

Charity number: SC040314  
Company number: SC346142

Transition Town Forres Ltd

Report and Financial Statements  
For the period ended 31 March 2016

**Transition Town Forres Ltd**  
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**Transition Town Forres Ltd**  
**Directors Report for year ending 31 March 2016**

**Directors at 31 March 2016**

Name	Date Appointed	Office Held
Kristy Puplett	22/11/2014	Treasurer
Deborah Hockey	22/11/2014	Chair
Iain Findlay	22/07/2015	Secretary
Company Number	SC346142	
Scottish Charity Number	SC040314	
Registered Office	Forres Community Hub 20 Tolbooth Street Forres Moray IV36 1PH	
Accountant	Faith Simpson Chartered Certified Accountants First Floor, 74 – 76 South Street Elgin Moray IV30 1JG	
Banker	Triodos Bank Brunel House 11 The Promenade Bristol BS8 3NN	

**Transition Town Forres Ltd**  
**Financial Statements for the period ended 31 March 2016**

**Directors Report (cont.)**

**Governing Document**

The organisation is a charitable company limited by guarantee, incorporated on the 24<sup>th</sup> of July 2008 and recognised as a charity on 27 February 2009. 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.

**Risk Management**

Internal control mechanisms are in place, such as the countersigning of cheques and bank transactions. An income

and expenditure statement is produced monthly for the directors to be able to supervise the activities of the company.

### **Organisational structure**

Many of the day-to-day activities of TTF are taken forward within specific projects and “operational hubs”. Project leaders have responsibility for taking these forward within parameters set by the Board of Directors, to which the project leaders report.

The company is managed on a day to day basis by Project Leaders who report to the Board of Directors (meeting every month). The Board of Directors provide legal, strategic and financial governance. The role of the Board is to conduct the business for the Company in accordance with the statutory responsibilities of Directors as set out under the Companies Acts 1985-1989 and 2006. Its roles and responsibilities are set out in detail in TTF’s Memorandum and Articles of Association and include setting the company’s policy and strategic direction, and managing and overseeing the projection of its public image.

### **Objects and activities of the charity**

The charitable aims for which TTF Ltd is established are as stated in the company’s Memorandum of Association:

- a) the advancement of community development,
- b) the advancement of environmental protection and improvement, including the promotion of sustainable development.
- c) the advancement of education, and the promotion of health

Transition Town Forres has three overall strategic aims, which are:

- 1 To improve the situation and outlook of Forres as climate changes and fossil fuel supplies decline by fostering sustainability and resilience in the local community.
- 2 To foster positive planning to lift Forres out of fossil fuel dependency.
- 3 To encourage and promote health, choice and empowerment for the people of Forres and local community networks, within an ecologically and ethically grounded framework.

### **Achievements and Performance**

Thank you to all our current and past project holders and sessional workers for their commitment to support the people of Forres. Support in having a space to grow food, to cook freshly picked vegetables in creative ways, to have a warm clear space for holding events, to learn sewing skills and share stories. Thank you to our current and past Board of Directors for all their skills, input and willingness to keep Transition Town Forres Ltd operational and effective for coming up 9 years. Thank you to all our volunteers and supporters, and self-employed workers caring for our centre, the gardens and for all the work they do in Forres creating a more resilient future.

This financial year we successfully ran Reskilling/Upcycling Sewing classes with Marit and Terri through the second half of 2015 with grant funding received from Canny Wi Cash (TSI Moray) and Age Scotland. The classes brought a variety of different ages/abilities together to learn a skill and be together.

The ‘Food School’ successfully run and rebranded by Rob and Rosie to ‘Let’s Eat’ has yet again met its aims and objectives and delivered many ‘Confidence to Cook’ sessions funded by the Eat Canny Partnership, a contract received by NHS. Rob and Rosie have been successfully outreaching and creating workshops in collaboration with community-based groups interested in learning how to cook nutritious food economically. Some of these include Community Food Moray, Works and Pensions Department, Step by Step, BALL, Stepping Out, and Men’s Shed. Let’s Eat has been in the Forres Gazette many times sharing stories and celebrations of a fabulous team enjoying what they do.

We ran 2 Tattie Days, 1 at Tesco and the other at our centre, with many heritage potato varieties making their way to Forres homes and being harvested now! We purchased bulk Organic Compost for our community garden folks and

others to take advantage of savings and ensuring organic compost was spread around. Both these initiatives broke even financially.

We have been awarded funding from People's Health Trust to run free Wellbeing classes for specific postcode areas and ages in Forres. These will begin in 2016/17 and run for 2 years. Thank you to the original team who pulled together this funding application.

In addition to this, we are looking forward to working more with members, friends, partners and supporters to create a more formalised plan for Taking Transition Forward in Forres.

#### **Investment policy**

Aside from retaining a prudent amount in reserves each year most of the charity's funds are to be spent in the short term so there are few funds for long term investment.

#### **Financial Review**

During the year the charity received funding and donations totalling £15,810. Total resources expended were £47,377, resulting in a net deficit of £31,553. £27,703 of this expenditure was the depreciation charge for the year. Capital expenditure in the year amounted to £2,389.16 (see note 6 to the financial statements)

#### **Principal Funding Sources**

The main source of income for the charity has been grants.

#### **Reserves policy**

The board of directors has examined the charity's requirements for reserves in light of the main risks to the organisation. There is currently £90,638 of reserves which is primarily made up of assets (property improvements of £120,597 and debtors (prepaid lease) of £12,728. Actual cash held at bank at the year end totalled £16,660.

#### **Plans for the future**

TTF's plans for the future are to increase the use of the Environmental Education and Healthy Living Centre. There are now practical & educational programmes around healthy food. Focus will be placed on how to grow & cook local & seasonal food and to provide information on the impact of food for wellbeing.

#### **Responsibilities of the Board of Directors**

Company law requires the Board of Directors to prepare financial statements for each financial year which 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 incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Board of Directors should follow best practice and:

1. Make suitable accounting policies and apply them consistently;
2. Make judgements and estimates that are reasonable and prudent; and
3. Prepare the financial statements on the going concern basis unless it is inappropriate assume that the company will continue on that basis.

#### **Transition Town Forres Ltd**

#### **Directors Report for year ending 31 March 2016**

#### **Directors report (Cont.)**

The Board of Directors is also 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 they financial statements comply with the Companies Act 1985. The Board of Directors is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Reporting Accountant**

Faith Simpson, Chartered Certified Accountant, was appointed as the Reporting Accountant in the current year and has expressed her willingness to be reappointed at the AGM.

This report has been prepared in accordance with the Statement of Recommended Practise: Accounting and Reporting by Charities (issued March 2005) and in accordance with the special provisions of the Companies Act 2006 relating to companies subject to the small companies regime.

Approved by the Board of Directors on ..... and signed on its behalf by:

.....  
**Kristy Puplett, Treasurer**

## **Independent Examiner's Report to the Directors of Transition Town Forres Ltd**

I report on the accounts of the charity for the period ended 31 March 2016 which are set out on pages 6 to 11.

### **Respective responsibilities of directors and examiner**

The charity's directors 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. The charity directors 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 directors 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 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.

Faith Simpson  
Chartered Certified Accountant

First Floor  
74-76 South Street  
Elgin  
IV30 1JG

Transition Town Forres Ltd  
Statement of Financial Activities for the year ended 31 March 2016

		Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Total Funds 2015 £
<b>Incoming Resources</b>	<b>Notes</b>				
<b>Incoming Resources from generated funds:</b>					
<i>Voluntary income:</i>					
Donations and grants		170	-	170	170
<i>Activities for generating funds:</i>					
Investment Income		13	-	13	13
<b>Incoming Resources from charitable activities</b>					
Grants	2	-	2,200	2,200	28,491
Farmers Market		-	-	-	-
Other income		1,388	-	1,388	4,031
Event income		2,212	-	2,212	3,620
Crowd funding		-	-	-	-
<b>Total incoming resources</b>		<b>3,783</b>	<b>2,200</b>	<b>5,983</b>	<b>36,325</b>
<b>Resources expended</b>					
<b>Charitable activities</b>	3	3,923	42,988	46,911	53,598
<b>Governance costs</b>	4	-	-	-	499
<b>Total resources expended</b>		<b>3,923</b>	<b>42,988</b>	<b>46,911</b>	<b>54,097</b>
<b>Net incoming resources</b>		-	139	(40,788)	(40,928)
<b>Total funds brought forward</b>		23,133	116,877	122,191	140,010
<b>Total funds carried forward</b>		<b>22,994</b>	<b>76,089</b>	<b>81,263</b>	<b>122,191</b>

The statement of financial activities include all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.



**Transition Town Forres Ltd**  
**Balance sheet at 31 March 2016**

	Notes	2016 £	2015 £
<b>Fixed Assets</b>			
Tangible Assets	6	61,832	87,145
<b>Current Assets</b>			
Stock		300	115
Debtors	7	12,728	20,949
Cash at bank and in hand		16,660	14,747
		<u>29,688</u>	<u>35,811</u>
<b>Creditors: Amounts due within one year</b>	8	<u>883</u>	765
<b>Net current assets</b>		28,806	35,046
<b>Net Assets</b>		<u>90,638</u>	<u>122,191</u>
<b>Accumulated funds</b>			
Unrestricted Funds	9	30,063	30,203
Restricted Funds	9	51,200	91,989
		<u>81,264</u>	<u>122,191</u>

For the period ended 31 March 2016 the company was entitled to exemption under section 477 of the Companies Act 2006 and no notice has been deposited under section 476

The directors acknowledge their responsibilities for:

- i) Ensuring the company keeps accounting records which comply with section 386 of the Act, and
- ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the year end and of its profit or loss for the financial year in accordance with the requirements of sections 393 and 394 and which otherwise comply with the requirements of the Companies Act 2006 so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of the Companies Act 2006 relating to companies subject to the small companies regime.

These accounts were approved by the board on the .....and signed on its behalf  
by:

.....  
**Kristy Puplett**  
**Treasurer**

**Transition Town Forres Ltd**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2016**

**1 Accounting Policies**

**a Accounting convention**

The financial statements are prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (April 2008), the Companies Act 2006 And the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

**b Fund Accounting**

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

**c Incoming Resources**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary income is recorded on a cash received basis.

Investment income is included when receivable.

Incoming resources from charitable activities are accounted for when earned.

**d Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure is includes any vat which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Costs of managing and administering the charity represent costs incurred by finance, human resources, accounting, legal and other costs attributable to the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

**e Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Plant & Equipment	15% Straight Line
Fixtures & Fittings	15% Straight Line
Fencing	15% Straight Line

Transition Town Forres Ltd  
Notes to the Financial Statements  
For the period ended 31 March 2016

**2 Incoming Resources from activities to further the charity's objects**

	Unrestricted Funds	Restricted Funds	2016 £	2015 £
Grants received:				
NHS	-	-	-	12,325
Moray Council	-	-	-	1,000
Leader Funding	-	-	-	255
Canny wi cash	-	1,400	1,400	-
Age Scotland	-	800	800	-
HIE	-	-	-	14,911
	-	2,200	2,200	28,491

**3 Resources expended**  
**Charitable activities**

	Unrestricted Funds	Restricted Funds	2016 £	2015 £
Consumables	-	27	27	860
Materials	-	57	57	1,844
Heat & light	320	-	320	717
Event expenses	-	10,146	10,146	7,343
Project management	-	-	-	-
Consultation fees	-	-	-	2,568
Postage & stationery	-	246	246	620
Printing	-	347	347	-
Cleaning	598	-	598	-
Advertising & Marketing	-	827	827	1,655
Clothing	-	-	-	-
Legal & professional	13	-	13	207
Sundry	150	-	150	-
Training fees	-	-	-	842
Repairs & maintenance	1,081	-	1,081	849
Telephone	490	-	490	497
Insurance costs	1,024	-	1,024	940
Books & Subscriptions	30	-	30	664
Lease of land	-	3,636	3,636	3,636
Travel expenses	217	-	217	60
Depreciation	-	27,703	27,703	30,295
	3,923	42,988	46,911	53,598

**4 Governance Costs**

	Unrestricted Funds	Restricted Funds	2016 £	2015 £
Accountancy costs	440	-	440	456
Bank charges	26	-	26	43
	466	-	466	499

Transition Town Forres Ltd  
**Notes to the Financial Statements**  
For the period ended 31 March 2016

**5 Taxation**

As a charity, Transition Town Forres Limited is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

<b>6 Tangible Fixed Assets</b>	<b>Property Improvements</b>	<b>Fixtures &amp; Fittings</b>	<b>Plant &amp; Equipment</b>	<b>Total</b>
	£	£	£	£
<b>Cost</b>				
Brought forward	120,597	7,462	75,955	204,015
Additions	1,800	589	-	2,389
Disposals	-	-	-	-
At 31 March 2016	<u>122,397</u>	<u>8,052</u>	<u>75,955</u>	<u>206,404</u>
<b>Depreciation</b>				
Brought forward	57,023	5,088	54,759	116,870
Charge for year	18,063	1,155	8,484	27,703
Disposals	-	-	-	-
At 31 March 2016	<u>75,086</u>	<u>6,243</u>	<u>63,243</u>	<u>144,573</u>
<b>Net Book Value</b>				
At 31 March 2016	<u>47,311</u>	<u>1,808</u>	<u>12,712</u>	<u>61,832</u>
At 31 March 2015	<u>63,574</u>	<u>2,374</u>	<u>21,197</u>	<u>87,145</u>
<b>7 Debtors</b>			<b>2016</b>	<b>2015</b>
			£	£
Trade debtors			-	4,585
Other debtors			<u>12,728</u>	<u>16,364</u>
			<u>12,728</u>	<u>20,949</u>

Other debtors is made up of a payment made to the Moray Council in 2009 for £40,000 for the lease on the site for Transition Town Forres. This lease extends to 11 years and is being released to the Profit and loss account over this term.

<b>8 Creditors: Due in less than 1 year</b>	<b>2016</b>	<b>2015</b>
	£	£
Trade creditors	3	325
Other creditors	<u>880</u>	<u>440</u>
	<u>883</u>	<u>765</u>

**Transition Town Forres Ltd**  
**Notes to the Financial Statements**  
**For the period ended 31 March 2016**

<b>9 Movement in Funds</b>	<b>Balance b/f £</b>	<b>Incoming Resources £</b>	<b>Outgoing resources £</b>	<b>Balance c/f £</b>
<b>Restricted Funds</b>	91,989	2,200	(42,988)	51,200
<b>Unrestricted Funds</b>	30,203	3,783	(3,923)	30,063
<b>Total funds</b>	<u>122,191</u>	<u>5,983</u>	<u>(46,911)</u>	<u>81,264</u>

**Transition Town Forres Ltd**  
**Income and Expenditure Account**  
**For the period ended 31 March 2016**

	<b>2016</b>		<b>2015</b>
	£	£	£
<b>Income</b>			
Grants received		12,040	28,491
Garden fees and donations		828	1,222
Other donations		170	129
Event income		2,212	3,620
Training income		0	287
Venue Hire		560	2,522
Crowd funding		0	-
		<u>15,810</u>	<u>36,272</u>
<b>Expenditure</b>			
Consumables	27		860
Materials	57		1,844
Heat & Light	320		717
Event expenses	10,146		7,343
Project management	-		-
Consultancy costs	-		2,568
Postage & stationery	246		620
Printing	347		-
Cleaning	598		-
Advertising & Marketing	827		1,655
Training fees	-		842
Repairs & maintenace	1,081		849
Books & Subscriptions	30		664
Telephone costs	490		497
Clothing expenses	-		-
Insurance costs	1,024		940
Legal & professional costs	13		207
Accountancy costs	440		456
Bank charges	26		43
Lease payments	3,636		3,636
Sundry expenses	150		
Travel expenses	217		60
Refreshments	-		-
Deprecation	<u>27,703</u>		<u>30,295</u>
		47,377	54,097
Interest received		13	6
<b>(Deficit)/ Surplus For year</b>		<u>(31,553)</u>	<u>(17,819)</u>