

Company Registration No: SC276942 (Scotland)
Charity Registration No: SC036141

**GOREBRIDGE COMMUNITY DEVELOPMENT
TRUST**

(A company limited by guarantee)

**REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

Contents of the Financial Statements

Reference and Administrative Details	1
Report of the Trustees	2-10
Report of the Independent Auditors	11-13
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cashflows	16
Notes to the Financial Statements	17-27

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

Reference and Administrative Details

TRUSTEES

Mr Andrew Bathgate
Mr Robert Laird
Mrs Hazel Thomson (appointed 20 November 2018)
Mrs Helen Dunn (appointed 13 November 2018)
Mr David Jackson (appointed 20 November 2018)
Mr David Weir (appointed 12 November 2019)
Mrs Joanna Crow (appointed 20 November 2018, resigned 13 March 2019)
Mr Roderick Lugg (resigned 26 November 2018)
Mrs Elizabeth Gray (resigned 12 November 2018)
Mr Richard Prenter (resigned 26 August 2018)
Mr Sean Hanlon (appointed 10 December 2018, resigned 12 November 2019)
Reverend Jacqui du Rocher (appointed 12 November 2019)
Mrs Laura Adamson (resigned 12 November 2018)
Mr Archibald Pacey MBE (resigned 12 November 2018)
Mrs Stephanie Walker (resigned 12 November 2018)

The Trustees are the directors and members of the company.

PRINCIPAL OFFICE AND REGISTERED OFFICE

Gorebridge Beacon
Hunterfield Road
Gorebridge
Scotland
EH23 4TT

AUDITOR

Chiene + Tait LLP
Chartered Accountants & Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

BANKERS

Bank of Scotland
47 High Street
Dalkeith
EH32 1JA

Triodos Bank
Deanery Road
Bristol
BS1 5AS

COMPANY REGISTRATION NUMBER

SC276942

CHARITY REGISTRATION NUMBER

SC036141

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

Report of the Trustees For the Year Ended 31 March 2019

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2019 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

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 (FRS 102).

1. Objectives and activities

Mission Statement

Gorebridge Community Development Trust (GCDT) aims to enhance the quality of life for all the people of Gorebridge and the surrounding area. To this end we shall take and support action to ensure sustainable development in the following fields:

- Environmental improvement
- Social regeneration
- Economic development

GCDT seeks to account for the debt that we owe older generations, our responsibility to provide improved opportunities for young people and our obligation to build an even better future for all through community regeneration.

Running alongside our community hub (The Beacon), the Trust offers a range of activities for the people of Gorebridge in alignment with our aims:

Aims

To promote the Community and general public and its environs without distinction of sex, sexuality, political, religious or other opinions by associating the local statutory authorities, voluntary organisations and inhabitants in a common effort to advance education and to provide facilities, or assist in the provision of facilities, in the interest of social welfare for recreation and other leisure-time occupation so that their conditions of life may be improved.

To advance education and to promote opportunities for learning for the benefit of the community and the public.

To preserve, restore and improve the environment in the community through the provision, maintenance and/or improvement of public open space and other public amenities, and other environmental and regeneration projects (but subject to appropriate safeguards to ensure that the public benefits so arising clearly outweigh any private benefit thereby conferred on private landowners).

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

Report of the Trustees For the Year Ended 31 March 2019

To relieve those in need by the promotion of trade and industry within the Community for the benefit of the Community and the general public.

To promote training, particularly among residents of the Community, and with reference to skills which will assist the participants in obtaining paid employment.

To help young people, particularly those residents within the Community, to develop their physical, mental and spiritual capacities, such that they may grow to full maturity as individuals and as members of society.

To preserve, for the benefit of the Community, the historical, architectural and constructional heritage that may exist within the Community in buildings (including any structure or erection, and any part of a building as so defined) of particular beauty or historical, architectural or constructional interest.

To promote the rehabilitation of offenders and ex-offenders by the provision of education and training, the provision of assistance in finding work for such persons and the promotion or support of any project or scheme directed towards the prevention of crime or delinquency within the Community.

To promote, establish, operate and/or support other schemes and projects of a charitable nature for the benefit of the Community.

The following is a summary of the principle areas of activity offered in 2019:

Community Hub (The Beacon): The Beacon opened fully in January 2019. We welcomed our first tenant in December 2018 (Play Midlothian), followed in January with Sure Start Midlothian, Young Community Access Team and a range of local business owners utilising long term office. We are open to the community 7 days a week, and have welcomed a range of community groups, conferences, businesses, events and workshops over the year.

Creative Arts: The Trust has created a range of activities (dance, drama, photography, music) with the support from community volunteers leading the classes/workshops. These are growing in numbers with participants coming together to learn, share, socialise and build confidence.

Community Café: The Trust took the decision to open the Beacon Café, originally the plan was to offer a tender to an outside organisation. The Board are aware of the resources, time and energy this has placed on staff but all the Trust (staff, board and volunteers) are excited about the café space offered this year (meeting place), cooking classes, space for business, space to work and offer activities. The board and staff are looking to expand the café offerings next year.

Community Fridge: Through funding from Keep Scotland Beautiful, the Climate Challenge Fund Project organised and delivered for Midlothian it's very 1st Community Fridge at the Beacon. This has been an astounding success working in partnership with local businesses and shops: bringing people to the people, encouraging sharing, offering cooking classes, saving tonnes of food that would normally end up in landfill.

Volunteering: Since the opening of the Beacon, the Trust is grateful for the 58 members of the community who have come forward to offer help and volunteer their time and energy at the Beacon and Trust projects. Volunteer roles have increased and offer gardening, administration, café, kitchen, upcycling, sewing instruction, workshop leaders. 40% of volunteers have a registered disability and/or long-term health condition and range from 17 – 83 years.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

Report of the Trustees For the Year Ended 31 March 2019

Education and Training: With our partners, the Trust has offered a range of placement and volunteering opportunities for the community including young and older people. Moving forward there will be a range of classes that will provide the opportunity for individuals to achieve accredited qualifications. The opportunities available are helping young people to move closer to employment.

Life/Practical Skills: Groups and classes include gardening, upcycling and sewing. The CCF project has established an Upcycling/Sewing Room and teaches individuals how to alter and reuse textiles while teaching sewing skills and building confidence. The Gorebridge Community Garden has seen the creation of community growing beds which provides fresh herbs for the café and in the future fruit will be produced from the orchard. The community garden has involved other community groups looking after space, local schools, projects and organisations. The Trust is taking this further by creating a new project/social enterprise activity in the next financial year.

Cooking/Community Supper Clubs/Volunteer Meals: The Trust has provided monthly community supper clubs for local people and acknowledged the work of volunteers through monthly volunteer meals. The aim of the supper club is to reduce food waste, encourage community conversations and healthier living. The volunteer meals are to thank volunteers and increase opportunities for sharing and building relationships.

Physical Activities: Including regular led weekly cycling meets and weekend cycling groups. Walking groups and buggy walks have also taken place in 2018. The Trust worked with Gorebridge Walkers to also deliver the first Gorebridge Walking Festival with activities for all ages and abilities. Walking and cycling has proven to be the most effective way to reduce physical ill health and promote mental wellbeing.

Community Conversations: The Trust have held a series of conversation cafés. The topics have related to improving the lives of all in Gorebridge. Information gathered has been used to develop the Trust development/business plan and Funding Strategy.

Learning and Employability: The Trust recognises that it is becoming harder to obtain employment without any accredited qualifications. In the next financial year SVQ accreditation will be offered to all staff and volunteers.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

Report of the Trustees
For the Year Ended 31 March 2019

2. Achievements and performance in 2018-19

- GCDT opened the Gorebridge Beacon on the 24th January 2019 for the community of Gorebridge, including a community café. The first six months have been in line with our expectations as a new venture. Over 400 members of the community joined us at the Community Open Day and 25 local groups and businesses took part.
- The Beacon has received 100% positive feedback (73 feedback cards returned, 28 hire user online surveys).
- The Beacon has welcomed over 5,000 unique visitors in its first 9 months to events, workshops, classes, corporate events, parties and training.
- The Beacon has created 3 FTE job and 4 PTE jobs.
- The Trust has increased its volunteer base to over 58 people (24 core) who are involved in the Beacon, Community Garden, Climate Challenge Fund project.
- We have hosted and welcomed large conferences and events at the Beacon including: Midlothian Science Festival, Midlothian Council, Fundraising events, Mid and East Lothian Chamber of Commerce, British Lung Foundation, Enable Scotland, Scottish Commission for Learning, Cranston Nursery, HUBBUB, MELA, Poverty Alliance, Just Enterprise, Developing the Young Workforce, Skills Development Scotland, SWI.
- From January to November 2019 the Trust has created a wide range of community events, workshops and learning opportunities for adults including a Photography Group, Drama Group, Social Dancing.
- We offered 8 volunteering opportunities to vulnerable young people without a positive destination and not engaging with the curriculum.
- We opened the 1st Community Fridge in Midlothian at the Beacon, used over 10,000 times and saving 13 tonnes of food being wasted.
- The Beacon Café opened its doors. The café sales are increasing day by day, and we have welcomed volunteers and placements during the time.
- We have increased our partnership working to deliver services.
- Installation and unveiling of the Miners Memorial at the Beacon: 160 visitors and key piece of partnership working with local individuals and organisations.
- WW2 monument relocated to the Beacon Memorial Garden: all three Gorebridge memorials now situated on community hub site, made possible by Trustees and local individuals time and skills.
- Hosted remembrance Sunday event at the Gorebridge Beacon.
- Trust made key presentations at various events including the Development Trusts Association Annual Conference.
- Hosted a range of Midlothian wide community events including the MELA and Midlothian Science Festival.
- Classes and regular activities developed and initiated to end isolation and loneliness.
- We have delivered 12 forest/outdoor learning events to 20 families per month.
- We have provided social events and activities for the community in the new community hub.
- We have hosted and delivered Midlothian wide events

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

Report of the Trustees For the Year Ended 31 March 2019

- We have increased our ability to offer employability training.
- Over 40 people have attended our volunteer appreciation events.
- Our own activities (tea dances, table sales) have attracted individuals into Gorebridge from the Lothians and Scottish Borders.

3. Financial Review

The Trust reported a surplus for the year of £283k (£336 in PY) largely due to ongoing funds for Capital Build which only completed November 2018. The Trust has been successful in securing a number of grants for community led projects. Funding for staff costs came from Midlothian Council, Climate Challenge Fund and from the Big Lottery. The overall position reflects the significant effort which has been made to ensure that all projects and support functions operate as efficiently as possible. This has enabled GCDT to maintain a strong financial position in the face of on-going funding pressures and additional costs.

4. Reserves

The Trust has identified and recognised the need to increase its unrestricted reserves through managing the Beacon. In the longer term the aim for the charity is to hold 50% of its annual core operating costs in unrestricted funds. Although reserves may not reach this level in the near future, it is considered desirable to work towards this to enable the current activities of the company to continue in the event of a significant reduction in funding. This will be achieved by community fundraising, investigating new funding streams and looking towards sustainable social enterprises.

Restricted funds are funds to specific projects which may be declared by the donor. Some restricted income funds are expendable at the discretion of the Board in furtherance of a particular activity or the objects of the Trust.

Restricted capital funds are held for the Community Hub (The Beacon). The Trust is in partnership with Midlothian Council and The Big Lottery as part of the regeneration of Gorebridge as a whole.

The reserves held at 31 March 2019 were £2.7m of which £18k were unrestricted; £100k were restricted.

5. Risk management

The Board has conducted a review of the major risks to which the charity is exposed, in particular those related to its governance, operations and finances. As a result, a fully revised Risk Register was written and is regularly reviewed at board level during the year and updated on an ongoing basis.

The Risk Register is a 'living document' with its terms being subject to regular review by both the Board and senior management.

Full management accounts are produced, normally within ten working days following the end of each month. These are routinely presented to the Board and senior management, including Profit and Loss and Balance Sheets (Beacon Project). These help monitor financial progress and to identify both positive and negative trends at an early stage. This reporting is supported by a budget projection sheet and cash flow forecast which is updated on a monthly basis.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

Report of the Trustees
For the Year Ended 31 March 2019

6. Principal risks and uncertainties

The principal risks and uncertainties facing Gorebridge Community Development Trust are:

Operational

The Beacon Community Hub and the ability of staff to cope with the demand and use of the increasing busy building. The current staff taking on many roles to pick up the demands of the Community Hub and the knock on effect it has on workload.

Financial

Loss of funding, poor Beacon performance or fulfilling core purpose — this would result in income and Beacon services being reduced, staff redundancies and activities lost or delivered at lower levels. The Trustees and Trust Manager have created a five-year Funding Strategy to work in alignment with the Beacon projections.

Environmental

Non-compliance with Health & Safety or license requirements — this could result in significant reputational damage to the charity. A detailed Health and Safety policy is in place, along with a register of all licenses and permits. Those schedules are monitored by the senior management and any breaches or lapses are documented and reported to the Board.

An annual budget is prepared for the directors to allow monitoring of the monthly running costs against sales income and the monthly commitments to the company by charitable donors. The 'actual' outcomes are closely monitored against the cash flow forecast.

7. Plans for future periods

The Trust board is delighted by the first year of the opening of the Beacon, the biggest project they have undertaken to date. Now in full swing, the board will continue to support its success and work towards securing its sustainability for the future generations and community of Gorebridge.

The Board would like to acknowledge the work and commitment that staff members and volunteers have shown over the start-up period at the Beacon to make it a success and receiving positive feedback, their continued commitment to fantastic customer service, going the extra mile and ensuring inclusive, welcoming and high quality experiences for all is appreciated. The community has welcomed the community hub and it is going from strength to strength. It is getting busier and busier and the Trust has increased its community engagement and partnership working over the past financial year.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

Report of the Trustees
For the Year Ended 31 March 2019

8. Structure, Governance and Management

Governing Document

Gorebridge Community Development Trust (GCDT) is a company limited by guarantee (company number SC276942) and a registered charity (Scottish charity number SC036141). The charity is governed by its memorandum and articles.

Trustees

The Trust is governed by a Board of Management, elected by its membership at the Annual General Meeting, consisting of Member Directors and Co-opted Directors. Directors have overall responsibility for the Trust and have delegated day to day operational control of the Trust to the Development Trust Manager. Trustees currently have a £1 liability.

There are two types of trustee - member trustees and co-opted trustees. The maximum number of member trustees is 9 and co-opted 3. The minimum number of trustees is 4. Employees cannot be trustees of the charity.

At each annual general meeting one third of the member trustees will retire. These member trustees are eligible for re-election.

Co-opted trustees can be appointed by the member trustees on the basis that they have specialist experience and/or skills which could be of assistance to the member trustees or are representatives of other locally represented groups.

Several of the trustees are active participants and members of other Gorebridge community organisations. These trustees do not represent these other groups on the board but help to ensure co-operation between groups working to benefit Gorebridge. All the trustees have received training in their roles and responsibilities.

Organisation

The trustees meet, at a minimum, monthly and received reports from Trust staff on the Trust's activities. Staff members are encouraged and supported by Board Members and are welcome to attend board meetings as observers. The charity is a member of the Development Trusts Associations. Development trusts are community enterprises and aim to become self-sustaining. The charity works closely with other groups in Gorebridge and the surrounding area of Midlothian, including other Development Trusts, third-sector organisations, social enterprises and charities. The board composition reflects the interests of user groups, the wider Gorebridge Community and Strategy Partners, recognising also that short-term appointments may be made to complement strategic objectives.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

Report of the Trustees
For the Year Ended 31 March 2019

Membership

Membership of the Trust is open to any person over the age of 17 who lives, works or has an interest in the regeneration of Gorebridge and supports the work and values of the Trust. Employees are not eligible for membership. Members are consulted on the Trust's work and receive regular newsletters about the charity's activities.

Key Management Remuneration

The Trustees, the Trust Manager, the Facilities Leader and the Finance Officer are the key management personnel of the charity as they are in charge of directing and controlling, running the charity. All trustees give of their time freely and no trustee received remuneration nor expenses in the year. See note 11 for further details.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

Report of the Trustees
For the Year Ended 31 March 2019

Statement of Trustees' responsibilities

The trustees (who are also the directors of Gorebridge Community Development Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees 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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping 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 the financial statements comply with the Companies Act 2006. they are 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to all companies.

Approved by order of the board of trustees on 22 FEBRUARY and signed on its behalf by:

Robert Laird

Mr Robert Laird - Trustee

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

Independent auditor's report

To the members and trustees of Gorebridge Community Development Trust

Opinion

We have audited the financial statements of Gorebridge Community Development Trust (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

Independent auditor's report

To the members and trustees of Gorebridge Community Development Trust

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Respective responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

Independent auditor's report

To the members and trustees of Gorebridge Community Development Trust

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's trustees (who are also the directors of the charitable company for the purposes of company law) those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Malcolm Beveridge

Malcolm Beveridge CA (Senior Statutory Auditor)
For and on behalf of Chiene + Tait LLP
Chartered Accountants and Statutory Auditor
61 Dublin Street, Edinburgh, EH3 6NL

24 FEBRUARY 2020

Chiene + Tait LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

STATEMENT of FINANCIAL ACTIVITIES (including Income and expenditure account) For the year ended 31 March 2019

	Notes	Unrestricted Funds £	Restricted funds £	Restricted Capital funds £	31 March 2019 £	31 March 2018 £
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	3	75	230,193	212,191	442,459	495,656
Charitable activities	4	30,790	-	-	30,790	-
Investment income	5	13	-	55	68	114
Other income	6	9,274	4,182	96,587	110,043	27,300
Total income		40,152	234,375	308,833	583,360	523,070
EXPENDITURE ON:						
Charitable activities	7	39,562	185,160	76,032	300,754	186,566
Total expenditure		39,562	185,160	76,032	300,754	186,566
Net income and net movement in funds before transfers		590	49,215	232,801	282,606	336,504
Transfers between funds	18	(7,660)	7,660	-	-	-
Net income and net movement in funds for the year		(7,070)	56,875	232,801	282,606	336,504
Reconciliation of funds						
Balances brought forward		25,113	43,157	2,426,544	2,494,814	2,158,310
Balances carried forward		18,043	100,032	2,659,345	2,777,420	2,494,814

There are no recognised gains and losses other than those passing through the statement of financial activities.

All of the charity's activities are continuing.

The notes on pages 17 to 27 form part of these financial statements.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

BALANCE SHEET As at 31 March 2019

	Notes	2019 £	2018 £
Fixed assets			
Tangible assets	13	2,843,761	2,505,795
Current assets			
Debtors	14	63,895	9,952
Cash at bank and in hand		132,269	265,669
		196,164	275,621
Creditors: amounts falling due within one year	15	(75,005)	(36,602)
Net current assets		121,159	239,019
Total assets less current liabilities		2,964,920	2,744,814
Creditors: amounts falling due after more than one year	16	(187,500)	(250,000)
Net assets		2,777,420	2,494,814
Funds			
Unrestricted	18	18,043	25,113
Restricted	18	100,032	43,157
Restricted capital	18	2,659,345	2,426,544
		2,777,420	2,494,814

The financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small company's regime.

The financial statements were approved by the Board of Trustees on 22 FEBRUARY 2020 and were signed on its behalf by:


.....
Mr Robert Laird - Trustee

Company Registration No: SC276942

The notes on pages 17 to 27 form part of these financial statements.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

STATEMENT OF CASHFLOWS For the year ended 31 March 2019

	Notes	2019 £	2018 £
Cash generated/(used) by operating activities	19	<u>67,320</u>	<u>(9,878)</u>
Cash flows from investing activities			
Investment income		68	114
Purchase of fixed assets		<u>(375,713)</u>	<u>(307,470)</u>
Cash used in investing activities		<u>(375,645)</u>	<u>(307,356)</u>
Cash flows from financing activities			
Income/(Expenditure) attributable to restricted capital		237,425	309,057
Repayment of loan		<u>(62,500)</u>	<u>-</u>
Cash from financing activities		<u>174,925</u>	<u>309,057</u>
Change in cash and cash equivalents in the reporting period		(133,400)	(8,177)
Cash and cash equivalents at the beginning of the year		265,669	273,846
Cash and cash equivalents at the end of the year		<u>132,269</u>	<u>265,669</u>

The notes on pages 17 to 27 form part of these financial statements.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

NOTES to the FINANCIAL STATEMENTS For the year ended 31 March 2019

1. Company information

Gorebridge Community Development Trust is a company limited by guarantee incorporated and domiciled in Scotland with registered company number SC276942. The registered office is Gorebridge Beacon, Hunterfield Road, Gorebridge, EH23 4TT.. The financial statements have been presented in Pounds Sterling as this is the functional and presentational currency of the company.

2. Accounting policies

The major accounting policies adopted by the Gorebridge Community Development Trust are set out below:

Accounting convention

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) (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.

Gorebridge Community Development Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

These financial statements have been prepared on a going concern basis. The Trustees have assessed the Charitable Company's ability to continue as a going concern and have reasonable expectation that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these financial statements.

Significant judgements and estimation uncertainty

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. As the estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

- i) **Useful economic lives of tangible assets**
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual value of assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for carrying amounts of tangible assets.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

NOTES to the FINANCIAL STATEMENTS (contd.) For the year ended 31 March 2019

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Other than assets under construction, individual assets costing £500 or more are capitalised.

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, which is reviewed annually. The rates used are as follows:

Fixtures and fittings – 20% on cost
Computer equipment – 33% on cost
Land and buildings – 2% on cost

Funds

The financial statements of a charity must differentiate between restricted and unrestricted funds.

Restricted funds are funds subject to specific conditions, imposed by the donor or by the specific terms of the charity appeal.

Unrestricted funds are all the other funds of the charity which consist of amounts allocated for specific purposes by the charity itself.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Income

All income is recognised in the statement of financial activities once the charity has entitlement to the resources, it is probable that the resources will be received, and the monetary value can be measured with sufficient reliability. Income is deferred when the conditions on which it may be received are not yet satisfied.

- i) Grants receivable are accounted for on an accruals basis. The cash balance of grants received in advance is deferred to subsequent periods.
- ii) Donations and legacies are accounted for in the year in which they are received.
- iii) All income arising on deposits is accounted for on an accruals basis where calculation is possible.
- iv) The value of donated services and gifts in kind provided to the Trust are recognised at their open market value in the period in which they are receivable as income, where the benefit of the Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policy.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

NOTES to the FINANCIAL STATEMENTS (contd.) For the year ended 31 March 2019

Expenditure

Liabilities are recognised as resources expended where there is a legal and constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and includes attributable value added tax which cannot be recovered.

- i) All other expenditure is charged on the accruals basis and is analysed between direct charitable and other expenditure as detailed in the Statement of Financial Activities.
- ii) Costs of raising funds comprise those costs directly attributable to raising voluntary income and those incurred in trading activities that raise funds.
- iii) Governance costs include those incurred in the governance of the charity and its assets are primarily associated with constitutional and statutory requirements.
- iv) Support costs are allocated to activities based on an estimate of the resources applied to each project during the year.

Pension costs

The charitable company makes payments to personal pension plans. Contributions payable are charged to the Statement of Financial Activities in the period to which they relate.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any discounts due.

Cash at bank and in hand

Cash at bank and cash 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 charitable company 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Taxation

The charity is exempt from corporation tax on its charitable activities. The Trust operates a Capital Goods Scheme for VAT and recovers 83% of input VAT on expenditure relating to construction of the Beacon.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

NOTES to the FINANCIAL STATEMENTS (contd.) For the year ended 31 March 2019

3. Donations and legacies	2019	2018
	£	£
Donations	176	6,143
Grants	442,283	489,513
	442,459	495,656

Grants received, included in the above, are as follows:

	2019	2018
	£	£
Midlothian Council Small Grants Fund	-	5,000
The Big Lottery	117,209	198,713
Midlothian Council	195,419	147,475
Keeping Scotland Beautiful	89,519	84,786
Cycling UK	-	900
Food by the Fire Project	-	2,187
Community Kitchen Project	-	2,129
Royal Botanic Gardens	2,000	-
Central Scotland	10,301	-
Other grants	27,835	48,323
	442,283	489,513

4. Income from charitable activities

	Restricted	Unrestricted	Total	Total
	£	£	2019	2018
			£	£
Rental Income	-	25,339	25,339	-
Food Sales	-	5,179	5,179	-
Fundraising	-	272	272	-
	-	30,790	30,790	-

5. Investment income

All of the charity's investment income arises from interest bearing accounts.

6. Other income	2019	2018
	£	£
Insurance claim	13,456	27,300
VAT reclaim	96,587	-
	110,043	27,300

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

NOTES to the FINANCIAL STATEMENTS (contd.) For the year ended 31 March 2019

7. Charitable activities	Direct Costs £	Support Costs (see note 8) £	Totals £
Community support	-	38,550	38,550
Community Hub	-	71,408	71,408
Charitable projects	13,455	177,341	190,796
	13,455	287,299	300,754

8. Support costs	Administration £	Finance £	Governance Costs £	Totals £
Community support	23,828	-	14,722	38,550
Community Hub	71,408	-	-	71,408
Charitable projects	177,257	84	-	177,341
	272,493	84	14,722	287,299

9. Net incoming resources	2019 £	2018 £
This is stated after charging:		
Depreciation	37,747	6,578
Auditors' remuneration	4,200	9,406
Previous auditors' remuneration	7,068	-

10. Trustees' remuneration and benefits

In 2019 trustees were paid for professional services totalling £nil (2018: £2,403). No trustees have been reimbursed expenses in the year (2018: £nil).

11. Employees

As at 31 March 2019, the key management personnel of the charitable company comprised of the Trustees, the Trust Manager, the Facilities Leader and the Finance Officer. The total employee benefits of the key management personnel of the charitable company during the year were £62,908 (2018 £nil).

The average monthly number of employees during the year was 7 (2018: 4).

	2019 £	2018 £
Total employment costs were:		
Wages and salaries	108,536	42,344
Social security costs	4,227	2,364
Other pension costs	1,279	234
	114,042	44,942

No employees received emoluments in excess of £60,000 in either the current or prior year.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

NOTES to the FINANCIAL STATEMENTS (contd.)
For the year ended 31 March 2019

12. Taxation

HM Revenue & Customs has recognised the company's charitable status for taxation purposes. The trustees judge the company's activities to have been within the scope of charitable status during the reporting period and accordingly no provision for tax has been made.

13. Tangible fixed assets

	Asset Under Construction	Land & Buildings	Fixtures & Fittings	Computer Equipment	Totals
	£		£	£	£
Cost					
At 1 April 2018	2,454,517	-	56,953	2,442	2,513,912
Additions	330,565	-	43,829	1,319	375,713
Transfer	(2,785,082)	2,785,082	-	-	-
At 31 March 2019	-	2,785,082	100,782	3,761	2,889,625
Depreciation					
At 1 April 2018	-	-	6,045	2,072	8,117
Charge for the period	-	19,410	17,355	982	37,747
At 31 March 2019	-	19,410	23,400	3,054	45,864
Net book value					
At 31 March 2019	-	2,765,672	77,382	707	2,843,761
At 31 March 2018	2,454,517	-	50,908	370	2,505,795

14. Debtors

	2019 £	2018 £
Trade debtors	22,543	1,334
VAT	20,330	892
Prepayments and accrued income	21,022	7,726
	63,895	9,952

15. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	26,075	27,839
Social security and other taxes	3,595	322
Other creditors	7,557	3,491
Accruals and deferred income	37,778	4,950
	75,005	36,602

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

NOTES to the FINANCIAL STATEMENTS (contd.) For the year ended 31 March 2019

16. Creditors: Amounts falling after more than one year	2019	2018
	£	£
Other loans	187,500	250,000
	187,500	250,000

Other loans represent amounts due to Social Investment Scotland who hold a standard security over the land held at Hunterfield Road, Gorebridge in respect of all amounts due. The loan has interest of 6% per annum however, following a renegotiation of the loan during the year, capital and interest repayments will not commence until 1 April 2021 and final repayment is due on 31 March 2026.

17. Analysis of net asset between funds

	Unrestricted Funds £	Restricted capital Funds £	Restricted Funds £	Total 2019 £
Fixed assets	17,418	2,826,343	-	2,843,761
Current assets	51,824	44,308	100,032	196,164
Current liabilities	(51,199)	(23,806)	-	(75,005)
Long term liabilities	-	(187,500)	-	(187,500)
	18,043	2,659,345	100,032	2,777,420
	Unrestricted Funds £	Restricted capital Funds £	Restricted Funds £	Total 2018 £
Fixed assets	23,836	2,481,959	-	2,505,795
Current assets	28,394	204,070	43,157	275,621
Current liabilities	(27,117)	(9,485)	-	(36,602)
Long term liabilities	-	(250,000)	-	(250,000)
	25,113	2,426,544	43,157	2,494,814

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

NOTES to the FINANCIAL STATEMENTS (contd.)
For the year ended 31 March 2019

18. Movement in funds

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2019 £
Unrestricted funds					
General reserve	25,113	40,152	(39,562)	(7,660)	18,043
Restricted funds					
Climate Challenge Fund	6,431	12,809	(701)	-	18,539
Keep Scotland Beautiful	502	76,860	(70,349)	-	7,013
Midlothian Small Grants – Heritage Drama	3,000	-	-	-	3,000
Awards for All	605	-	-	-	605
CARS Project: Archivist	21,463	5,217	(27,549)	869	-
Food by Fire Project	1,128	-	-	-	1,128
Communities & Families Fund	2,238	-	(566)	-	1,672
Coalfields Regeneration	7,416	-	(7,101)	-	315
Pop-up Beacon	374	855	(1,545)	316	-
Forrest Fams	-	1,110	(1,038)	-	72
Royal Botanic Gardens	-	2,000	(1,523)	-	477
Central Scotland	-	10,301	(7,749)	-	2,552
Beacon	-	90,663	(28,807)	-	61,856
Gorebridge connected	-	14,560	(11,757)	-	2,803
Core Support	-	20,000	(26,475)	6,475	-
	43,157	234,375	(185,160)	7,660	100,032
Restricted capital funds					
Community Hub	2,426,544	308,833	(76,032)	-	2,659,345
	2,494,814	583,360	(300,754)	-	2,777,420

Unrestricted funds – funds which can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted capital funds – represents the grants and donations received towards the capital costs of Gorebridge Community Hub.

Restricted funds – represents funds that can only be used for a particular purpose and relate to:

- CCF – the aims of Greening Gorebridge is to increase awareness of climate change and the steps a community can take to reduce the impact. The project has three strands: active travel, food sharing and circular economy.
- Keep Scotland Beautiful – Biodiversity grant to increase biodiversity at Gorebridge Station and the surrounding area.
- Midlothian Small Grants – to produce and deliver a play with local people called 'Their Story' a play about Gorebridge District Nursing Association.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

NOTES to the FINANCIAL STATEMENTS (contd.)
For the year ended 31 March 2019

18. Movement in funds (cont'd)

- Awards for All –Storytelling and Lorna Lagerman (staff) to provide support to children in the community
- CARS Project – community partner, GCDT supported CARS Gorebridge in the delivery of community activities for the duration of the project including storytelling, drama group, art and creative activities.
- Food by fire project – restricted, project for families on sharing food by the fire.
- Communities & Families fund – to provide forest school type of activities for families in the community
- Coalfields Regeneration – restricted, to support the funding of a Development Trust Manager
- Forest Fams – changed to Woodland Wildlings with funders permission, to deliver nurturing play and exploration on a woodland and green setting.
- Royal Botanic gardens – for Rewilding Gorebridge, working with groups, schools and organisations to wildseed a meadow at Newbyres Castle
- Central Scotland – to work with volunteers and create a community garden within the grounds of the Beacon
- Beacon – a multi-purpose community hub within the heart of the village.
- Gorebridge Connected - community partner to create a heritage trail from Gorebridge Station to the Beacon.

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

NOTES to the FINANCIAL STATEMENTS (contd.)
For the year ended 31 March 2019

18. Movement in funds (cont'd)

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2018 £
Unrestricted funds					
General reserve	9,115	29,077	(22,942)	9,863	25,113
Restricted funds					
Climate Challenge Fund - 4557	143	12,405	(5,139)	(978)	6,431
Keep Scotland Beautiful	2,580	-	(2,046)	(32)	502
The Heritage Lottery	3,012	-	(7,246)	4,234	-
Midlothian Small Grants – Heritage Drama	3,000	5,000	(5,000)	-	3,000
Awards for All	2,073	18	(1,486)	-	605
CARS Project: Archivist	-	50,523	(24,825)	(4,235)	21,463
Food by Fire Project	-	2,187	(1,058)	(1)	1,128
Scottish Government Strenththening Communities Grant	3,236	-	(3,972)	736	-
Communities & Families Fund	6,541	-	(4,303)	-	2,238
Coalfields Regeneration	10,000	-	(2,584)	-	7,416
Pop-up Beacon	-	4,975	(4,600)	(1)	374
Cycling UK	170	900	(796)	(274)	-
BL Consultancy	40	-	-	(40)	-
Cofs Afternoon Tea	139	-	-	(139)	-
Beacon Project	-	20,700	(21,321)	621	-
Community Kitchen Project	-	2,129	(2,023)	(106)	-
Climate Change Fund - 5162	-	72,381	(63,475)	(8,906)	-
Beacon Running	860	-	-	(860)	-
Borders Railway Group	-	-	(32)	32	-
	31,794	171,218	(149,906)	(9,949)	43,157
Restricted capital funds					
Community Hub	2,117,401	322,775	(13,718)	86	2,426,544
	2,158,310	523,070	(186,566)	-	2,494,814

GOREBRIDGE COMMUNITY DEVELOPMENT TRUST

NOTES to the FINANCIAL STATEMENTS (contd.)
For the year ended 31 March 2019

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2019 £	2018 £
Net movement in funds	282,606	336,504
Add back depreciation charge	37,747	6,578
Interest received	(68)	(114)
Income attributable to restricted capital	(237,425)	(309,057)
(Increase)/decrease in debtors	(53,943)	29,011
Increase/(decrease) in creditors	38,403	(72,800)
Net cash from/(used in) operating activities	67,320	(9,878)

19. Prior year Statement of Financial Activities

	Unrestricted Funds £	Restricted funds £	Endowment funds £	31 March 2018 £
INCOME AND ENDOWMENTS FROM:				
Donations and legacies	23,958	149,018	322,680	495,656
Investment income	19	-	95	114
Other income	5,100	22,200	-	27,300
Total income	29,077	171,218	322,775	523,070
EXPENDITURE ON:				
Charitable activities	22,942	149,906	13,718	186,566
Total expenditure	22,942	149,906	13,718	186,566
Net income and net movement in funds before transfers	6,135	21,312	309,057	336,504
Transfers between funds	9,863	(9,949)	86	-
Net income and net movement in funds for the year	15,998	11,363	309,143	336,504
Reconciliation of funds				
Balances brought forward	9,115	31,794	2,117,401	2,158,310
Balances carried forward	25,113	43,157	2,426,544	2,494,814