

**Garvald Edinburgh**  
**Report and Financial Statements**  
**for the year ended 31 March 2012**

**Charity number: SC014228**  
**Company number: SC060926**

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## **Garvald Edinburgh**

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## **Garvald Edinburgh**

### **Legal and Administrative Information**

<b>Charity name</b>	Garvald Edinburgh	
<b>Charity registration number</b>	SC014228	
<b>Company registration number</b>	SC060926	
<b>Directors</b>	Laurie Naumann Roy MacIver James Sherratt Marion Smith Margaret Whoriskey Robert Walley Martin Dawson Judy Miller Stewart Munro Alan Swift	Chair
<b>Company secretary</b>	Serena Lindsay	
<b>Senior management</b>	Mike Casey	Chief Executive
<b>Principal office and Registered office</b>	2 Montpelier Terrace Edinburgh EH10 4NF	
<b>Auditors</b>	Alexander Sloan Chartered Accountants 1 Atholl Place Edinburgh EH3 8HP	
<b>Bankers</b>	Royal Bank of Scotland plc 206 Bruntsfield Place Edinburgh EH10 4DF	
<b>Solicitors</b>	Lindsays WS Caledonian Exchange 19A Canning Street Edinburgh EH3 8HE	

## **Garvald Edinburgh**

### **Directors' Annual Report for the year ended 31 March 2012**

The Directors present their report and the financial statements of the charity for the year ended 31 March 2012. The Chairman's report forms an integral part of the Directors' Annual Report and should be read in conjunction with this report.

#### **Directors**

The Directors of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Directors.

The Directors serving during the year and since the year end are detailed on page 1.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

Garvald Edinburgh is a company limited by guarantee and is governed by its Memorandum and Articles of Association.

##### **Appointment of Directors**

Trustees are appointed in accordance with the Articles of Association.

##### **Directors' induction and training**

Appropriate induction is given to directors on appointment. Training and/or development in relevant areas is offered to directors as the need or opportunity arises.

##### **Organisational structure**

A board of no fewer than six and no more than twelve directors, who meet as they see fit, administer the charity. Responsibility for the management of day to day operations is delegated to a chief executive.

##### **Risk management**

The major risks to which the charity is exposed as identified by the directors have been reviewed and systems have been established to mitigate these risks.

#### **OBJECTIVES AND ACTIVITIES**

The charity's object is to provide services for people with learning disabilities. This work is inspired by the ideas of Rudolf Steiner, an Austrian philosopher, to recognise and value the uniqueness of each person and seeks to create a quality of environment, activities and social relationships enabling people to realise their potential.

The charity meets its objective by providing day and accommodation services to people with a learning disability. It now provides such services to a total of approximately 150 adults, comprising members (ie. those who attend the day services), residents (ie. those who live in the community house at Napier Road) and tenants (ie. those who are supported in their own accommodation).

## **Garvald Edinburgh**

### **Directors' Annual Report for the year ended 31 March 2012**

#### **ACHIEVEMENTS AND PERFORMANCE**

These are covered in the Chairman's report.

#### **Reserves policy**

The charity's free reserves comprise the general and designated funds, less the value of the fixed assets held within the designated funds. The directors consider that in order to meet legal and other obligations it is prudent to have free reserves of three to six months' running costs. The level of free reserves will be kept under regular review.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Trustees (who are also Directors of Garvald Edinburgh for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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 operation.

The Directors are responsible for keeping proper accounting records that 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 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 Directors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Directors have taken all the 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.

**Garvald Edinburgh**

**Directors' Annual Report  
for the year ended 31 March 2012**

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.

**Auditors**

A resolution proposing that Alexander Sloan, Chartered Accountants, be reappointed as auditors of the charitable company will be put to the Annual General Meeting.

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

This report was approved by the Directors on 23 November 2012 and signed on their behalf by



**Serena Lindsay**  
**Secretary**

## **Garvald Edinburgh**

### **Directors' Review for the year ended 31 March 2012**

#### **Introduction**

Garvald Edinburgh is an established Scottish charity and a company limited by guarantee which provides day, accommodation and support services for adults with disabilities mainly from Edinburgh and the surrounding area. The charity has a board of directors of whom a third are appointed or reappointed each year at the Annual General Meeting. They are members of the company and also the charity's trustees.

Garvald Edinburgh aims to offer services that promote the growth and development of each person supported through an approach that is holistic, recognises the uniqueness of each individual as a human being and builds on the strengths and abilities that each person can offer to the local and wider community.

#### **Values and principles**

Garvald Edinburgh is inspired by the ideas of Rudolf Steiner, in particular those relating to Social Therapy. A central principle is respect for and a desire to include others regardless of their disabilities or the difficulties they may experience. In adopting this approach Board members, along with staff, recognise that we have as much, if not more, to learn from those we support as we have to offer them. Our total Garvald Edinburgh community is enriched by the measure to which we consciously strive to include and value the contribution made by the whole of our user membership in both the day and accommodation services.

The social therapeutic approach to our work is fundamentally linked to attitude, a quality of respect and care with attention to detail and a sense of shared destiny of individuals. We seek to create both an environment and approach that allows people to grow in confidence and self-esteem as individuals and in groups.

Rather than focussing solely on people's needs, which subtly change over time, the focus of support is both on developing independence and recognising the value and strength that can be gained from interdependence.

#### **Activities and performance**

Garvald Edinburgh continues to provide a wide range of support and opportunities to individual users. The day services now support 160 people, attending both full and part time, and are working close to full capacity. There is now a growing waiting list that currently has 26 people seeking a day service. The day services are offered from the two main building locations, Gorgie workshops and Orwell Arts as well as from the Mulberry Bush shop. In addition to the main workshop activities a growing number of additional opportunities exist for members using local resources. These include support to access college courses, dance classes, Yoga, swimming and walking groups. The launch of an e-trading site for textiles produced in Orwell Arts, using ETSY, took place during the year. A major refurbishment and review of Mulberry Bush shop was commenced and almost completed by the end of the financial year.

## **Garvald Edinburgh**

### **Directors' Review for the year ended 31 March 2012**

The accommodation service supports 40 people in total. Individuals are living in their own family home or tenancies accessed via nomination management agreements held by Garvald Edinburgh with local housing associations. From August seven people have been living with more intensive support at Napier Community house. Discussions have continued with the Garvald Trust, the owners of the house, about the long term future of that particular part of the service.

Garvald Edinburgh's services are regulated by the Care Inspectorate (the Scottish regulator of care and successor to the Care Commission) which has continued to report very favourably on all the services provided.

Social events take place across the year offering opportunities for people involved in the organisation to come together for key festivals and other events. This year two of the significant events were the 42<sup>nd</sup> anniversary celebration party held in October and the Love Boat fund raising disco in June.

Financially Garvald Edinburgh performed better than budget. In part this was due to a new person moving into Napier Community house. The organisation continued the work of managing with a reduced Edinburgh Council hourly rate for housing support services that was agreed with the Services for Communities Department. This impacts both financially and, importantly, at service delivery. Managing the impact of these efficiency savings and the responsibility for them transferred to the Council's Health and Social Care Department in April 2012. Further dialogue with the Council around rate reduction is anticipated in the coming period.

Strategy planning initiated in the previous year continued. This supported an appraisal of Garvald Edinburgh's future direction leading in turn to a plan for the organisation to begin a process of growth and development. This is focused in particular, although not exclusively, towards the day service where demand for new services from individuals is high. This is developing as a strategy towards expansion of existing services, but also seeking to broaden the range of opportunities available under the organisation's umbrella. The appointment of a Development Manager in February was an important step towards this vision and is already having an impact.

The Learning Disability Capacity Plan continues to be developed as part of Edinburgh Council's strategic plan for services. This and the Self Directed Support Bill in the Scottish Parliament will be significant reference points for Garvald Edinburgh over the coming years

Garvald Edinburgh's Involvement Strategy launched in 2010 is directed towards evolving the ways people who use the services are able to get involved and influence decision making locally and across the organisation. Two significant strands of this that have been developed to date are, firstly, full involvement at each stage in staff recruitment at all levels and, secondly, delivery of some aspects of the staff induction training. Both these activities have been supported by specific training for the members and tenants taking part in the process.



## **Garvald Edinburgh**

### **Directors' Review for the year ended 31 March 2012**

#### ***Financial position and outlook***

Garvald Edinburgh accounts for the year ended 31<sup>st</sup> March 2012 show a surplus of £72,599. The past year was again not without its financial challenges. The expected reduction in accommodation services revenue started to have an impact due to a decrease in the hourly rate for service. These rate reductions will continue as the Edinburgh Council moves its service to a lower cost delivery model. The day service component saw its revenues increase as a result of the 'transition service' for school leavers adding new members. This growth in new members means that the day service is now working to almost full capacity and investments have continued in the financial year to develop and improve Garvald Edinburgh's organisational capability to meet the ever increasing service delivery challenges.

The Napier Community home income also increased with the addition of a new tenant which was not in the original budget for the year.

The organisation overall continues to focus on cost efficiency and productivity improvements in what are very challenging economic times.

Looking forward, Garvald Edinburgh will continue to face financial challenges. The uncertain financial position of local authorities and the consequent impact for voluntary organisations remains a major concern. There continues to be some uncertainty around accommodation service income levels and mitigating the potential financial risks is a high priority for the organisation.

Garvald Edinburgh has taken the strategic decision to invest in extending its day services. This will require the organisation to manage its scarce resources and ensure sound financial controls are in place during this exciting growth opportunity.

#### ***Reserves policy***

In line with charity organisation guidelines Garvald Edinburgh maintains a general reserve of between 3-6 months running costs.

#### ***Conclusion***

The year under review has been both exciting and encouraging for Garvald Edinburgh after several years of particular uncertainty about the very viability of the organisation and its many parts. By the end of the financial year decisions had been made about extending the day service in Edinburgh and possibly beyond its boundaries. The identification of possible property for additional workshops was concluded with the appointment of Neal Mackay, in the new post of Development Manager. An early and challenging task for him was convening a round table meeting of members, staff and Board members to explore the best possible uses for the new premises. All kinds of ideas were proposed which demonstrated not only the interests and imagination of those present, but also the unanimous commitment and enthusiasm for the principles of the development.

## **Garvald Edinburgh**

### **Directors' Review for the year ended 31 March 2012**

Throughout the year, as ever, the Board has been well served diligently and with commitment by Mike Casey and his senior management team. Difficult decisions have had to be taken. One, in particular, in the current economic climate, is that of staff pay and not making an annual cost of living increase. The Board has had to take account of the long term consequences of making such a decision in spite of having had a small surplus at the end of the financial year. For the past four years, as with many other employers, we have reluctantly been unable to meet the cost of a full cost of living increase largely because we have no control over the fees we receive which are not guaranteed in any way to increase with inflation year on year; indeed, we must repeat, Garvald Edinburgh is still under pressure to further reduce the hourly rate it charges for housing support to ensure it is able to remain as a contractor in competition with other providers.

Garvald Edinburgh is now well into its fifth decade of providing a range of much appreciated services in the city for people with learning disabilities. This venture would not have been possible without the vision of the initial founders, staff and Board members who made it happen. After the financial challenges faced by the organisation in recent years it is now particularly rewarding to be in the midst of new developments that will not only further broaden the opportunities for existing members, but also help to meet the needs of the growing number of people now waiting for a day service place of their choice which is a new phenomenon for the organisation. This potential expansion would not have been possible without the continued active participation of the dedicated and imaginative Garvald Edinburgh staff and, in part, the opportunities offered by the new choices available to potential members who now have greater personal control over how their financial resources are managed and spent. We already look forward to the outcome of the current developments and reporting on these positively in 2013 and wish our tenants, residents, members and staff every success in realising the ambitious plans.



**Laurie M Naumann**

**Chair and on behalf of the Garvald Edinburgh Board of Directors**

**23 November 2012**

## **Garvald Edinburgh**

### **Directors' Review for the year ended 31 March 2012**

#### **Donors**

Companies, Charitable Trusts and Foundations who have donated to Garvald Edinburgh in the period to 31 March 2012:

#### **Companies**

Asda Foundation  
BP Foundation  
Drummond Miller  
Dunedin Canmore  
Keegan & Pennykid  
North British Distillery  
Rifkind & Brophy Optometrists  
Scotsman Publications  
Scottish Courts Service  
Trinity Factors  
Turcan Connell

#### **Charitable Trusts and Foundations**

Beatrice Laing Trust  
Cordis Charitable Trust  
Heritage Lottery Fund  
Miss Agnes H Hunter's Trust  
Miss BW Muirhead Charitable Trust  
Queensberry House Trust  
Robert O'Curle Charitable Trust  
R S Macdonald Trust  
Walker Family Charitable Trust

#### **Clubs, Community Groups, Schools**

Polwarth Parish Church  
Thursday Group, Craigmount Community  
Rosslyn Chapel Congregation

## **Garvald Edinburgh**

### **Independent Auditor's Report to the Directors of Garvald Edinburgh**

We have audited the financial statements of Garvald Edinburgh for the year ended 31 March 2012 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made exclusively to the charity's Directors, as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's Directors 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 charity and its Directors as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of Directors and Auditor**

As explained more fully in the Directors' Responsibilities Statement (set out in the Directors' Annual Report), the Directors (who are also the Trustees of the charity for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The Directors have elected for the financial statements to be audited in accordance with the Charities and Trustee Investment (Scotland) Act 2005 rather than also with the Companies Act 2006. Accordingly we have been appointed as Auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's [APB's] Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

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 2012 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, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

## **Garvald Edinburgh**

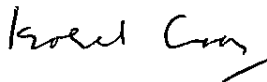
### **Independent Auditor's Report to the Directors of Garvald Edinburgh (continued)**

#### **Matters on which we are required to report by exception**

In respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Directors' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept proper and adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.



**Isobel Gray, C.A., F.C.C.A. (Senior Statutory Auditor)**

**for and on behalf of**

**Alexander Sloan  
Chartered Accountants and  
Statutory Auditor  
23 November 2012**

**1 Atholl Place  
Edinburgh**

Alexander Sloan is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

# Garvald Edinburgh

## Statement of Financial Activities (incorporating Income and Expenditure Account)

for the year ended 31 March 2012

		Unrestricted				
		General	Designated	Restricted	2012	2011
		funds	funds	funds	Total	Total
Notes		£	£	£	£	£
<b>Incoming resources</b>						
<b>Incoming resources from generated funds</b>						
Voluntary income	2	14,811	-	14,915	29,726	79,388
Activities for generating funds	3	27,391	-	-	27,391	26,854
Investment income	4	3,722	-	-	3,722	3,391
<b>Incoming resources from charitable activities</b>						
	5	2,856,701	-	-	2,856,701	2,744,562
<b>Total incoming resources</b>		<u>2,902,625</u>	<u>-</u>	<u>14,915</u>	<u>2,917,540</u>	<u>2,854,195</u>
<b>Resources expended</b>						
<b>Costs of generating funds</b>						
Costs of generating voluntary income	7	(28,555)	-	-	(28,555)	(24,521)
<b>Charitable activities</b>	8	(2,745,123)	(49,139)	(16,462)	(2,810,724)	(2,715,438)
<b>Governance costs</b>	9	(5,662)	-	-	(5,662)	(4,308)
<b>Total resources expended</b>		<u>(2,779,340)</u>	<u>(49,139)</u>	<u>(16,462)</u>	<u>(2,844,941)</u>	<u>(2,744,267)</u>
<b>Net movement in funds</b>		123,285	(49,139)	(1,547)	72,599	109,928
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>1,341,224</u>	<u>1,852,238</u>	<u>9,052</u>	<u>3,202,514</u>	<u>3,092,586</u>
<b>Total funds carried forward</b>		<u>1,464,509</u>	<u>1,803,099</u>	<u>7,505</u>	<u>3,275,113</u>	<u>3,202,514</u>

The notes on pages 14 to 24 form an integral part of these financial statements.


# Garvald Edinburgh

## Balance Sheet as at 31 March 2012

		2012		2011	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	16		1,349,745		1,381,816
<b>Current assets</b>					
Stocks		39,879		32,636	
Debtors	17	371,897		288,719	
Cash at bank and in hand		1,614,773		1,566,774	
		<u>2,026,549</u>		<u>1,888,129</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>(101,181)</u>		<u>(67,431)</u>	
<b>Net current assets</b>			1,925,368		1,820,698
<b>Net assets</b>			<u>3,275,113</u>		<u>3,202,514</u>
<b>Funds</b>					
Unrestricted funds					
General funds	20		1,464,509		1,341,224
Designated funds	21		1,803,099		1,852,238
Restricted funds	22		<u>7,505</u>		<u>9,052</u>
			<u>3,275,113</u>		<u>3,202,514</u>

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved and authorised for issue by the Directors on 23 November 2012 and signed on their behalf by



**Laurie Naumann**

**Director**

**Registered number: SC060926**

The notes on pages 14 to 24 form an integral part of these financial statements.

## **Garvald Edinburgh**

### **Notes to the Financial Statements for the year ended 31 March 2012**

#### **1. Accounting policies**

##### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention and where appropriate modified to include the revaluation of certain fixed assets and in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

##### **1.2. Incoming resources**

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies that the grant or donation must only be used in future accounting periods, or when the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from the charity shop is included in the year in which it is receivable.

Income from investments is included in the year in which it is receivable.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned (as the related goods or services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.



## **Garvald Edinburgh**

### **Notes to the Financial Statements for the year ended 31 March 2012**

#### **1.3. Resources expended**

Expenditure is recognised on an accruals basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

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.

Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

#### **1.4. Tangible fixed assets and depreciation**

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £1,000 are not capitalised.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold properties	-	Straight line over the life of the lease
Workshop equipment	-	5 year straight line
Fixtures, fittings & equipment		5 year straight line

Freehold land and buildings are not depreciated as the residual value of the property is considered in excess of the carrying value.

#### **1.5. Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### **1.6. Stock**

Stock is valued at the lower of cost and net realisable value.

#### **1.7. Pensions**

The pension costs charged in the financial statements represent the contribution payable by the charity during the year.

## Garvald Edinburgh

### Notes to the Financial Statements for the year ended 31 March 2012

#### 2. Voluntary income

	2012	2011
	£	£
Grants and donations	29,726	79,388
	<u>29,726</u>	<u>79,388</u>

#### 3. Activities for generating funds

	2012	2011
	£	£
Friends of Garvald - Bazaar	13,247	12,501
Activities for generating funds	14,144	14,353
	<u>27,391</u>	<u>26,854</u>

#### 4. Investment income

	2012	2011
	£	£
Interest received	3,722	3,391
	<u>3,722</u>	<u>3,391</u>

# Garvald Edinburgh

## Notes to the Financial Statements for the year ended 31 March 2012

### 5. Incoming resources from charitable activities

	2012	2011
	£	£
Canteen and lunches	28,113	24,697
Tool sales	2,066	2,628
Sale of bread	28,451	26,500
Sale of craft work	4,147	4,996
Shop sales	80,810	82,261
Rental income	5,040	5,040
Room hire - Orwell Arts	60	252
Fees - day & accommodation services	2,705,876	2,596,050
Management fees	2,138	2,138
	<u>2,856,701</u>	<u>2,744,562</u>

### 6. Analysis of incoming resources from charitable activity

	2012	2011
Activity or Programme	Total £	Total £
Day services	1,488,165	1,362,673
Accommodation services	1,368,536	1,381,889
	<u>2,856,701</u>	<u>2,744,562</u>

### 7. Costs of generating voluntary income

	2012	2011
	£	£
Wages and salaries	19,945	19,716
Employer's NI contributions	1,779	1,793
General expenses	6,831	3,012
	<u>28,555</u>	<u>24,521</u>

# Garvald Edinburgh

## Notes to the Financial Statements for the year ended 31 March 2012

### 8. Costs of charitable activities

	2012 £	2011 £
Staff costs	2,208,242	2,111,554
Premises costs	346,483	320,578
Running costs	212,303	242,998
Interest and finance charges	4,345	3,003
Depreciation	39,351	38,205
(Gain)/loss on disposal of assets	-	(900)
	<u>2,810,724</u>	<u>2,715,438</u>

### 9. Governance costs

	2012 £	2011 £
Audit	5,662	4,308
	<u>5,662</u>	<u>4,308</u>

### 10. Net incoming resources for the year

	2012 £	2011 £
Net incoming resources is stated after charging:		
Depreciation and other amounts written off tangible assets	39,351	38,205
Auditors' remuneration	5,662	4,308
	<u></u>	<u></u>
and after crediting:		
Profit on disposal of tangible fixed assets	-	900
	<u></u>	<u></u>

### 11. Analysis of charitable expenditure by activity

Activity or Programme	Activities undertaken directly £	Support costs £	2012 Total £	2011 Total £
Day services	1,295,466	104,598	1,400,064	1,290,322
Accommodation services	1,264,423	146,237	1,410,660	1,425,116
	<u>2,559,889</u>	<u>250,835</u>	<u>2,810,724</u>	<u>2,715,438</u>

# Garvald Edinburgh

## Notes to the Financial Statements for the year ended 31 March 2012

### 12. Analysis of support costs by charitable activity

	Staff costs	Premises costs	Running costs	2012 Total	2011 Total
Activity or programme	£	£	£	£	£
Day services	61,497	33,551	9,551	104,599	107,049
Accommodation services	85,978	46,906	13,352	146,236	149,663
	<u>147,475</u>	<u>80,457</u>	<u>22,903</u>	<u>250,835</u>	<u>256,712</u>

### 13. Employees

#### Number of employees

The average monthly numbers of employees during the year were:

	2012 Number	2011 Number
Management and administration	5	4
Day and accommodation service staff	83	73
	<u>88</u>	<u>77</u>

#### Employment costs

	2012 £	2011 £
Wages and salaries	1,964,094	1,861,805
Social security costs	145,399	151,578
Other pension costs	79,854	75,529
	<u>2,189,347</u>	<u>2,088,912</u>

There were no employees who received remuneration of over £60,000 in the period.

### 14. Directors' emoluments

No trustees or any persons connected with them received remuneration in the period, other than the wife of Martin Dawson, the wife of Alan Swift and the daughter of James Sherratt, who were employed under normal terms and conditions, and received gross salaries of £16,439, £13,265 and £14,086 respectively.

# Garvald Edinburgh

## Notes to the Financial Statements for the year ended 31 March 2012

### 15. Pension costs

The company operates two defined contribution pension schemes in respect of the staff members. The assets of the company's pension schemes are held separately from those of the company. The pension charge represents contributions due from the company and amounted to £79,854 (2011 - £75,529). There is no outstanding balance owed at the year end (2011; £nil).

16. Tangible fixed assets	Land and buildings freehold £	Long leasehold property £	Workshop equipment £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>						
At 1 April 2011	135,000	1,370,949	76,891	29,443	58,254	1,670,537
Additions	-	-	-	-	7,280	7,280
At 31 March 2012	135,000	1,370,949	76,891	29,443	65,534	1,677,817
<b>Depreciation</b>						
At 1 April 2011	-	130,839	70,185	29,443	58,254	288,721
Charge for the year	-	34,274	3,910	-	1,167	39,351
At 31 March 2012	-	165,113	74,095	29,443	59,421	328,072
<b>Net book values</b>						
At 31 March 2012	135,000	1,205,836	2,796	-	6,113	1,349,745
At 31 March 2011	135,000	1,240,110	6,706	-	-	1,381,816

17. Debtors	2012 £	2011 £
Trade debtors	243,092	155,207
Other debtors	127,625	130,832
Prepayments and accrued income	1,180	2,680
	<u>371,897</u>	<u>288,719</u>

# Garvald Edinburgh

## Notes to the Financial Statements for the year ended 31 March 2012

### 18. Creditors: amounts falling due within one year

	2012 £	2011 £
Trade creditors	7,213	4,249
Other taxes and social security costs	40,488	42,270
Other creditors	482	533
Accruals and deferred income	52,998	20,379
	<u>101,181</u>	<u>67,431</u>

### 19. Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2012 as represented by:				
Tangible fixed assets	-	1,349,745	-	1,349,745
Current assets	1,544,140	453,354	29,055	2,026,549
Current liabilities	(79,631)	-	(21,550)	(101,181)
	<u>1,464,509</u>	<u>1,803,099</u>	<u>7,505</u>	<u>3,275,113</u>

### 20. Unrestricted General Funds

	1 Apr '11 £	Incoming £	Outgoing £	31 Mar '12 £
General Fund	1,341,224	2,902,625	(2,779,340)	1,464,509
	<u>1,341,224</u>	<u>2,902,625</u>	<u>(2,779,340)</u>	<u>1,464,509</u>

### Purposes of General Funds

#### General Fund

The general fund comprises surpluses generated from the company's core activities of providing day and accommodation services to people with learning disabilities.

## Garvald Edinburgh

### Notes to the Financial Statements for the year ended 31 March 2012

21. Unrestricted Designated Funds	1 Apr '11	Outgoing	Transfers	31 Mar '12
	£	£	£	£
Property	402,628	-	-	402,628
Minibus	30,000	-	-	30,000
Other fixed assets	141,706	(5,077)	7,280	143,909
Skeltiemuir property upkeep	3,083	(628)		2,455
Furnishings	10,000	-		10,000
I.T. fund	24,712	(9,160)	(7,280)	8,272
Tenant's improvements	1,240,109	(34,274)	-	1,205,835
	<u>1,852,238</u>	<u>(49,139)</u>	<u>-</u>	<u>1,803,099</u>

#### Purposes of Designated Funds

##### *Property*

The Property reserve was established to build up funds towards the cost of refurbishing Orwell Arts. This work is now complete and the proportion of this fund now represented by the capital asset of the tenants' improvements has been transferred to a separate designated fund which will carry the total net book value of this asset.

##### *Minibus*

The purpose of this fund is to set aside funds to purchase a new minibus.

##### *Other fixed assets*

This fund has been set up to carry the value of the freehold property and fixed assets such as equipment.

##### *Skeltiemuir property upkeep*

This fund is set aside to maintain the fabric, furnishings and fittings of the Skeltiemuir property

##### *Furnishings*

This fund is set aside to upkeep partial furnishings and white goods within designated flats

##### *I.T. Fund*

This fund is set aside to enable the upgrade of outdated IT equipment and software support and continued development of the IT infrastructure.

##### *Tenant's improvements*

The purpose of this fund is to carry the value of the improvements made to the properties leased by the charity. Currently this comprises the refurbishment of the Orwell Arts property and the upgrade of the toilet block at Gorgie Road.



## Garvald Edinburgh

### Notes to the Financial Statements for the year ended 31 March 2012

22. Restricted funds	1 Apr '11 £	Incoming £	Outgoing £	31 Mar '12 £
Tools for self reliance	3,071	-	(1,736)	1,335
Ponton House	-	1,000	(811)	189
Napier House facilities	-	4,250	(4,250)	-
Textile studio	299	-	-	299
Promotional DVD	1,682	-	-	1,682
Weaving workshop	500	-	-	500
Music and arts	3,500	-	-	3,500
Gorgie Road refurbishment	-	1,000	(1,000)	-
Participation worker	-	6,000	(6,000)	-
Pottery Workshop - Orwell	-	2,665	(2,665)	-
	<u>9,052</u>	<u>14,915</u>	<u>(16,462)</u>	<u>7,505</u>

#### **Purposes of restricted funds**

##### ***Tools for self reliance***

The Tools for self reliance relates to donations given to provide refurbished tools to the third world.

##### ***Ponton House***

Donations received for Ponton House.

##### ***Napier House facilities***

A grant was received for the installation of new toilet facilities at Napier House.

##### ***Textile studio***

Textile studio - to provide equipment for the textile studio.

##### ***Promotional DVD***

Promotional DVD - to provide funding for the creation of a promotional DVD.

##### ***Weaving workshop***

Donations towards the purchase of materials used in the weaving workshop.

##### ***Music and arts***

Donations received to fund music and art therapy sessions for adults with learning difficulties, including equipment and materials for the arts workshops.

##### ***Gorgie Road refurbishments***

Gorgie Road refurbishment - grants were provided to fund the costs of installing new toilet and shower facilities in the Gorgie Road premises.

##### ***Participation worker***

A grant was received to fund the salary of participation worker.

## Garvald Edinburgh

### Notes to the Financial Statements for the year ended 31 March 2012

#### *Pottery Workshop - Orwell*

A grant was received to purchase a replacement de-airing pug mill machine for the pottery workshop at Orwell Arts.

#### **23. Financial commitments**

At 31 March 2012 the charity had annual commitments under non-cancellable operating leases as follows:

	2012	2011
	£	£
<b>Expiry date:</b>		
Within one year	11,249	10,905
In over five years	72,320	72,320
	<u>83,569</u>	<u>83,225</u>