Selkirk Regeneration Company

A Company limited by Guarantee
Registered in Scotland No. SC365167
Registered Office: Woodlands, 46 Hillside Terrace, Selkirk TD7 4ND
Registered Charity No. SC037397

Financial Statements

for the period

1st October 2018 to 30th September 2019

SELKIRK REGENERATION COMPANY
FINANCIAL STATEMENTS
YEAR ENDED 30TH SEPTEMBER 2019

Company Information

Registered Address	Woodlands, 46 Hillside Terrace SELKIRK TD7 4ND
Board of Directors	David Bethune Ian King Lindsay Neil Lawrence Robertson Jenna Agate Ken Turnbull Nick de Burgh Whyte (until 07/05/19)
Bankers	The Co-operative Bank PO Box 250 Delf House Southway SKELMERSDALE WN8 6WT
Independent examiner	David Campbell, CA
Registered Company No.	SC365167
Scottish Charity No.	SC037397

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Directors' report

The directors present their report and the financial statements for the year ended 30th September 2019.

Purposes of the Company

Selkirk Regeneration Company was incorporated on 7th September 2009, as a Company limited by Guarantee with Charitable Status.

The Company has been formed to benefit the community of Selkirk as defined by the postcode units prefaced TD7 with the following purposes:

- to manage community land and associated assets owned or acquired by the Company for the benefit of the Community and the public in general;
- the advancement of education and training in their broadest senses, the relief of poverty, the protection of health, the provision, in the interests of social welfare, of facilities for recreation and other leisure time activity with a view to improving conditions of life, and in furtherance of these objects the Company shall create, develop, provide and assist in the provision of opportunities and facilities for the benefit of all residents of Selkirk;
- to advance community development, including urban or rural regeneration within the Community;
- to advance the education of the Community about its environment, culture, heritage and/or history;
- to advance environmental protection or improvement including preservation, and conservation of the natural environment, the maintenance, improvement or provision of environmental amenities for the Community and/or the preservation of buildings or sites of architectural, historic or other importance to the Community.

All the above purposes are to be exercised following a principle of sustainable development (where sustainable development means development which meets the needs of the present without compromising the ability of future generations to meet their own needs).

Trustees Report: Achievements and Performance

Our primary concern continues to be the current and future community wellbeing and economic vitality of Selkirk and its environs.

Selkirk Regeneration Company has very limited working capital and operates mainly on the commitment and enthusiasm of its membership. We have no membership fees. Each project is self-funded through negotiation with external agencies.

The Board wishes to thank all who have become members, and would encourage members who are able to contribute their time, ideas and energy towards involvement in any of our projects.

1 Tower Street

1TS has operated as a pop-up shop throughout the year with many varied enterprises making use of the premises. As well as benefitting the community as part of a longer term strategy for town centre regeneration, 1TS it is providing much needed income for the company, which can be used to maintain the property and to prime other projects.

5 Tower Street

A small Awards for All grant allowed urgent remedial work to eradicate dry rot, by partial demolition of the rear part of the premises, and sealing this off from the front shop. This has allowed the front shop to be used on a temporary basis as a pop-up shop throughout the year.

£76K in grants have been obtained from Selkirk Common Good Fund, BCCF Environmental, The Robertson Trust, Fallago Environmental Fund and SBC Localities Fund. This will allow complete renovation and rebuilding of the property early in 2020.

Directors' report (continued)

Selkirk CARS (Conservation Area Regeneration Scheme)

Grants from SBC/Historic Environment Scotland and SBC Community Grants Scheme allowed us, in cooperation with the owner of the flat at 3 Tower Street, to proceed with significant external improvements to our properties at 1 and 5 Tower Street, improving the overall appearance and structural integrity of the Tower Street corner. Thanks are due to the professional team and contractors who completed the work, despite weather-related delays. The project is now complete, apart from minor snagging.

Renewable Energy Projects

We are continuing to explore, in partnership with Community Energy Scotland, any opportunities that might arise to generate income and produce "green" energy and carbon reduction.

Climate Challenge Fund (CCF) project

An application in November 2018 to the CCF for funding to use 5 Tower Street as a Community Energy Advice Centre, staffed by a Project manager and a Home Energy Adviser was unsuccessful. However, we were encouraged to re-apply for the 2020-2022 round of funding, and an application for this is being developed for submission. A response is expected in Feb 2020.

Edwards Photography Archive Book

On-going sales of the Edwards photo book continue to contribute to SRC funds.

Selkirk Common Good and the Community Empowerment Act

One of our Directors continues to represent the community's and other burgh's interests and to suggest measures to simplify and reduce the cost, as well as increase the democracy, of Common Good administration.

Selkirk Community Shed

Selkirk Community Shed is now operating as an independent charity.

Community Involvement

Directors and members of SRC are also involved in a range of other community organisations, including Selkirk Community Council, SBCCN, Selkirk Chamber of Trade, Churches Together in Selkirk and the Valleys, and Rowland's (Selkirk) Youth Project.

Financial Review

On reflection, the Directors feel justifiably satisfied that current projects demonstrate how SRC can be instrumental in setting up and promoting initiatives beneficial to the local community. With the help and support of members, we are confident that SRC can look forward to further successful projects in the future.

Statement of Trustees Responsibilities

The Trustees (who are also directors of Selkirk Regeneration Company for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statement in accordance with applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these 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;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members Liability
The members of the company guarantee to contribute an amount not exceeding £1 to the assets of the company in the event of a winding up.

Small Company Provisions
This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

This report was approved by the Board on 12th March 2020 and signed on its behalf by

David Bethune

David Bethune, Director

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Independent Examiner's Report

I report on the accounts of Selkirk Regeneration Company for the period ended 30th September 2019 which are set out on pages 1 - 12.

This report is made solely to the charity's trustees, as a body, in accordance with regulation 11 of the Charities Accounts (Scotland) Regulations 2006. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work or for this report.

Respective responsibilities of the Trustees and examiner
The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (the Accounts Regulations). The Trustees considers that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement
My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given in the accounts.

Independent examiner's statement
In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:
   (a) to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
   (b) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations
   have not been met, or

2. to which in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:

David Campbell, CA.
27 North Bridge Street
Hawick
TD9 9BD

Date: 2/4/20

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Statement of Financial Activities
Incorporating an Income and Expenditure Account

	Unrestricted Funds	Restricted Funds	Total Funds 2019	*Total Funds 2018*
	£	£	£	*£*
Income from:				
Donations and fundraising	1,319	0	1,319	*1,148*
Rental income	4,637	0	4,637	*3,310*
Grants received	0	24,029	24,029	*96,911*
Bank interest	0	0	0	*7*
	5,956	**24,029**	**29,985**	***101,376***
Expenditure on:				
Administration costs	262	0	262	*329*
Property and project costs	10,720	4,882	15,602	*99,779*
	10,982	**4,882**	**15,864**	***100,108***
Net Income/(Expenditure)	-5,026	19,147	14,121	*1268*
Opening Fund Balances 01/10/18	**43,113**	**2,784**	**45,897**	***44,629***
Closing Fund Balances 30/09/19	**38,087**	**21,931**	**60,018**	***45,897***

The notes on pages 8 to 12 form an integral part of these financial statements

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Balance sheet as at 30th September 2019
Charity Number SC037397

	Notes	2019 £	2018 £
Fixed Assets	8		
Freehold Property (1TS)		27,000	27,000
Freehold Property (5TS)		10,000	10,000
Equipment		-	-
		37,000	37,000
Current Assets			
Bank and cash		23,218	9,097
Current liabilities			
Accruals		(200)	(200)
Net Current Assets		23,018	8,697
Long term liabilities		-	-
Net assets		**60,018**	**45,897**
Represented by			
General Fund	7	38,087	43,113
Restricted fund	7	21,931	2,784
		60,018	**45,897**

The notes on pages 8 to 12 form an integral part of these financial statements

SELKIRK REGENERATION COMPANY
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In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 477 of the Companies Act 2006 relating to small companies ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 476 requesting that an audit be conducted for the year ended 30th September 2019; and

(c) that we acknowledge our responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board on 12th March 2020 and signed on its behalf by

David Bethune

David Bethune, Director

Registration number *SC365167*

Notes to the accounts

1. Charity status

The charity is a company limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

2. Accounting Policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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.

Basis of preparation

Selkirk Regeneration Company 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 notes.

The accounts are presented in Sterling (£) and are not rounded.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

Income is recognised on an invoice basis as the service is delivered and complete.

Donations and legacies

Donations are recognised when they are received and when any conditions attached thereto have been fulfilled.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment Income

Investment income such as interest received is recognised when received.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

Tangible fixed assets

Individual fixed assets costing £300 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold land and buildings	Not depreciated
Equipment and furniture	25% straight line

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.
Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

3 Trustees remuneration and expenses

No trustee was remunerated for their services (2018 – Nil).
No trustee received any benefit in kind (2018 – Nil).
No expenses were re-imbursed to trustees (2018 – Nil).

4 Taxation

The company is a registered charity and is, therefore exempt from taxation.

5 Governance costs

	2019	2018
	£	£
Independent examiners fee	200	200

6 Cash receipts and payments

	unrestricted funds	restricted funds	total 2018-19
Income			
Donations	60	-	60
fundraising	960	-	960
Localities Bid Grant for 5TS development	-	15,000	15,000
Common Good Fund grant for 5TS development	-	8,771	8,771
CCF development grant	-	258	258
Book sales	299	-	299
1TS rental income	3,972	-	3,972
5TS rental income	665	-	665
Total	5,956	24,029	29,985
Expenditure			
Administration	262	-	262
1TS costs	2,479	-	2,479
5TS costs	3,660	-	3,660
CCF application development costs	-	258	258
CARS project costs	4,581	-	4,581
5TS renovation (Awards for All)	-	2,784	2,784
5TS building development costs	-	1,840	1,840
Total	10,982	4,882	15,864
Bank Balance at 01/10/18	6,313	2,784	9,097
fund transfers	-	-	-
Bank Balance at 30/09/19	1,287	21,931	23,218

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

7 Analysis of Net Assets by Fund

	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
Tangible Assets	37,000	0	37,000	37,000
Current Assets	1,287	21,931	23,218	9,097
Current Liabilities	-200	0	-200	-200
- long term loans	0	0	0	0
	38,087	21,931	60,018	45,897

8 Fixed assets

	Opening NBV	additions	disposals	depreciation charge	Closing NBV
1 Tower Street	27,000	0	0	0	27,000
5 Tower Street	10,000	0	0	0	10,000
Property improvements	83,173	4,624	0	0	87,797
Less grants received	-83,173	(4,624)			-87,797
	37,000	**0**	**0**	**0**	**37,000**

9 Restricted Funds

The restricted fund balance of £21,931 represents the balance of grants from Selkirk Common Good Fund and SBC Localities Bid Fund towards the redevelopment of 5 Tower Street.