

ECONOMIC DEVELOPMENT ASSOCIATION (SCOTLAND)

REPORT OF THE TRUSTEES AND UNAUDITED FINANCIAL STATEMENTS

For the year ended 31 MARCH 2017

Company Registration Number: SC199452

Charity Registration Number: SC029358

ECONOMIC DEVELOPMENT ASSOCIATION (SCOTLAND)

Contents	Page
Report of the Directors	1-4
Independent Examiner's Report	5
Income and Expenditure Account and Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8-11

**ECONOMIC DEVELOPMENT ASSOCIATION (SCOTLAND)
REPORT OF THE DIRECTORS
for the year ended 31 March 2017**

The trustees who are also directors of the charity for the purpose of the companies Act 2006, are pleased to present their annual report together, with the unaudited financial statements of the company for the year ending 31 March 2017. The company is also a registered charity .

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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).

Our purposes and activities

The purpose of the charity are to facilitate a substantial improvement in the effectiveness of economic development activity in Scotland through raising the knowledge, information and networks of those involved in all aspects of economic development.

Since devolution, the Economic Development Association Scotland (EDAS), has established itself as Scotland's foremost membership association for organisations and individuals that work in all aspects of economic development.

As a non-profit body run by a voluntary board of key economic development stakeholders, EDAS' core mission is to promote the learning, knowledge exchange, skills and networking of the broad economic development sector. Meanwhile its policy work ensures that key aspects of economic development are kept at the forefront of economic comment and debate. EDAS is committed to innovative and dynamic solutions to economic development challenges. EDAS is committed to innovative and dynamic solutions to economic development challenges.

Achievements and performance

EDAS' network of economic development professionals now extends to around 2500 members, 50 strategic partners, and a digital network of 6500+ key contacts and 1000+ Twitter followers, with an active website and LinkedIn community. In 2016 - 2017 our professional development events and courses engaged with 500+ practitioners.

Over the last year, with our members, we finalised and reported on the Association's policy analysis framework, A Route Map for Common Ambition for Scotland. The Route Map promoted the twin goals of enhanced productivity and equity, with particular focus on three key policy areas: innovation, internationalisation and skills. The Strategy was developed and informed by EDAS members from the private, public and third sectors, reflecting the diversity and complexity of the economic development agenda. The outcomes were presented at the first joint conference for the economic development community in Scotland, co-produced with the Scottish Local Authorities Economic Development Group.

Final outputs and key messages are being presented for consideration at events and activities throughout Scotland.

Financial Review

The organisation had a surplus in year of £2,479 (2015: Deficit £22,507).

In relation to reserves, the directors have considered that the ideal level of unrestricted reserves would be sufficient to cover six months operating costs. At the year end, the reserves were £35,888 and the directors are of the opinion that this is sufficient for the organisation.

ECONOMIC DEVELOPMENT ASSOCIATION (SCOTLAND)
REPORT OF THE DIRECTORS
for the year ended 31 March 2017

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 aims and objectives.

Risk Management

The directors have considered the major strategic business operational risks which the company faces and are in the process of developing systems to ensure that risks to the charity are minimised.

Plans for future periods

Whatever the current political and economic climate brings, the EDAS Route Map outcomes remain relevant to our work with members and wider networks. Moving into a new financial year, we aim to build on this, developing a refreshed strategy. In doing so, we will engage closely with members to better understand concerns and identify opportunities.

We will continue to engage through member consultation, events and a key conference attended by senior economic development professionals, in order to get feedback on how members are seeing the future and what the biggest challenges are that EDAS might help to address and where we can offer support.

Structure, governance and management

Governing Document

Economic Development Association (Scotland) is a company limited by guarantee and the company is governed by its Memorandum and Articles of Association under the Companies Act 2006. The management of the company and its investment policy are the responsibility of the trustees who are elected under the terms of the Articles of Association.

Appointment, induction and training of trustees

The charity ensures that new directors have skills that will complement the existing structure of the board and has the following procedures in place to ensure adequate training and induction is given.

As set out in the Articles of Association the maximum number of directors is fifteen; out of that number the maximum number of elected directors is thirteen and the maximum number of co-opted directors is two.

A member may nominate themselves or another for consideration for election as a director. The election process will take place at the Annual General Meeting.

The directors may at any time appoint any member (providing he/she is willing to act) to be a director, either to fill a vacancy or as an additional director.

All current directors are familiar with the practical work of the charity and received an induction pack which includes:

- The legal responsibilities of a Board member
- EDAS history, aims and objectives
- Memorandum and Articles of Association
- Most recent EDAS Progress Report and Forward Plan
- Most recent annual statutory accounts
- Membership list
- List of trustees and contact information
- Current management accounts
- Recent Board minutes.

**ECONOMIC DEVELOPMENT ASSOCIATION (SCOTLAND)
REPORT OF THE DIRECTORS
for the year ended 31 March 2017**

Structure, governance and management (contd)

Organisation

The directors present their report with the financial statements of the charity for the year ended 31 March 2017. The directors have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Reference and Administrative details

Management Structure

The directors who served during the year were as follows:

Irene Bell (resigned on 17 June 2016)
Ishabel Bremner (co-opted)
Vivienne Brown (resigned on 17 June 2016)
Stuart Black (appointed on 26th August 2016)
Suzanne Hamilton
Fiona Fraser (appointed on 26th August 2016)
Geoff Leask
Susan Love
Elizabeth Miller-McEntee
Giuseppe Luigi Pacitti (resigned on 26 August 2016)
Robert Pollock
Ian Davison Porter
Taylor Stewart
Donald Jarvie (appointed on 26th August 2016)
Charles Woods (co-opted)
Hazel Mackie (appointed on 26th August 2016)
Kerry Keane

Company Secretary Elaine Bone

**Registered office and
Principal office** 10 Fordyce Way
Auchterarder
Perthshire
PH3 1BE

Registered Number SC199452

Charity Number SC029358

ECONOMIC DEVELOPMENT ASSOCIATION (SCOTLAND)
REPORT OF THE DIRECTORS
for the year ended 31 March 2017

Related parties

None of the directors receive remuneration or other benefit from their work with the charity. Any connection between a director of the charity with a supplier or contractor must be disclosed to the full board of directors in the same way as any other contractual relationship with the related party. The directors should then withdraw from decisions where a conflict of interest arises. In the current year there were no such related party transactions to report.

Statement of responsibilities of the Board of Directors

Company and charity law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the surplus deficit of the company for that period. In preparing the financial statements, the directors 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;
- state whether applicable UK accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The directors 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 Charities and Trustee Investment (Scotland) Act 2005, and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and 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 subject to the small regime as set out within Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS102).

Robert Pollock
Chair

Date: 24 August 2017

ECONOMIC DEVELOPMENT ASSOCIATION (SCOTLAND)

INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF ECONOMIC DEVELOPMENT ASSOCIATION (SCOTLAND)

I report on the financial statements of the charity for the year ended 31 March 2017 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the balance sheet and the related notes.

Respective responsibilities of directors and examiner

The directors 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 directors consider that the audit requirement 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 Act and to state whether particular matter have come to my attention.

Basis of the independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts (Scotland) 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 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

Date: 24 August 2017

ECONOMIC DEVELOPMENT ASSOCIATION (SCOTLAND)
STATEMENT OF FINANCIAL ACTIVITIES
for the year end 31 March 2017

		2017	2017	2016
		Unrestricted	Total funds	Total funds
	Notes	funds	£	£
		£	£	£
Income				
Charitable activities	2	89,835	89,835	58,863
Investment Income	3	13	13	18
Total Income		<u>89,848</u>	<u>89,848</u>	<u>58,881</u>
Expenditure				
Charitable activities	4	<u>87,369</u>	<u>87,369</u>	<u>81,388</u>
Total expenditure		<u>87,369</u>	<u>87,369</u>	<u>81,388</u>
Net income/(expenditure) and net movement in funds for the year		2,479	2,479	(22,507)
Reconciliation of funds				
Total funds brought forward		33,409	33,409	55,916
Total funds carried forward		<u><u>35,888</u></u>	<u><u>35,888</u></u>	<u><u>33,409</u></u>

ECONOMIC DEVELOPMENT ASSOCIATION (SCOTLAND)
BALANCE SHEET
at 31 March 2017

	Notes	2017 Total funds £	2016 Total funds £
Current assets			
Bank		35,297	41,548
Debtors	6	<u>7,037</u>	<u>14,365</u>
		42,334	55,913
Current Liabilities			
Creditors: amounts falling due within one year	7	<u>6,446</u>	<u>22,504</u>
		6,446	22,504
Net current assets		<u>35,888</u>	<u>33,409</u>
Total assets less current liabilities		35,888	33,409
NET ASSETS		<u><u>35,888</u></u>	<u><u>33,409</u></u>
The funds of the charity:			
Unrestricted funds	8	35,888	33,409
TOTAL FUNDS		<u><u>35,888</u></u>	<u><u>33,409</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.

For the financial year ended 31 March 2017, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. 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:

Robert Pollock
Chair
Date: 24 August 2017

The notes form an integral part of these financial statements

ECONOMIC DEVELOPMENT ASSOCIATION (SCOTLAND)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2017

1 Accounting policies

Basis of preparation

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 applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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.

Changes 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 year.

Income

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

Income from charitable activities

Income is from membership and events raised from government or public authorities and other parties which fund the provision of particular goods or services.

Expenditure

Expenditure is recognised once that is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

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.

ECONOMIC DEVELOPMENT ASSOCIATION (SCOTLAND)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2017

Accounting policies
Expenditure (contd)

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.

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 Accounting and Reporting by Charities Statement of Recommended Practice Charities SORP (FRS102).

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.

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

	2017	2016
	£	£
Unrestricted funds		
Seminars and Courses	60,377	35,979
Membership	29,458	22,884
	<u>89,835</u>	<u>58,863</u>

ECONOMIC DEVELOPMENT ASSOCIATION (SCOTLAND)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2017

3 INVESTMENT INCOME

	2017	2016
	£	£
Bank interest	<u>13</u>	<u>18</u>

4 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted	Unrestricted
	Total	Total
	2017	2016
	£	£
Administration fees	34,963	37,494
Seminar and course expenses	40,466	34,994
Telephone	1,613	1,669
Marketing	149	-
Website expenses	1,235	1,885
Travel	2,898	1,606
Office expenses	1,034	1,572
Bank charges	243	108
Subscriptions	285	35
Insurance	635	727
Accountancy	3,848	1,298
	<u>87,369</u>	<u>81,388</u>

5 GOVERNANCE COSTS

	2017	2016
	£	£
Costs of independent examination	<u>1,298</u>	<u>1,298</u>

6 DEBTORS

	2017	2016
	£	£
Trade debtors	6,701	14,365
Other debtors	336	-
	<u>7,037</u>	<u>14,365</u>

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	5,161	3,400
Bank overdraft	-	15,931
Other creditors	-	1,888
Accruals	1,285	1,285
	<u>6,446</u>	<u>22,504</u>

ECONOMIC DEVELOPMENT ASSOCIATION (SCOTLAND)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2017

8 ANALYSIS OF CHARITABLE FUNDS

Analysis of movement in unrestricted funds

	2016	Income	Expenditure	At 31 March
	£		£	2017
				£
Unrestricted funds				
General fund	33,409	89,848	(87,369)	35,888

Name of unrestricted fund 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.

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

	Incoming resources	Resources expended	Net movement in funds
	£	£	£
Unrestricted funds			
General fund	89,848	(87,369)	2,479
TOTAL FUNDS	<u>89,848</u>	<u>(87,369)</u>	<u>2,479</u>

9 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	2017 Total Funds	2016 Total Funds
	£	£	£
Cash at bank and in hand	35,297	35,297	25,617
Net current assets	591	591	7,792
	<u>35,888</u>	<u>35,888</u>	<u>33,409</u>