
FORTH ENVIRONMENT LINK
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016



FORTH ENVIRONMENT LINK
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2016**

Trustees

Mr J Lamond
Mr R G Lawson
Ms C E Sankey
Mr P Smith
Mr P Stott
Mr A Tollemache
Ms S Winstone
Ms C Preston (appointed 17 August 2016)

Company registered number

SC286723

Charity registered number

SC019276

Registered office

Balallan House
24 Allan Park
Stirling
FK8 2QG

Company secretary

Mr R G Lawson

Independent auditors

French Duncan LLP
Statutory Auditors and Chartered Accountants
Macfarlane Gray House
Castlecraig Business Park
Springbank Road
Stirling
Stirlingshire
FK7 7WT

Bankers

Unity Trust Bank
Nine Brindleyplace
Birmingham
B1 2HB

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Forth Environment Link (the company) for the year ended 31 March 2016. The Trustees confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

OBJECTIVES

The objectives are namely the advancement of education, learning and behaviour change in matters relating to the natural world, sustainable and active living.

VOLUNTEERS

Volunteers support a range of activities within the organisation from attendance at events to participation in led rides. Providing structured and relevant volunteering opportunities is fundamental to the operation of the charity and FEL is constantly looking to improve upon and review the volunteering experience. The Board of Trustees gratefully acknowledges the support and commitment of our volunteers across all FEL work streams.

Achievements and performance

KEY FINANCIAL PERFORMANCE INDICATORS

Indicators used to assess achievements during the year include:

- number of volunteers engaged
- number of events attended and the number of visitors to those events
- specific project related targets
- information and resources distributed
- number and amount of project and grants awarded

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

REVIEW OF ACTIVITIES

1. Zero Waste Volunteer Community Advocate Programme (VCAP funded by Zero Waste Scotland)

The Zero Waste VCAP project is funded by Zero Waste Scotland and continues to develop the work undertaken in previous years to stimulate awareness and motivate positive behaviour change around waste and reuse. The project involves working closely with targeted communities across the Forth Valley from July 2015 through to June 2016, focusing on encouraging and supporting communities to reduce waste and increase recycling and reuse rates.

Over the last twelve months FEL has attended 98 events, engaged with over 16,000 people (1,893 face to face + 14,712 online) and trained 25 volunteers to deliver cascade training. Strong partnership working has been a key element of this work and has involved partnerships with: University of Stirling, Stirling Council, Start Up Stirling, Tullibody Community Garden, Braehead Community Garden, Sunlite Café Community Garden and many others.

2. The Forth Valley Orchards Initiative (funded by the Central Scotland Green Network)

The Fruit Futures Project aimed to work with projects operating in areas within the lowest 15% in the Scottish Index of Multiple Deprivation and / or located in or near areas of derelict or vacant land. The project set out to:

1. Train and support community and Eco-school leaders to design, develop and support their community orchards through a series of workshops, events and networking opportunities.
2. Identify and seek to develop a demonstration project with a hope of identifying other sites which might be used to showcase best practice within the sector.

An additional four schools were supported as part of the Tullibody Orchard development funded by the CSGN Orchard Futures Fund (Abercromby, St Bernadettes, Banchory and St Serfs primary schools).

The Master Orchardist Volunteer Programme - A funding contribution to the Fruit Future Project was made by Helping Britain Blossom through The Urban Orchard Project, and funded by Heineken UK Ltd and The Bulmer Foundation, to launch and deliver the Master Orchardist Volunteer Programme (MOVP), the first of its kind in Scotland. Eight Master Orchardist Volunteers (MOVs) were recruited from across the CSGN area.

Although not directly connected to the Fruit Futures Project, FEL became the Local Facilitator for the National Orchard Inventory Survey in Forth Valley, a collaborative project between Orchard Research & Enterprise, CW Hayes Associates, Scottish Natural Heritage and other local partners to research and record orchards across Scotland as a foundation for the wider aim of an orchard revival.

FEL was funded by CSGNT to deliver a series of Continuing Professional Development (CPD) sessions based on FEL's Teachers' Resource Pack®, to teachers in the Inner Forth Landscape Initiative (IFLI) area. CSGNT also funded FEL to deliver three public orchard workshops aimed at people with no tree maintenance experience.

Orchard Collective Scotland (OCS) - Membership of this Facebook group continued to yield benefits, through sharing online information, and attendance at the OCS gathering at the Seed & Tree Festival in February, where the FVO team, MO volunteers and FFP projects gave input to the discussions on the future direction of the OCS in Scotland.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

3. Grow Forth Local Food Network (funded by Climate Challenge Fund)

The aims of the Grow Forth local food network are to help connect and support communities across Forth Valley to grow their own food, to help people source local food and to encourage more people to eat local food.

Grow Forth received Climate Challenge Funding to run a one year food project called Get Ready for Local, from April 2015 until March 2016. The principal aims of the project were to:

- help communities in and around Stirling adapt to a less secure food future by becoming more resilient and creating a local food culture and legacy
- encourage and enable communities to mitigate carbon emissions via food waste reduction

The project engaged and supported 354 people on the food waste challenge, saved 63.86 tonnes of CO₂e lifetime and saved 3.2 tonnes of food waste. FEL delivered 67 workshops across a range of food topics in communities and held 21 events. Three bespoke training sessions for business ambassadors were held and a pilot local and fresh vending machine study was run in Forth Valley College. 43 people volunteered their time for the project and 5 people received qualifications.

4. Cycle Stirling

Cycle Stirling is a network of cyclists and cycling interest groups who promote safe cycling for all ages and abilities to everyday destinations. Cycle Stirling aims to reduce car journeys and create a healthier population and a more sustainable environment. The work of Cycle Stirling is coordinated through FEL.

Cycle Stirling co-ordinated a series of stakeholder meetings and a cycle ride for key local influencers to look at cycling and walking infrastructure locally.

5. Stirling Cycle Hub (funded by Transport Scotland, in partnership with Abellio ScotRail Ltd)

Stirling Cycle Hub is a national pilot project which aims to promote and increase cycling. Based at Stirling Train Station, the Hub provides information and resources about cycling and active travel, organises community events and activities, and develops partnerships in the local community. The Hub celebrated its second birthday with Cabinet Secretary for Infrastructure, Investment and Cities, Keith Brown in May 2015. The Hub welcomed a total of 12,673 visitors, delivered 254 events and handled 2,236 route planning enquiries. Partnership projects with Recycle-a-bike and Edinburgh Bike Station saw the delivery of an outreach programme delivered as part of the Cycle Friendly Stirling Partnership and funding secured from Stirling Council's Smarter Choices Smarter Places fund allowed the development of a tailored employer engagement programme with three large local employers as well as the launch of a Festival of Cycling for Stirling.

Transport Scotland and Sustrans funded the expansion of the Stirling bike share scheme planned for Autumn 2016. Additional investment from Transport Scotland saw the development of a small electric bike fleet to support the development of Hub Meander rides and the employer engagement work.

6. Consulting

FEL undertook a small range of contracts to support local communities with consultations, business planning, network development, funding proposals and the delivery of workshops.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

INVESTMENT POLICY AND PERFORMANCE

Investment income is insignificant and no objectives were set.

Financial review

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

PRINCIPAL RISKS AND UNCERTAINTIES

The main financial risk is that if insufficient funding is secured there will be implications on the continuing ability of the organisation to deliver its objectives at the current level.

RESERVES POLICY

It is the policy of the organisation to build up reserves by running a surplus if possible. The intention is to build up sufficient reserves to fund at least 6 month's ongoing activities. At 31 March 2016, the level of reserves falls short of this target.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

PRINCIPAL FUNDING

A high proportion of expenditure is on salaries. Project expenditure is met with specific grant funding and other forms of income generation.

Thanks go to the following for grant aid:

- Central Scotland Green Network Trust (CSGNT)
- Climate Challenge Fund
- Falkirk Environment Trust
- Falkirk Community Trust
- Forestry Commission Scotland
- Helping Britain Blossom
- Keep Scotland Beautiful
- Scottish Natural Heritage
- Paths for All
- Smarter Choices, Smarter Places
- Stirling Council
- Sustrans
- The Bike Station Edinburgh
- Transport Scotland
- Urban Orchard Project
- Zero Waste Scotland

Thanks go to the following for donations to the work of the organisation:

- Caram Trust

Ongoing funds were secured through Zero Waste Scotland for the Volunteer and Community Advocate Programme through to June 2017.

Funds were secured from Inner Forth Landscape Initiative (IFLI) for the Forth Valley Orchards' Fruitful Communities project through to March 2017.

Funds were secured from Helping Britain Blossom for the Master Orchardist Volunteer Programme until September 2016.

Ongoing funds were secured from Transport Scotland in partnership with Abellio ScotRail Ltd for Stirling Cycle Hub through to March 2017.

Ongoing funds were secured through Transport Scotland and funds were secured from Sustrans and Stirling Council for the delivery and expansion of a bike share scheme for Stirling through to March 2017.

On-going funds were secured from The Bike Station Edinburgh and Transport Scotland for delivery of the Cycle Friendly Stirling Partnership through to March 2017.

Ongoing funds were secured for Grow Forth from Climate Challenge Fund through to March 2017.

Ongoing funds were secured through Stirling Council, Paths for All and Smarter Choices, Smarter Places for the delivery of an active travel employer engagement programme and a Festival of Cycling.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

Structure, governance and management

CONSTITUTION

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Incorporation

The entire activities of the unincorporated body were transferred to the company on 1 April 2006. Membership is open to all persons aged over 18 and living locally. On 10th September 1991 the Inland Revenue in Scotland accepted it as a charity for tax purposes.

Capital structure

On 1 August 2008 the entire assets and undertaking of Forth Valley Food Links a charity and company limited by guarantee, were transferred to the company. The objects of the company were expanded to include awareness of health education as part of its commitment to encouraging good environmental practice.

Principal activities and objects of the company

The objects of the organisation are to advance education with particular emphasis on matters relating to the Natural World. In furtherance of these objects the organisation encourages commitment to good environmental practice by raising awareness of important issues and gathers funds by way of contributions, donations, subscriptions and grants.

The Executive Committee consists of the Trustees and the Executive Director and meets regularly to implement the policy of the organisation as outlined above. The Trustees are unpaid but determine the remuneration of the Executive Director. It is the responsibility of the Executive Director to carry out decisions of the Executive Committee and generally run the day to day affairs of the organisation.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

Trustees are appointed by co-option initially and subsequently by election at an Annual General Meeting.

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Induction support and a Trustee/Staff handbook are provided to new trustees by the staff team and Chair. The handbook includes a copy of relevant policies, procedures, governance information and role descriptions. New Trustees are inducted through a series of meetings with staff and existing Trustees at Forth Environment Link. During the course of their term, the Trustees are offered the opportunity of gaining understanding of FEL's work during regular project updates and annual organisational training days.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

PAY POLICY FOR SENIOR STAFF

The FEL Board consider the board of directors, who are the Charity's Trustees and the Executive Director, comprise the key management personnel of the charity in charge of directing and controlling, running and operating FEL on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. The pay policy of the Executive Director is reviewed annually and normally increased in accordance with inflation. In view of the nature of the charity, the directors benchmark against pay levels in other similar sized and operationally relevant charitable organisations.

RISK MANAGEMENT

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

There are no unusual risks that employees are exposed to and insurance is taken out to cover any possible liabilities arising. The main risk to the organisation is financial, since it is dependent on fixed-term project funding for most of its activities. Employees are subject to term contracts, which reflect the period for which funding is available.

Plans for future periods

FUTURE DEVELOPMENTS

Key objectives are to:

- Continue to promote sustainable living through a variety of projects and initiatives
- Expand outreach to target specific groups of people within the community
- Development of new funding streams and new projects to decrease the reliance on core funders
- Ensure the long term economic sustainability of the organisation

Factors that could affect performance are:

- Ability to secure additional funding
- Long term illness/absence of staff
- Changes in core funders' funding strategies

The board and management of FEL continue to work together in order to further the objectives of the organisation whilst minimising exposure to the above risks.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Forth Environment Link for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees on 26 Oct 2016 and signed on their behalf by:



Ms C E Sankey
Trustee

FORTH ENVIRONMENT LINK
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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF FORTH ENVIRONMENT LINK

We have audited the financial statements of Forth Environment Link for the year ended 31 March 2016 set out on pages 12 to 24. 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).

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 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 charitable company's members and the charitable company's Trustees those matters we are required to state to them in an Auditors' 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, the charitable company's members as a body and the charitable company's Trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, 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.

We have been appointed auditors under the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with regulations made under those Acts.

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 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF FORTH ENVIRONMENT LINK

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 2016 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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the company has not kept proper and adequate accounting records, 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 take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Ellen Waters (Senior Statutory Auditor)

for and on behalf of

French Duncan LLP

Statutory Auditors and Chartered Accountants

Macfarlane Gray House
Castlecraig Business Park
Springbank Road
Stirling
Stirlingshire
FK7 7WT

Date: 24th November 2016.

French Duncan LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:					
Donations and legacies	2	3,306	599,265	602,571	442,327
Charitable activities	3	24,204	-	24,204	15,866
TOTAL INCOME		27,510	599,265	626,775	458,193
EXPENDITURE ON:					
Charitable activities:					
Charitable activities		10,087	393,930	404,017	457,095
Governance	4	5,579	2,100	7,679	2,607
TOTAL EXPENDITURE		15,666	396,030	411,696	459,702
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS					
Transfers between Funds	11	11,844 (578)	203,235 578	215,079 -	(1,509) -
NET INCOME / (EXPENDITURE)		11,266	203,813	215,079	(1,509)
RECONCILIATION OF FUNDS:					
Total funds brought forward		66,225	5,022	71,247	72,756
TOTAL FUNDS CARRIED FORWARD		77,491	208,835	286,326	71,247

All activities relate to continuing operations.


The notes on pages 15 to 24 form part of these financial statements.

FORTH ENVIRONMENT LINK
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REGISTERED NUMBER: SC286723

BALANCE SHEET
AS AT 31 MARCH 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	8		15,130		10,613
CURRENT ASSETS					
Debtors	9	40,001		45,143	
Cash at bank and in hand		245,511		21,704	
		<u>285,512</u>		<u>66,847</u>	
CREDITORS: amounts falling due within one year	10	(14,316)		(6,213)	
NET CURRENT ASSETS			<u>271,196</u>		<u>60,634</u>
NET ASSETS			<u><u>286,326</u></u>		<u><u>71,247</u></u>
CHARITY FUNDS					
Restricted funds	11		208,835		5,022
Unrestricted funds	11		77,491		66,225
TOTAL FUNDS			<u><u>286,326</u></u>		<u><u>71,247</u></u>

The financial statements were approved by the Trustees on 26 October 2016 and signed on their behalf, by


Mr R Lawson (Treasurer)

The notes on pages 15 to 24 form part of these financial statements.

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**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	13	<u>231,845</u>	<u>(25,303)</u>
Cash flows from investing activities:			
Proceeds from the sale of property, plant and equipment		-	660
Purchase of property, plant and equipment		<u>(8,038)</u>	<u>(12,486)</u>
Net cash used in investing activities		<u>(8,038)</u>	<u>(11,826)</u>
Change in cash and cash equivalents in the year		223,807	(37,129)
Cash and cash equivalents brought forward		<u>21,704</u>	<u>58,833</u>
Cash and cash equivalents carried forward	14	<u><u>245,511</u></u>	<u><u>21,704</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

Forth Environment Link 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.

The comparative figures for the year ended 31 March 2015 were unaudited.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS102 the restatement of comparative items was required.

No restatements were required.

1.3 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.5 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES (continued)

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, 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. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

All costs are allocated between the expenditure categories of the statement of financial activity on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

1.7 Going concern

In common with other charitable organisations, Forth Environment Link is dependent on income from its donors, grant givers and other supporters to ensure its objectives continue to be achieved for the longer term. The accounts have been prepared on the basis that the charity has the continued support of its funders in the current and future years.

1.8 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and equipment	-	25% on reducing balance
Office equipment	-	25% on reducing balance
Bicycles	-	25% on reducing balance

1.9 Operating leases

Rentals under operating leases are charged to the statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.10 Debtors

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

1.11 Cash at Bank and in hand

Cash at bank and 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES (continued)

1.12 Creditors and provisions

Creditors and provisions are recognised where the 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.13 Financial instruments

The 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.14 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	3,306	-	3,306	2,607
Zero Waste Scotland - Zero Waste Volunteer and Community Advocate Programme	-	51,096	51,096	55,441
Zero Waste Scotland - Litter Pilot	-	-	-	28,325
Central Scotland Green Network Development Fund	-	50,700	50,700	111,277
Central Scotland Green Network Trust	-	2,550	2,550	-
Urban Orchard Project	-	4,965	4,965	-
Transport Scotland - Nextbike Bike Share Scheme	-	60,000	60,000	140,000
Transport Scotland - Cycle Hub	-	94,793	94,793	103,472
Transport Scotland - Cycle Friendly Stirling Partnership	-	25,000	25,000	-
Community Jobs Scotland (Scottish Charity Voluntary Organisation)	-	979	979	-
Smarter Choices Smarter Places	-	21,680	21,680	-
Sustrans (Nextbike Expansion & NCN Tour)	-	147,600	147,600	-
Food Standards Scotland	-	1,500	1,500	-
Climate Challenge Fund	-	128,402	128,402	-
Stirling Council	-	10,000	10,000	-
Community Food Fund	-	-	-	1,205
Total donations and legacies	3,306	599,265	602,571	442,327

In 2015, of the total income from donations and legacies, £2,607 was to unrestricted funds and £439,720 was to restricted funds

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Earned income	24,204	-	24,204	15,866

In 2015, of the total income from charitable activities, £15,866 was to unrestricted funds and £NIL was to restricted funds.

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4. GOVERNANCE COSTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Auditors' remuneration	4,800	-	4,800	-
Auditors' remuneration - non audit	-	2,100	2,100	-
Legal fees	313	-	313	-
Accountancy	466	-	466	2,607
	<u>5,579</u>	<u>2,100</u>	<u>7,679</u>	<u>2,607</u>

5. DIRECT COSTS

	Total 2016 £	Total 2015 £
Volunteer expenses	775	610
Consultancy for specific projects	31,490	18,719
Bank charges	3	57
Membership subscriptions	430	456
Project expenses	22,990	50,845
Commissioning of Bike Hire Scheme	-	131,090
Events	26,618	13,587
General office costs	20,112	42,878
Property costs	12,162	9,319
Staff travel and other expenses	7,904	4,768
Advertising and promotion	12,813	15,289
Loss on sale of tangible fixed assets	-	218
Wages and salaries	247,350	169,259
National insurance	18,638	-
Pension cost	2,732	-
	<u>404,017</u>	<u>457,095</u>

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6. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	3,521	3,965
Auditors' remuneration	4,800	-
Auditors' remuneration - non-audit	2,100	-
Accountancy	466	2,607
Operating lease rentals:		
- land and buildings	9,333	8,229
	<u>268,720</u>	<u>169,259</u>

During the year, no Trustees received any remuneration (2015 - £NIL).

During the year, no Trustees received any benefits in kind (2015 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2015 - £NIL).

7. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	247,350	169,259
Social security costs	18,638	-
Pension costs	2,732	-
	<u>268,720</u>	<u>169,259</u>

The average number of full time and part time persons employed by the company during the year was as follows:

	2016 No.	2015 No.
Administrative staff	17	11
Management staff	1	1
	<u>18</u>	<u>12</u>

No employee received remuneration amounting to more than £60,000 in either year.

The charity considers its key management personnel comprise the trustees and the Executive Director. The total employment benefits including employer pension contributions of the key management personnel were £28,469 (2015 - £24,250).

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FOR THE YEAR ENDED 31 MARCH 2016**

8. TANGIBLE FIXED ASSETS

	Plant and equipment £	Office equipment £	Bicycles £	Total £
Cost				
At 1 April 2015	3,060	7,598	8,378	19,036
Additions	-	665	7,373	8,038
At 31 March 2016	3,060	8,263	15,751	27,074
Depreciation				
At 1 April 2015	765	4,881	2,777	8,423
Charge for the year	574	679	2,268	3,521
At 31 March 2016	1,339	5,560	5,045	11,944
Net book value				
At 31 March 2016	1,721	2,703	10,706	15,130
At 31 March 2015	2,295	2,717	5,601	10,613

9. DEBTORS

	2016 £	2015 £
Trade debtors	36,259	41,844
Other debtors	833	833
Prepayments	2,909	2,466
	<u>40,001</u>	<u>45,143</u>

10. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	8,940	1,932
Other taxation and social security	5,376	4,281
	<u>14,316</u>	<u>6,213</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

11. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Carried Forward £
Unrestricted funds					
General funds	66,225	27,510	(15,666)	(578)	77,491
Restricted funds					
Cycle Hub	1,600	144,870	(129,734)	-	16,736
Zero Waste Community Initiative	-	51,026	(50,528)	-	498
Bike Share	-	215,000	(31,694)	-	183,306
Grow Forth	-	129,919	(130,497)	578	-
Forth Valley Orchards	3,422	58,450	(53,577)	-	8,295
	5,022	599,265	(396,030)	578	208,835
Total of funds	71,247	626,775	(411,696)	-	286,326

SUMMARY OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Carried Forward £
General funds	66,225	27,510	(15,666)	(578)	77,491
Restricted funds	5,022	599,265	(396,030)	578	208,835
	71,247	626,775	(411,696)	-	286,326

The general fund are those funds which the trustees are free to use in accordance with the charitable objectives.

The restricted funds are those funds which the trustees use for specific projects as follows;

Cycle Hub - Delivering active travel advice, information and engagement activities at Stirling Train Station.

Zero Waste Community Initiative - Supporting community skills, training and learning around waste, recycling and reuse.

Bike Share - Increasing the number of day to day journeys by bike through an affordable bike share scheme for Stirling.

Grow Forth - Helping connect and educate communities on growing, cooking, eating and buying local food.

Forth Valley Orchards Initiative - Helping develop and introduce new community orchards and supporting their on-going sustainability.

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**NOTES TO THE FINANCIAL STATEMENTS
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12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	15,130	-	15,130	10,613
Current assets	76,677	208,835	285,512	66,847
Creditors due within one year	(14,316)	-	(14,316)	(6,213)
	<u>77,491</u>	<u>208,835</u>	<u>286,326</u>	<u>71,247</u>

13. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net income/(expenditure) for the year (as per Statement of financial activities)	215,079	(1,509)
Adjustment for:		
Depreciation charges	3,521	3,965
Loss on the sale of fixed assets	-	218
Decrease/(increase) in debtors	5,142	(25,137)
Increase/(decrease) in creditors	8,103	(2,840)
Net cash provided by/(used in) operating activities	<u>231,845</u>	<u>(25,303)</u>

14. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash at bank and in hand	245,511	21,704
Total	<u>245,511</u>	<u>21,704</u>

15. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £2,732 (2015 - £2,731). Contributions totalling £NIL (2015 - £NIL) were payable to the fund at the balance sheet date.

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16. OPERATING LEASE COMMITMENTS

At 31 March 2016 the total of the charity's future minimum lease payments under non-cancellable operating leases for land and buildings was:

	2016 £	2015 £
Amounts payable:		
Within 1 year	10,000	10,000
Between 1 and 5 years	3,333	13,333
Total	<u>13,333</u>	<u>23,333</u>