

Economic Development Association (Scotland)

Charity No. SC029358

Company No. SC199452

Trustees' Report and Unaudited Accounts

31 March 2019

	Pages
Trustees' Annual Report	2 to 5
Independent Examiner's Report	6
Statement of Financial Activities	7
Summary Income and Expenditure Account	8
Balance Sheet	9
Notes to the Accounts	10 to 14
Detailed Statement of Financial Activities	15 to 16

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 March 2019.

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

Principal & 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:

Charles Woods	Co - opted
Christopher Kelly	(Appointed on 11 December 2018)
David Baxter	(Resigned 21 January 2019)
Donald Jarvie	
Elizabeth Miller-McEntee	
Ewan Mearns	
Fiona Fraser	(Resigned 31 July 2018)
Geoff Leask	(Resigned 12 June 2018)
Hannah Smith	(Appointed on 11 December 2018)
Hazel Mackie	
Ishabel Bremner	Co - opted
Linda Christie	(Appointed on 29 April 2019)
Nicola Douglas	
Robert Pollock	
Stuart Black	
Susan Love	
Suzanne Hamilton	
Taylor Stewart	

Company Secretary

Elaine 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 the sharing of information, improving skills and knowledge by developing relevant events and courses. Developing the networks of those involved in the varied aspect 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 wide range of economic development functions.

As a non-profit body run by a voluntary board of economic development stakeholders, the core mission of EDAS 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 the economic development agenda are kept at the forefront of economic consideration, comment and debate.

ACHIEVEMENTS AND PERFORMANCE

EDAS's 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 and Scottish Government; and the organisation has a digital footprint of circa 2000+.

In 2018, our professional development events and courses engaged with 500+ practitioners. EDAS piloted a new course on Inclusive Growth, complementing our existing courses: an Introduction to Economic Development and Appraisal, Monitoring and Evaluation; working together with new partner providers, University of Glasgow and University of Strathclyde's, Fraser of Allander Institute.

Three core policy topics were covered across our learning events and conferences – Brexit, Inclusive Growth; and Regional Development.

Events extended across Central and Highland Scotland, as well as being offered via live streaming when practicable.

FINANCIAL REVIEW

The organisation had a surplus in year of £14,468 (2018: £2,902). The surplus arose on unrestricted reserves, there was no surplus or deficit on restricted reserves (2018:0).

In relation to reserves, the trustees have considered that the ideal level of unrestricted reserves would be sufficient to cover six months operating costs. EDAS has taken the opportunity during the year to further strengthen its reserves position and they now stand at £53,258 (2018: £38,790) and the trustees 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 trustees 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 has identified a continuing policy focus of Brexit, Inclusive Growth and Regional Development.

Brexit

Building on our previous work, EDAS is exploring the impact of Brexit on the 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 Fraser of Allander Institute, local authorities, enterprise and skills agencies, 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 allows policy makers and practitioners to explore how best to deliver activities that promote this key government objective.

We will continue to deliver on areas of interest in the wider inclusive growth agenda, as well as delivering regionally focussed CPD and knowledge exchange opportunities on behalf of Scottish Government's Centre for Regional Inclusive Growth - we are grateful for their ongoing support.

Regional Development

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. We are working with Scottish Futures Trust and other key agencies considering 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

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.

The charity ensures that new trustees 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 trustees is fifteen; out of that number the maximum number of elected trustees is thirteen and the maximum number of co-opted trustees is two.

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

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

The Trustees 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 Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Robert Pollock
Chair
12 September 2019

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 2019 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 Accounts (Scotland) Regulations 2006. The trustees consider that an audit is not required for this year under Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under s.44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005;
- 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

20-23 Woodside Place

Glasgow

G3 7QL

12 September 2019

Economic Development Association (Scotland)

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2019

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income and endowments from:					
Donations and legacies	4	-	20,000	20,000	-
Charitable activities	5	82,506	-	82,506	69,587
Investments	6	51	-	51	10
Total		82,557	20,000	102,557	69,597
Expenditure on:					
Charitable activities	7	56,440	20,000	76,440	56,052
Other	8	11,649	-	11,649	10,643
Total		68,089	20,000	88,089	66,695
Net gains on investments		-	-	-	-
Net income		14,468	-	14,468	2,902
Net income before other gains/(losses)		14,468	-	14,468	2,902
Other gains and losses:					
Net movement in funds		14,468	-	14,468	2,902
Reconciliation of funds:					
Total funds brought forward		38,790	-	38,790	35,888
Total funds carried forward		53,258	-	53,258	38,790

Economic Development Association (Scotland)
SUMMARY INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 March 2019

	2019 £	2018 £
Income	102,506	69,587
Interest and investment income	51	10
Gross income for the year	<u>102,557</u>	<u>69,597</u>
Expenditure	88,089	66,695
Total expenditure for the year	<u>88,089</u>	<u>66,695</u>
Net income before tax for the year	14,468	2,902
Net income for the year	<u><u>14,468</u></u>	<u><u>2,902</u></u>

Economic Development Association (Scotland)

BALANCE SHEET

at 31 March 2019

Company No.	SC199452	Notes	2019 £	2018 £
Current assets				
Debtors		9	10,635	5,471
Cash at bank and in hand			55,908	48,229
			<u>66,543</u>	<u>53,700</u>
Creditors: Amount falling due within one year		10	(13,285)	(14,910)
Net current assets			53,258	38,790
Total assets less current liabilities			53,258	38,790
Net assets excluding pension asset or liability			53,258	38,790
Total net assets			<u>53,258</u>	<u>38,790</u>
The funds of the charity				
Unrestricted funds				
General funds		11	53,258	38,790
Total funds			<u>53,258</u>	<u>38,790</u>

The trustees have prepared the accounts in accordance with section 44 of the Charities and Trustee Investment (Scotland) Act 2005 and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the year ended 31 March 2019 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 12 September 2019

And signed on its behalf by:

Robert Pollock
Chair
12 September 2019

Donald Jarvie
Trustee

for the year ended 31 March 2019

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.

Economic Development Association (Scotland) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transition value unless otherwise stated in the relevant accounting policy.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires directors to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the information of estimates. Actual outcomes in the future could differ from such estimates.

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.

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 charitable company's net asset position and expected future incoming resources, they consider it appropriate to prepare the financial statements on the going concern basis.

Fund accounting

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

Restricted funds These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

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 on charitable activities Income raised from the facilitation of improving the effectiveness of the economic development community in Scotland through membership, relevant courses and seminars.

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.

NOTES TO THE ACCOUNTS

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.

Grants payable All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.

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.

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 the Financial Reporting Standard FRS 102 Charity SORP.

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.

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.

NOTES TO THE ACCOUNTS

3 Statement of Financial Activities - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Income and endowments from:			
Charitable activities	69,587	-	69,587
Investments	10	-	10
Total	<u>69,597</u>	<u>-</u>	<u>69,597</u>
Expenditure on:			
Charitable activities	56,052	-	56,052
Other	10,643	-	10,643
Total	<u>66,695</u>	<u>-</u>	<u>66,695</u>
Net income	<u>2,902</u>	<u>-</u>	<u>2,902</u>
Net income before other gains/(losses)	<u>2,902</u>	<u>-</u>	<u>2,902</u>
Net movement in funds	<u>2,902</u>	<u>-</u>	<u>2,902</u>
Reconciliation of funds:			
Total funds brought forward	35,888	-	35,888
Total funds carried forward	<u>38,790</u>	<u>-</u>	<u>38,790</u>

4 Income from donations and legacies

	Restricted £	Total 2019 £	Total 2018 £
Inclusive Growth Community of Practice	20,000	20,000	-
	<u>20,000</u>	<u>20,000</u>	<u>-</u>

5 Income from charitable activities

	Unrestricted £	Total 2019 £	Total 2018 £
Seminars , Courses and Conferences	50,975	50,975	36,160
Membership	31,531	31,531	33,427
	<u>82,506</u>	<u>82,506</u>	<u>69,587</u>

6 Income from investments

	Unrestricted	Total 2019	Total 2018
	£	£	£
Bank interest	51	51	10
	<u>51</u>	<u>51</u>	<u>10</u>

7 Expenditure on charitable activities

	Unrestricted	Restricted	Total 2019	Total 2018
	£	£	£	£
<i>Expenditure on charitable activities</i>				
Seminars , Courses and Conferences	32,431	5,000	37,431	27,637
Administration fees	22,714	15,000	37,714	27,120
<i>Governance costs</i>				
Independent examiner's fee	1,295	-	1,295	1,295
	<u>56,440</u>	<u>20,000</u>	<u>76,440</u>	<u>56,052</u>

8 Other expenditure

	Unrestricted	Total 2019	Total 2018
	£	£	£
Travel and subsistence	2,068	2,068	1,925
General administrative costs	4,448	4,448	4,005
Legal and professional costs	5,133	5,133	4,713
	<u>11,649</u>	<u>11,649</u>	<u>10,643</u>

9 Debtors

	2019	2018
	£	£
Trade debtors	10,635	5,237
Other debtors	-	234
	<u>10,635</u>	<u>5,471</u>

10 Creditors:
amounts falling due within one year

	2019	2018
	£	£
Trade creditors	6,834	11,687
Other creditors	3,229	500
Accruals and deferred income	3,222	2,723
	<u>13,285</u>	<u>14,910</u>

NOTES TO THE ACCOUNTS

11 Movement in funds

	At 1 April 2018	Incoming resources (including other gains/losses) £	Resources expended £	Gross transfers £	At 31 March 2019 £
Restricted funds:					
Restricted income funds:					
Inclusive Growth Community of Practice	-	20,000	(20,000)	-	-
<i>Total</i>	<u>-</u>	<u>20,000</u>	<u>(20,000)</u>	<u>-</u>	<u>-</u>
Unrestricted funds:					
General funds	38,790	82,557	(68,089)	-	53,258
Revaluation Reserves:					
Total funds	<u>38,790</u>	<u>102,557</u>	<u>(88,089)</u>	<u>-</u>	<u>53,258</u>

Purposes and restrictions in relation to the fund:

Restricted funds:

Inclusive Growth Community Of Practice Funds from the Scottish Government to enable the company to develop both a continuous professional development course and a series of internet resources to be used by EDAS (Economic Development Association (Scotland))members and others.

12 Analysis of net assets between funds

	Unrestricted funds £	Total £
Net current assets	53,258	53,258
	<u>53,258</u>	<u>53,258</u>

13 Related party disclosures

Travel and subsistence expenses of £652 were paid to four trustees in the year (2018: £475)

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 2019

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income and endowments from:				
Donations and legacies				
Inclusive Growth Community of Practice	-	20,000	20,000	-
	<u>-</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Charitable activities				
Seminars , Courses and Conferences	50,975	-	50,975	36,160
Membership	31,531	-	31,531	33,427
	<u>82,506</u>	<u>-</u>	<u>82,506</u>	<u>69,587</u>
Investments				
Bank interest	51	-	51	10
	<u>51</u>	<u>-</u>	<u>51</u>	<u>10</u>
Total income and endowments	82,557	20,000	102,557	69,597
Expenditure on:				
Charitable activities				
Seminars , Courses and Conferences	32,431	5,000	37,431	27,637
Administration fees	22,714	15,000	37,714	27,120
	<u>55,145</u>	<u>20,000</u>	<u>75,145</u>	<u>54,757</u>
Governance costs				
Independent examiner's fee	1,295	-	1,295	1,295
	<u>1,295</u>	<u>-</u>	<u>1,295</u>	<u>1,295</u>
Total of expenditure on charitable activities	56,440	20,000	76,440	56,052
Motor and travel costs				
Travel and subsistence	2,068	-	2,068	1,925
	<u>2,068</u>	<u>-</u>	<u>2,068</u>	<u>1,925</u>
General administrative costs, including depreciation and amortisation				
Bad debts	-	-	-	398
Bank charges	218	-	218	233
General insurances	510	-	510	506
Software, IT support and related costs	1,340	-	1,340	1,135
Stationery and printing	142	-	142	108
Subscriptions	92	-	92	35
Telephone, fax and broadband	2,146	-	2,146	1,590

Economic Development Association (Scotland)
 DETAILED STATEMENT OF FINANCIAL ACTIVITIES

	4,448	-	4,448	4,005
Legal and professional costs				
Accountancy and bookkeeping	4,633	-	4,633	3,838
Other legal and professional costs	500	-	500	875
	5,133	-	5,133	4,713
Total of expenditure of other costs	11,649	-	11,649	10,643
Total expenditure	68,089	20,000	88,089	66,695
Net income	14,468	-	14,468	2,902
Net income before other gains/(losses)	14,468	-	14,468	2,902
Net movement in funds	14,468	-	14,468	2,902