



Thomas Telford Trust

THE THOMAS TELFORD TRUST
(A Charitable Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2012

Registered Number SC157178

CHARITY NUMBER: SC023569

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS: Brian Hay
Mike Cowley
Gordon Lee
Jenny Rees

SECRETARY: Jim Godfrey

REGISTERED OFFICE: Edinburgh's Telford College
350 West Granton Road
Edinburgh
EH5 1QE

COMPANY NUMBER: SC157178

REGISTERED CHARITY NUMBER: SC023569

BANKERS: Lloyds TSB Scotland plc
Henry Duncan House
120 George Street
EDINBURGH
EH2 4LH

INDEPENDENT EXAMINER: Catherine Wyllie
Henderson Loggie
Chartered Accountants
34 Melville Street
Edinburgh
EH3 7HA

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 July 2012. This report is prepared in accordance with the recommendations of Statement of Recommended Practice – *Accounting and Reporting by Charities (SORP 2005)* and the Companies Act 2006.

CONSTITUTION

The Thomas Telford Trust (the "Company") is a charitable company limited by guarantee and accordingly has no share capital. In the event of the winding up of the Company, the liability of each member is limited to £1.

RECRUITMENT AND APPOINTMENT OF BOARD OF DIRECTORS

The directors of the Company are also charity trustees for the purposes of charity law. The directors are elected under the terms of the Memorandum and Articles of Association. The directors are responsible for the management of the Company.

DIRECTORS INDUCTION AND TRAINING

The Directors are familiar with the work of the Charity and charity regulations. Given the straightforward nature of the Charity's activities the Directors do not consider that any specialised training is required.

OBJECTIVES

The principal objective of the Company is to advance the education of students of Edinburgh's Telford College and any other public, charitable educational establishments with which Edinburgh's Telford College has a close affiliation.

ACHIEVEMENTS AND PERFORMANCE

The Company made 23 awards during the year totalling £14,230. The Company returned a deficit for the year of £14,247 (2011: deficit £15,561).

FINANCIAL REVIEW

Restricted funds are used to support students and this year such expenditure amounted to £14,230. The deficit totalled £14,247 (2011: deficit £15,561) and the funds carried forward amount to £135,987 of which £37,934 was in restricted funds.

PLANS FOR THE FUTURE

Following the merger of Jewel & Esk College and Stevenson College Edinburgh with Edinburgh's Telford College, the Directors of the company have considered the operations of the Trust and will be reviewing proposals for its future direction during 2012/13.

COLLEGE MERGER

On 1st October 2012 Stevenson College Edinburgh and Jewel & Esk College merged with Edinburgh's Telford College. The new college is known as Edinburgh College although legally it continues to trade as Edinburgh's Telford College. It will be legally renamed Edinburgh College in due course. The Thomas Telford Trust continues unchanged in its structure and purpose.

GRANT MAKING POLICY

The Thomas Telford Trust is committed to helping students experiencing financial hardship to gain the support they require to successfully achieve their qualification at Edinburgh's Telford College. Under the umbrella of the Thomas Telford Trust there are a suite of awards that eligible students can apply for to help with financial support for the completion of their studies:

- The Thomas Telford Trust Award
- The McLeod Community Endowment
- The Thomas Telford Endowment Award
- The Thomas Telford Group Award
- The Edinburgh Playhouse Award

Eligibility and criteria for each of these awards varies but all applications are assessed by a panel comprising of senior staff from Edinburgh's Telford College. All awards made are reported to the Board retrospectively.

RESERVES POLICY

As the Trust's expenditure relates directly to the provision of awards and governance and it has limited funds, the directors do not feel that it is necessary to establish a formal reserves policy.

RISK MANAGEMENT

The directors do not believe that there are any major risks to which the Trust is exposed due to the nature of its operations. The directors are informed of awards made by the panel and review finances on a regular basis.

TAXATION

The Company is a charity and is recognised as such by the Inland Revenue for taxation purposes. As a result there is no liability to taxation on any of its income.

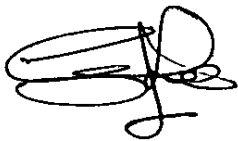
INDEPENDENT EXAMINER

The charity's directors consider that, under the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended), there is no requirement for an audit and therefore have instructed an independent examination of the financial statements.

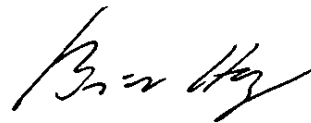
SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies under the small companies' regime.

Approved by the Directors on 7 December 2012 and signed on their behalf by:

A handwritten signature in black ink, appearing to be 'Gordon Lee', written in a cursive style.

Gordon Lee
Director

A handwritten signature in black ink, appearing to be 'Brian Hay', written in a cursive style.

Brian Hay
Director

INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS AND MEMBERS OF THE THOMAS TELFORD TRUST

I report on the financial statements of the Trust for the year ended 31 July 2012 which are set out on pages 8 to 13.

Respective responsibilities of directors and examiner

The directors (who are the trustees of the company for the purposes of charity law) are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's directors consider 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 financial statements as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the Trust and a comparison of the financial statements with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the directors 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 by the financial statements.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

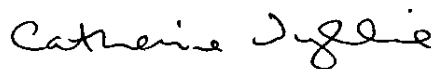
1. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
- 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.

Catherine Wyllie CA
Henderson Loggie
Chartered Accountants
34 Melville Street
Edinburgh
EH3 7HA



7 December 2012

**INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF FINANCIAL
ACTIVITIES For Year Ended 31 July 2012**

	Notes	Unrestricted Funds	Restricted Funds	Year ended 31 July 2012	Year ended 31 July 2011
		£	£	£	£
Incoming Resources for generating funds:					
Activities for generating funds:					
Other donations		0	0	0	4,500
Bank interest		363	0	363	391
Total Incoming Resources		363	0	363	4,891
Resources Expended					
Activities in furtherance of the charity's objectives					
Governance Costs		380	0	380	1,877
Total Resources Expended		380	14,230	14,610	20,452
Net (outgoing) incoming resources before transfers	2	(17)	(14,230)	(14,247)	(15,561)
Gross transfers between funds		10,464	(10,464)	0	0
Net movement in funds		10,447	(24,694)	(14,247)	(15,561)
Fund Balances brought forward at 1 August		87,606	62,628	150,234	165,795
Fund Balances carried forward at 31 July		98,053	37,934	135,987	150,234

All the activities of the Company relate to continuing activities.
The notes on pages 9 to 12 form part of these financial statements.

BALANCE SHEET As at 31 July 2012

	Notes	As at 31 July 2012 £	As at 31 July 2011 £
CURRENT ASSETS			
Debtors	3	52	9,053
Cash at Bank and in Hand		139,420	147,235
		<u>139,472</u>	<u>156,288</u>
CURRENT LIABILITIES			
Creditors	4	3,485	6,054
NET ASSETS		<u><u>135,987</u></u>	<u><u>150,234</u></u>
RESERVES			
Unrestricted Funds	6	98,053	87,606
Restricted Funds	6	37,934	62,628
		<u><u>135,987</u></u>	<u><u>150,234</u></u>

The directors consider that the company is entitled to exemption from the requirements to have an audit by virtue of section 477 of the Companies Act 2006.

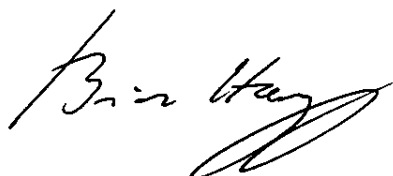
The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Directors on 7 December 2012 and signed on its behalf by:



Gordon Lee
Director



Brian Hay
Director

The notes on pages 10 to 13 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS Year Ended 31 July 2012

1 ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost accounting rules and in accordance with applicable accounting standards in the United Kingdom, the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006.

The Company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No.1 on the grounds that it is entitled to exemptions available in Part 15 of the Companies Act 2006 for small companies.

VAT

The Company is not registered for VAT and accordingly expenditure includes VAT where appropriate.

Analysis of Expenditure

Where possible, expenditure has been charged direct to charitable expenditure or governance costs. Where this is not possible the expenditure has been allocated on the basis of time spent by staff on each activity.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination or audit fees and costs linked to the strategic management of the charity.

Incoming Resources

Incoming resources are recognised when the Company has legal entitlement, the amount is quantifiable and there is reasonable certainty of receipt.

Funds

Unrestricted funds are donations or other incoming resources receivable or generated for the objects of the charity without further specific purposes and are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the restricted funds.

NOTES TO THE FINANCIAL STATEMENTS (contd)

2 NET MOVEMENT IN FUNDS

	Year ended 31 July 2012 £	Year ended 31 July 2011 £
Net movement in funds is stated after charging:		
Independent Examiner's Remuneration (2010/11)	(650)	0
Independent Examiner's Remuneration (2011/12)	<u>1,000</u>	<u>1,850</u>
	<u>350</u>	<u>1,850</u>

3 DEBTORS

	As at 31 July 2012 £	As at 31 July 2011 £
Amounts due from Edinburgh's Telford College	0	9,000
Accrued Income	52	53
	<u>52</u>	<u>9,053</u>

4 CREDITORS

	As at 31 July 2012 £	As at 31 July 2011 £
Amounts due to Edinburgh's Telford College	1,200	4,204
Accruals	2,285	1,850
	<u>3,485</u>	<u>6,054</u>

5 SHARE CAPITAL

The Company is limited by guarantees of £1 per member and has no share capital. At 31 July 2012 there was 1 member (2011 – 1).

NOTES TO THE FINANCIAL STATEMENTS (contd)

6 RESERVES

	Unrestricted Fund £	Restricted Fund £	Total 2012 £	Total 2011 £
At 1 August 2011	87,606	62,628	150,234	165,795
Incoming resources during the year	363	0	363	4,891
Resources expended during the year	(380)	(14,230)	(14,610)	(20,452)
Movement between funds	10,464	(10,464)	0	0
At 31 July 2012	98,053	37,934	135,987	150,234

The nature of the individual funds forming the total Restricted Fund is as follows and their movements during the year are:

	Balance at 1 August £	Income £	Expenditure £	Transfer to unrestricted £	Balance at 31 July 2012 £
Principal R G McLeod	25,904	0	0	0	25,904
Edinburgh Playhouse	12,730	0	(700)	0	12,030
Thomas Telford	23,994	0	(13,530)	(10,464)	0
	62,628	0	(14,230)	(10,464)	37,934

£25,000 of the Principal R. G. McLeod Fund must be retained as capital and any income generated is used to support part-time students who live in north Edinburgh.

Edinburgh Playhouse Trust Fund is used to assist students studying dance, performing arts and/or theatre costume at Edinburgh's Telford College.

Other smaller funds have been included within the Thomas Telford Fund which have been reclassified as unrestricted funds rather than restricted as it has now been identified that these funds should not have been restricted.

7 DIRECTORS' REMUNERATION

None of the Board Members received remuneration or reimbursement of expenses during the year.

NOTES TO THE FINANCIAL STATEMENTS (contd)

8 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Debtors	52	0	52	9,053
Cash at Bank	100,201	39,219	139,420	147,235
Creditors	(2,200)	(1,285)	(3,485)	(6,054)
	<u>98,053</u>	<u>37,934</u>	<u>135,987</u>	<u>150,234</u>

9 ULTIMATE PARENT UNDERTAKING

In the opinion of the directors, the ultimate parent undertaking at 31 July 2012 is Edinburgh's Telford College, 350 West Granton Road, Edinburgh EH5 1QE

10 POST BALANCE SHEET EVENTS

On 1st October 2012 Stevenson College Edinburgh and Jewel & Esk College merged with Edinburgh's Telford College. The new college is known as Edinburgh College although legally it continues to trade as Edinburgh's Telford College. It will be legally renamed Edinburgh College in due course. The Thomas Telford Trust continues unchanged in its structure and purpose.

11 RELATED PARTY TRANSACTIONS

During the year the Company paid £8,995 (2011 - £9,075) of business relating to tuition fees to Edinburgh's Telford College, an institution which has the power to appoint and remove Directors of the Company. In the opinion of the Directors, such transactions were carried out at arms' length.

At 31 July 2012, a balance of £nil (2011 £9,000) was due from Edinburgh's Telford College and is included in debtors (Note 3). In addition £1,200 (2011 £4,204) was due to Edinburgh's Telford College and is included within creditors (Note 4).