

Economic Development Association (Scotland)

Charity No. SC029358

Company No. SC199452

Trustees' Report and Unaudited Accounts

31 March 2018

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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 2018. 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).

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. SC199452

Charity No. SC029358

Registered Office

10 Fordyce Way
Auchterader
PH3 1BE

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:

D.M. Baxter	(Appointed on 22 February 2018)
S. Black	
I.J. Bremner	Co-opted
I. Davison Porter	(Resigned 14 November 2017)
N. Douglas	(Appointed on 22 February 2018)
F.R. Fraser	
S. Hamilton	
D.I. Jarvie	
K. Keane	(Resigned 15 May 2017)
G.J. Leask	
S. Love	
H.A. Mackie	
E. Mearns	
E. Miller-McEntee	
R. Pollock	
T.R. Stewart	
C. Woods	Co-opted

Company Secretary

E. Bone

Accountants

Soroban
20-23 Woodside Place
Glasgow
G3 7QL

OBJECTIVES AND ACTIVITIES

The purpose of the charity is to facilitate an improvement in the effectiveness of the economic development community in Scotland through raising the sharing of information, improving skills and knowledge, and developing the networks of those involved in the varied aspects of economic development.

The Economic Development Association Scotland (EDAS) has established itself as Scotland's foremost membership association for organisations and individuals that work in a wide range of economic development functions.

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 agenda are kept at the forefront of economic consideration, comment and debate.

ACHIEVEMENTS AND PERFORMANCE

EDAS' Scotland wide cross sector network of economic development professionals extends to circa 2500 members; strategic partnerships include Highlands and Islands Enterprise, Scottish Enterprise, Skills Development Scotland, SLAED and Scottish Government; and the organisation has a digital footprint of circa 2000+.

In 2017, our professional development events and courses engaged with 500+ practitioners. In addition, EDAS piloted a new course on Monitoring and Evaluation, complementing our existing courses: an Introduction to Economic Development and an Update on Policy and Practice.

Wide ranging policy topics were covered across our learning events and conferences, including, internationalisation; innovation; skills development; the labour market; spatial policy; wealth creation and productivity; sustainable and inclusive growth; and Brexit.

Events extended across central and Highland Scotland, as well as livestreaming when practicable.

Moving into 2017 – 2018, the EDAS Board has built on its previous policy work, the Route Map for Common Ambition, developing a refreshed strategy; and engaged members to understand concerns and identify opportunities.

FINANCIAL REVIEW

The organisation had a surplus in year of £2,902 (2017: £2,479).

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 £38,790 (2017: £35,888) and the directors are of the opinion that this is sufficient for the organisation.

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.

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.

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

The Board strategic review and member engagement exercise, identified a policy focus for 2018 – 2019 as Brexit, Inclusive Growth and Regional Development.

Brexit

Building on our previous work relating to internationalisation and Scotland's place in the world, EDAS is exploring the impact of Brexit on our economy, trade and investment, economic development funding and specific geographies and industries. This programme of activity is being taken forward with input from a range of stakeholders, including the Government's Chief Economic Adviser, Fraser of Allander Institute, SLAED, trade experts and EDAS members.

Inclusive Growth

Utilising our extensive policy and practitioner network, EDAS has established an Inclusive Growth Community of Practice (CoP). The CoP will allow policy makers and practitioners to explore how best to deliver activities that promote this key government objective. EDAS will also be delivering related CPD training. This initiative is aligned with the Government's Scottish Centre for Regional Inclusive Growth.

Regional Development and Deal Making

As more of the economic development agenda is guided by city, growth and industry deals, EDAS is exploring the implications for policy and practice in Scotland. An event is being undertaken in partnership with the IED to consider the lessons from England, whilst another event will consider the lessons for Scottish industrial policy in the context of national and international experiences.

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.

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

R. Pollock

Trustee

23 August 2018

Independent Examiner's Report to the trustees of Economic Development Association (Scotland)

I report on the accounts of Economic Development Association (Scotland) 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 Account (Scotland) Regulations 2006. The trustees consider that an 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 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
Soroban
20-23 Woodside Place
Glasgow
G3 7QL
23 August 2018

Economic Development Association (Scotland)

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2018

	Notes	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income and endowments from:				
Charitable activities	3	69,587	69,587	89,835
Investments	4	10	10	13
Total		69,597	69,597	89,848
Expenditure on:				
Charitable activities	5	56,052	56,052	76,863
Other	6	10,643	10,643	10,506
Total		66,695	66,695	87,369
Net gains on investments		-	-	-
Net income		2,902	2,902	2,479
Net income before other gains/(losses)		2,902	2,902	2,479
Other gains and losses:				
Net movement in funds		2,902	2,902	2,479
Reconciliation of funds:				
Total funds brought forward		35,888	35,888	33,409
Total funds carried forward		38,790	38,790	35,888

Economic Development Association (Scotland)
SUMMARY INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 March 2018

	2018 £	2017 £
Income	69,587	89,835
Interest and investment income	10	13
Gross income for the year	<u>69,597</u>	<u>89,848</u>
Expenditure	66,695	87,369
Total expenditure for the year	<u>66,695</u>	<u>87,369</u>
Net income before tax for the year	2,902	2,479
Net income for the year	<u><u>2,902</u></u>	<u><u>2,479</u></u>

Economic Development Association (Scotland)

BALANCE SHEET

at 31 March 2018

Company No.	SC199452	Notes	2018 £	2017 £
Current assets				
Debtors		7	5,471	7,037
Cash at bank and in hand			48,229	35,297
			<u>53,700</u>	<u>42,334</u>
Creditors: Amount falling due within one year		8	(14,910)	(6,446)
Net current assets			38,790	35,888
Total assets less current liabilities			38,790	35,888
Net assets excluding pension asset or liability			38,790	35,888
Total net assets			<u>38,790</u>	<u>35,888</u>
The funds of the charity				
Unrestricted funds				
General funds		9	38,790	35,888
			<u>38,790</u>	<u>35,888</u>
Total funds			<u>38,790</u>	<u>35,888</u>

These accounts have been prepared 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 23 August 2018

And signed on its behalf by:

R. Pollock and D.I. Jarvie
Trustee
23 August 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.

Fund accounting

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

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.

Volunteer help The value of any volunteer help received is not included in the accounts.

Investment income This is included in the accounts when receivable.

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 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.

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.

NOTES TO THE ACCOUNTS

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.

3 Income from charitable activities

	Unrestricted	Total 2018	Total 2017
	£	£	£
Seminars and Courses	36,160	36,160	60,377
Membership	33,427	33,427	29,458
	<u>69,587</u>	<u>69,587</u>	<u>89,835</u>

4 Income from investments

	Unrestricted	Total 2018	Total 2017
	£	£	£
Bank interest	10	10	13
	<u>10</u>	<u>10</u>	<u>13</u>

Economic Development Association (Scotland)
NOTES TO THE ACCOUNTS

5 Expenditure on charitable activities

	Unrestricted	Total	Total
		2018	2017
	£	£	£
<i>Expenditure on charitable activities</i>			
Seminars and Courses	27,637	27,637	40,466
Administration fees	27,120	27,120	34,963
Marketing	-	-	149
<i>Governance costs</i>			
Independent examiner's fee	1,295	1,295	1,285
	<u>56,052</u>	<u>56,052</u>	<u>76,863</u>

6 Other expenditure

	Unrestricted	Total	Total
		2018	2017
	£	£	£
Motor and travel costs	1,925	1,925	2,898
General administrative costs	4,005	4,005	5,045
Legal and professional costs	4,713	4,713	2,563
	<u>10,643</u>	<u>10,643</u>	<u>10,506</u>

7 Debtors

	2018	2017
	£	£
Trade debtors	5,237	6,701
Other debtors	234	336
	<u>5,471</u>	<u>7,037</u>

8 Creditors:
amounts falling due within one year

	2018	2017
	£	£
Trade creditors	11,687	5,161
Other creditors	500	-
Accruals and deferred income	2,723	1,285
	<u>14,910</u>	<u>6,446</u>

NOTES TO THE ACCOUNTS

9 Movement in funds

	At 1 April 2017	Incoming resources (including other gains/losses) £	Resources expended £	At 31 March 2018 £
Unrestricted funds:				
General funds	35,888	69,597	(66,695)	38,790
Revaluation Reserves:				
Total funds	<u>35,888</u>	<u>69,597</u>	<u>(66,695)</u>	<u>38,790</u>

10 Analysis of net assets between funds

	Unrestricted funds £	Total £
Net current assets	38,790	38,790
	<u>38,790</u>	<u>38,790</u>

11 Related party disclosures

Controlling party

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

Economic Development Association (Scotland)
 DETAILED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2018

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income and endowments from:			
Charitable activities			
Seminars and Courses	36,160	36,160	60,377
Membership	33,427	33,427	29,458
	<u>69,587</u>	<u>69,587</u>	<u>89,835</u>
Investments			
Bank interest	10	10	13
	<u>10</u>	<u>10</u>	<u>13</u>
Total income and endowments	69,597	69,597	89,848
Expenditure on:			
Charitable activities			
Seminars and Courses	27,637	27,637	40,466
Administration fees	27,120	27,120	34,963
Marketing	-	-	149
	<u>54,757</u>	<u>54,757</u>	<u>75,578</u>
Governance costs			
Independent examiner's fee	1,295	1,295	1,285
	<u>1,295</u>	<u>1,295</u>	<u>1,285</u>
Total of expenditure on charitable activities	56,052	56,052	76,863
Motor and travel costs			
Travel and subsistence	1,925	1,925	2,898
	<u>1,925</u>	<u>1,925</u>	<u>2,898</u>
General administrative costs, including depreciation and amortisation			
Bad debts	398	398	-
Bank charges	233	233	243
General insurances	506	506	635
Software, IT support and related costs	1,135	1,135	1,235
Subscriptions	35	35	285
Sundry expenses	108	108	1,034
Telephone, fax and broadband	1,590	1,590	1,613
	<u>4,005</u>	<u>4,005</u>	<u>5,045</u>
Legal and professional costs			
Accountancy and bookkeeping	3,838	3,838	2,563
Other legal and professional costs	875	875	-
	<u>4,713</u>	<u>4,713</u>	<u>2,563</u>

Economic Development Association (Scotland)
DETAILED STATEMENT OF FINANCIAL ACTIVITIES

Total of expenditure of other costs	<u>10,643</u>	<u>10,643</u>	<u>10,506</u>
Total expenditure	<u>66,695</u>	<u>66,695</u>	<u>87,369</u>
Net income	<u>2,902</u>	<u>2,902</u>	<u>2,479</u>
Net income before other gains/(losses)	<u>2,902</u>	<u>2,902</u>	<u>2,479</u>
Net movement in funds	<u><u>2,902</u></u>	<u><u>2,902</u></u>	<u><u>2,479</u></u>