, its policies and practices.

### **Risk Management**

The Committee considers on a regular basis the major business and operational risks which the company faces, and monitors the measures which have been implemented to mitigate those risks through established reporting systems.

### **Relationships**

Key current relationships are with Dumbarton Road Corridor Environment Trust (DRCET) and the Big Lottery Fund. DRCET managed the construction of the Heart of Scotstoun Community Centre and is currently its legal owner, and Heart of Scotstoun Limited is expected to assume ownership by way of asset transfer during the coming financial year. The Big Lottery Fund was the main source of revenue grant support in 2012/13, assisting primarily with funding for operational staffing costs.

### **Equal Opportunities and Employees**

The Trust operates an Equal Opportunities Policy. During the financial period there were nine employees (average 3.5 full-time equivalent).

## **OBJECTIVES AND ACTIVITIES**

### **Purposes and objectives**

The company's objectives are as follows:

- To advance community development and regeneration by the establishment and management of a community centre.
- To provide recreational facilities and support the provision of recreational services for the benefit of the community and the public in general.
- To facilitate and encourage volunteering opportunities at the community centre.

## **ACHIEVEMENTS AND PERFORMANCE**

### **Centre Opening & Membership**

The Heart of Scotstoun Community Centre opened in May 2011 and has significantly increased its level of activity since then. Many users of the Centre also choose to become Heart of Scotstoun members, and there are now 640 in total.

**HEART OF SCOTSTOUN LIMITED**  
**COMMITTEE MEMBERS' REPORT FOR THE YEAR TO 1 APRIL 2013**

**Development of new Activities and Services**

Currently there are approximately 40 room uses at the centre each week, an increase of 30% compared to 2011/12:

- Heart of Scotstoun and its volunteers provide several types of weekly activity including three Parent and Toddlers sessions, a Seniors lunch and activity club, computer sessions and craft groups.
- Activities based in the Centre include many other free clubs and services run by a range of partner organisations, such as 'health walks', dance classes for children, youth sessions, seniors' arts & crafts, exercise sessions and advice on money issues.
- Other classes and activities have been developed by smaller local service providers and are provided either free or for a small charge. In addition rooms at the Centre are rented by various organisations, charities and local people for meetings, workshops and other uses.

**Café Facility**

Heart of Scotstoun now operates the café at the Centre, which will allow it to ensure that quality, training and other aspirations are in line with company objectives.

**Volunteering**

25 regular volunteers typically help each month in the centre supporting general duties, gardening and landscaping, catering, and helping to run activities.

**Assistance to Employment and Training**

Heart of Scotstoun continues to provide employment opportunities by way of funded placements and jobs for unemployed people. During the financial year eight individuals were employed on this basis, for varying periods.

**FINANCIAL REVIEW**

**Principal Funding Sources**

The principal funding sources for the charity are income generated from the hire of its facilities and also grant funding for short term staffing and specific projects. Sufficient income has been generated from room hires since the community centre opened to cover all building running costs apart from staffing. This underlines the importance of the ongoing support received from volunteers who help in the Centre.

**Financial Reserves**

It has been considered wise to plan on building up a small reserve for general operational contingencies, and £5,000 remains in a Building Maintenance Fund in readiness for future significant repairs and maintenance which may be required to the community centre. A small surplus of £2,658 was generated during the year and this has been held in the General Fund, to assist with meeting staffing costs for 2013/14.

**Investment Policy**

Most of the charity's funds require to be available for expenditure in the short term.

**FUTURE PLANS**

Heart of Scotstoun is looking forward to another year of growth, and to further expanding the range and number of services and opportunities it can offer to the local community, its volunteers and users of the Centre facilities.

On behalf of the Committee:

Maria Fletcher  
Chair  
16 October 2013

**INDEPENDENT EXAMINER'S REPORT  
ON THE ACCOUNTS OF  
HEART OF SCOTSTOUN LIMITED**

I report on the accounts of the charity for the year to 1 April 2013 which are set out on pages 5 to 9.

**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 Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does 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 independent examiner's statement**

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 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 and comply with Regulation 8 of the 2006 Accounts Regulations

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.

Stuart J Girvan BA CA  
Graham & Co. (Accountants) Ltd  
Chartered Accountants  
76 Dumbarton Road  
Clydebank  
Glasgow  
G81 1UG

16 October 2013

**HEART OF SCOTSTOUN LIMITED  
STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING INCOME & EXPENDITURE ACCOUNT)  
FOR THE YEAR TO 1 APRIL 2013**

	Notes	Unrestricted Funds 2013 £	Restricted Funds 2013 £	Total Funds 2013 £	Total Funds 2012 £
<b>INCOMING RESOURCES</b>					
<b>Incoming Resources from Generated Funds</b>					
Activities for generating funds					
- Income from hire of facilities		44,952	-	44,952	26,005
- Fundraising		1,069	-	1,069	616
Voluntary Income:					
- Grants received	2	-	77,331	77,331	71,035
- Donations		5	-	5	1,750
- Fund transfers from prior organisations		-	-	-	<u>1,122</u>
<b>Total Incoming Resources</b>		<b><u>46,026</u></b>	<b><u>77,331</u></b>	<b><u>123,357</u></b>	<b><u>100,528</u></b>
<b>RESOURCES EXPENDED</b>					
	3				
Charitable Activities	2	42,033	77,921	119,954	83,169
Governance Costs		<u>745</u>	-	<u>745</u>	<u>955</u>
<b>Total Resources Expended</b>		<b><u>42,778</u></b>	<b><u>77,921</u></b>	<b><u>120,699</u></b>	<b><u>84,124</u></b>
<b>Net Incoming Resources</b>	7	<b>3,248</b>	<b>(590)</b>	<b>2,658</b>	<b>16,404</b>
Total Funds Brought Forward		<u>9,371</u>	<u>7,033</u>	<u>16,404</u>	-
<b>Total Funds Carried Forward</b>		<b><u>12,619</u></b>	<b><u>6,443</u></b>	<b><u>19,062</u></b>	<b><u>16,404</u></b>

**HEART OF SCOTSTOUN LIMITED**  
**BALANCE SHEET AS AT 1 APRIL 2013**

	Notes	2013 £	2012 £
<b>CURRENT ASSETS</b>			
Debtors		17,901	6,502
Prepayments and accrued income		2,144	3,452
Cash at Bank and in hand		<u>12,051</u>	<u>16,298</u>
		<u>32,096</u>	<u>26,252</u>
<b>CURRENT LIABILITIES</b>			
Creditors & Accruals		<u>12,402</u>	<u>9,260</u>
<b>NET ASSETS</b>		<b><u>19,694</u></b>	<b><u>16,992</u></b>
<b>FINANCED BY:</b>			
<b>Funds</b>			
Paid-up Share Capital	6	632	588
General Fund	7	7,619	4,371
Building Maintenance Fund	7	5,000	5,000
Restricted Fund	7	<u>6,443</u>	<u>7,033</u>
		<b><u>19,694</u></b>	<b><u>16,992</u></b>

The committee members acknowledge their responsibilities for:

- (a) ensuring the charity keeps proper accounting records which comply with Section 29 of the Friendly and Industrial and Provident Societies Act 1968 (the Act) and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of each financial period and of its surplus or deficit for the financial period in accordance with the requirements of Section 3, and which otherwise comply with the requirements of the Act relating to the financial statements, so far as applicable to the charity.

These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Committee on 16 October 2013 and signed on its behalf by:

Clare Scott  
Treasurer

The notes on page 7 to 9 form part of these financial statements



**HEART OF SCOTSTOUN LIMITED  
NOTES TO THE ACCOUNTS  
FOR THE FOR THE YEAR TO 1 APRIL 2013**

**1. ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements are prepared under the historical cost convention, in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) Accounting and Reporting by Charities 2005 – Statement of Recommended Practice.

**Grants Received**

Grants received are treated as income in the year of receipt.

Grants received by other charities which fund the salaries and operational expenses of the community centre are included in both incoming and outgoing resources in the year in which the benefit is obtained. Comparative figures for 2012 have been restated to reflect this policy.

**Fund Accounting**

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

Designated funds are unrestricted funds earmarked by the Committee for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

**Incoming Resources**

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Resources Expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**2. GRANTS RECEIVED**

Big Lottery Fund grant funding of £47,401 received and administered by Dumbarton Road Corridor Environment Trust was used to pay staff costs and other operational expenses of the charity during the year (2012: £35,176 – as restated). This funding and the associated expenditure have been included within restricted funds.

**HEART OF SCOTSTOUN LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR TO 1 APRIL 2013**

**3. RESOURCES EXPENDED**

	<b>Charitable Activities 2013 £</b>	<b>Governance Costs 2013 £</b>	<b>Total Costs 2013 £</b>	<b>Total Costs 2012 £</b>
Direct costs of room hires	3,578	-	3,578	1,743
Cleaning	7,565	-	7,565	3,561
Electricity	7,288	-	7,288	3,570
Gas	2,689	-	2,689	2,512
Water	3,111	-	3,111	-
Building maintenance	3,820	-	3,820	462
Building supplies & services	2,651	-	2,651	999
Garden costs	1,821	-	1,821	-
Telecommunications	2,140	-	2,140	2,368
Insurance	5,530	-	5,530	1,072
Accounts & FSA fees	-	745	745	955
Office & administration costs	371	-	371	566
Volunteer costs	873	-	873	-
Postage	225	-	225	226
Publicity	299	-	299	124
Other costs	72	-	72	152
Opening events	-	-	-	276
Childcare project	-	-	-	520
DRCET Big Lottery Funding	47,401	-	47,401	35,176
SCVO: Community Jobs Scotland	17,817	-	17,817	7,202
GCC Area Committee	5,265	-	5,265	4,074
GCC NW Environment Programme	5,892	-	5,892	4,359
Community Food & Health	1,349	-	1,349	1,146
Forward Scotland: Sus-it-out	197	-	197	300
Culture & Sport Glasgow	-	-	-	1,970
Big Lottery Fund: Awards for All	-	-	-	10,000
Seniors' Club	-	-	-	350
Children's Activities Fund	-	-	-	441
	<b><u>119,954</u></b>	<b><u>745</u></b>	<b><u>120,699</u></b>	<b><u>84,124</u></b>

**4. REMUNERATION AND EXPENSES**

The Committee members received no remuneration, nor reimbursement of travel or subsistence costs.

In relation to the nine employees (average 3.5 full-time equivalent), staff costs inclusive of National Insurance amounted to £65,472 (2012: £42,389). No employee received remuneration of more than £60,000.

**5. TAXATION**

The Company is accepted as a charity for taxation purposes. It is considered that no liability to taxation will arise from the results for the year.

**HEART OF SCOTSTOUN LIMITED  
NOTES TO THE ACCOUNTS  
FOR THE YEAR TO 1 APRIL 2013**

**6. SHARE CAPITAL**

The shares of the Society have a nominal value of £1.00 each issued to persons upon admission to membership, and each member can hold one share only in the Society. Shares are neither transferable nor withdrawable, nor carry any right to interest, dividend or bonus. They are forfeited and cancelled on cessation of membership, and the amount paid becomes the property of the Society.

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Number of paid-up issued shares of £1	<b><u>632</u></b>	<b><u>588</u></b>

**7. MOVEMENTS IN FUNDS**

	<b>At 2 April 2012</b>	<b>Incoming Resources 2013</b>	<b>Outgoing Resources 2013</b>	<b>At 1 April 2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted Funds:</b>				
DRCET Big Lottery Funding	0	47,401	47,401	0
SCVO: Community Jobs Scotland	910	16,764	17,817	(143)
GCC Area Committee	1,331	8,059	5,265	4,125
GCC NW Environment Programme	2,018	4,950	5,892	1,076
Community Food & Health	1,349	0	1,349	0
Forward Scotland: Sus-it-out	1,200	0	197	1,003
Children's Activities Fund	<u>225</u>	<u>157</u>	<u>0</u>	<u>382</u>
	<b>7,033</b>	<b>77,331</b>	<b>77,921</b>	<b>6,443</b>
<b>Unrestricted Funds:</b>				
Building Maintenance Fund	5,000	0	0	5,000
General Fund	<u>4,371</u>	<u>46,026</u>	<u>42,778</u>	<u>7,619</u>

**8. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds 2013</b>	<b>Restricted Funds 2013</b>	<b>Total Funds 2013</b>	<b>Total Funds 2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fund balances at 1 April 2013 represented by:</b>				
Current assets	21,292	10,172	31,464	25,664
Current liabilities	<u>(8,673)</u>	<u>(3,729)</u>	<u>(12,402)</u>	<u>(9,260)</u>
	<b><u>12,619</u></b>	<b><u>6,443</u></b>	<b><u>19,062</u></b>	<b><u>16,404</u></b>