

Scottish Charity Registration No. SC044222  
Company Registration No. SC364189 (Scotland)

**TULLIS RUSSELL ENVIRONMENTAL EDUCATION LIMITED**

**(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2017**



**Tullis Russell Environmental Education Limited**

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**For the year ended 31 August 2017**

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**Tullis Russell Environmental Education Limited**

**Legal and Administrative Information  
For the year ended 31 August 2017**

<b>Company Number:</b>	SC364189 (Scotland)
<b>Scottish Charity Number:</b>	SC044222
<b>Directors:</b>	Michael Deeprise (Resigned 24 January 2018) Geoffrey Miller Ronald Page Alastair McCabe Angela High (Appointed 24 January 2018)
<b>Secretary:</b>	Geoffrey Miller
<b>Registered Office:</b>	Rothesfield Markinch KY7 6PB
<b>Bankers:</b>	Royal Bank of Scotland Cupar Fife Branch 18 Crossgate Cupar Fife KY15 5HH
<b>Independent Examiner:</b>	Emma Marshall, CA Geoghegans Chartered Accountants 6 St Colme Street Edinburgh EH3 6AD

## **Tullis Russell Environmental Education Limited**

### **Directors' Report**

**For the year ended 31 August 2017**

The Directors (who are also Trustees of the charitable company for the purposes of charity law) present their report for the year ended 31 August 2017.

### **Objectives and Activities**

The objectives of the charitable company as set out in its governing document are as follows:

- The advancement of education
- The advancement of citizenship or community
- The advancement of the arts, heritage, culture or science
- The provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities are primarily intended
- The advancement of environmental protection or improvement

### **Achievements and Performance**

As referred to in last year's directors' report Tullis Russell Papermakers Limited ceased trading and went into Administration during April 2015. As well as the TREE Centre being based at the Markinch site the Charity had also received both financial and other support from the Company. Due to the uncertainties over the Markinch site the Trustees decided to suspend the activities of the Charity until matters are clearer and before considering further proposals that would allow the Charity to operate in a sustainable manner going forward.

The directors have now considered the ongoing viability of the Charity and, taking into account the fact that the TREE Centre building is no longer an asset, the directors will look to commence steps to wind-up the Charity once all outstanding matters have been addressed.

### **Financial Review**

There was net expenditure for the year of £397,625 (2016: net expenditure of £45,472).

### **Reserves Policy**

The balance held as unrestricted funds at 31 August 2017 was £47,596, of which £47,596 are regarded as 'free reserves', after allowing for funds tied up in tangible fixed assets. This current level of reserves is considered sufficient to meet current commitments in the short to medium term while the Directors consider their options going forward.

## **Tullis Russell Environmental Education Limited**

### **Directors' Report (continued) For the year ended 31 August 2017**

#### **Structure, Governance and Management**

Tullis Russell Environmental Education Limited (TREE) is a registered Scottish charity and is a company limited by guarantee which was incorporated on 18 August 2009. The company obtained Scottish charitable status on 23 August 2013 and commenced its charitable operations with effect from 1 September 2013.

The company is established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The Directors who served during the year to date were:

Michael Deeprise	For Markinch Community Council
Geoffrey Miller	For Tullis Russell Papermakers Limited
Ronald Page	For North Glenrothes Community Council
Alastair McCabe	For Pitteuchar, Stenton and Finglassie Community Council

Under the Memorandum of Association the maximum number of directors (excluding alternate directors) is eight, of which no more than five shall be Partner Directors and no more than three shall be Co-opted Directors. The minimum number of directors shall be four.

Membership of the charitable company is only open to Markinch Community Council; North Glenrothes Community Council; Pitteuchar, Stenton and Finglassie Community Council; and Tullis Russell Papermakers Limited.

Each of these members is entitled to appoint one Partner Director with the exception of Tullis Russell Papermakers Limited who is entitled to appoint a maximum of two.

No director may serve as an employee of the charitable company nor receive any remuneration in respect of carrying out their duties as a director. The directors may however be paid all travelling and other expenses reasonably incurred by them in connection with their attendance at meetings or otherwise in connection with the carrying out of their duties.

**Tullis Russell Environmental Education Limited**

**Directors' Report (continued)**  
**For the year ended 31 August 2017**

**Directors' Responsibilities Statement**

The Directors (who are also Trustees of the charitable company for the purposes of charity 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 the 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 2015 (FRS 102);
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

This report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (FRS 102) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Board



Geoffrey Miller  
**Director**

29 May 2018

**Tullis Russell Environmental Education Limited**

**Independent Examiner's report to the Directors of Tullis Russell Environmental Education Limited**

I report on the financial statements of Tullis Russell Environmental Education Limited for the year ended 31 August 2017 which are set out on pages 6 to 12.

**Respective Responsibilities of Directors and Examiner**

The Directors (who are also the Trustees of the charitable 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 Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The 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 statement**

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charitable company and a comparison of the financial statements presented 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 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.

I draw your attention to note 1 to the financial statements in relation to the adoption of the going concern basis of preparation.

*Emma Marshall*

Emma Marshall, CA  
Independent Examiner  
Geoghegans  
Chartered Accountants  
6 St Colme Street  
Edinburgh  
EH3 6AD

29 May 2018

**Tullis Russell Environmental Education Limited**

**Statement of Financial Activities  
(incorporating Income and Expenditure Account)  
For the year ended 31 August 2017**

	Notes	Unrestricted 2017 £	Unrestricted 2016 £
<b>Income from:</b>			
Charitable activities	2	-	-
<b>Total income</b>		-	-
<b>Expenditure on:</b>			
Charitable Activities	3	397,625	45,472
<b>Total Expenditure</b>		397,625	45,472
<b>Net (expenditure) for the year</b>		(397,625)	(45,472)
<b>Net movement in funds</b>			
Fund balance at 1 September 2016	9	445,221	490,693
Fund balance at 31 August 2017	9	47,596	445,221



**Tullis Russell Environmental Education Limited**


**Balance Sheet  
As at 31 August 2017**

	Notes	£	2017 £	£	2016 £
<b>Fixed assets</b>					
Tangible assets	6		-		384,801
<b>Current assets</b>					
Debtors	7	3,225		7,127	
Cash at bank and in hand		<u>49,478</u>		<u>58,853</u>	
		52,703		65,980	
<b>Creditors due within one year</b>	8	<u>(5,107)</u>		<u>(5,560)</u>	
<b>Net current assets</b>			<u>47,596</u>		<u>60,420</u>
<b>Total assets less current liabilities</b>			<u>47,596</u>		<u>445,221</u>
<b>Reserves</b>					
Unrestricted funds	9		<u>47,596</u>		<u>445,221</u>
			<u>47,596</u>		<u>445,221</u>

For the year ended 31 August 2017 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to Small Companies. The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476. The Board acknowledge their responsibility for:

- (i) ensuring the company keeps accounting records which comply with sections 386 and 387; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of its financial year, and of its surplus or deficit for the financial year in accordance with sections 394 and 395, and which otherwise comply with the requirements of the Companies Act relating to financial statements, as far as applicable to the charitable company.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and were approved and authorised for issue by the Board on 29 May 2018.



Geoffrey Miller  
Director

Company Registration No: SC364189

## **Tullis Russell Environmental Education Limited**

### **Notes to the Financial Statements For the year ended 31 August 2017**

#### **1. Accounting Policies**

##### **1.1 Basis of Preparation**

The financial statements have been prepared in accordance with the Charities Accounts (Scotland) Regulations 2006 (as amended) 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) issued on 16 July 2014 (as updated through update Bulletin 1 published on 2 February 2016), and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

##### **Going Concern**

Tullis Russell Papermakers Limited went into administration on 27 April 2015. This company provided both financial and service support to the charitable company. The charitable company therefore minimised its operational costs so as to ensure it is able to meet its liabilities as they fall due. The directors continue to monitor the financial position of the charitable company as consideration is given to its future activities.

##### **1.2 Income**

Income is recognised when the charity has entitlement to the funds, when it is probable that the income will be received and the amount can be measured reliably.

Donations, legacies and similar incoming resources are included in the period in which they are receivable, which is when the charitable company becomes entitled to the resource.

Income from grants is recognised when the charitable company has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

##### **1.3 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities, those costs of an indirect nature necessary to support them and an allocation of governance costs. Governance costs comprise those costs involving the public accountability of the charitable company and its compliance with regulations and good practice.

## **Tullis Russell Environmental Education Limited**

### **Notes to the Financial Statements (continued) For the year ended 31 August 2017**

#### **1. Accounting Policies (continued)**

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

Tangible fixed assets are stated at cost less 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 estimated residual value of each asset over time its expected useful life, as follows:

Heritable property	2% straight line
Permanent exhibits	10% straight line
Fixtures, fittings & equipment	20% straight line

##### **1.5 Debtors**

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### **1.6 Cash at bank**

Cash at bank and in hand includes cash and highly liquid short term investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### **1.7 Creditors and provisions**

Creditors and provisions are recognised where the charitable company has a present obligation resulting from a past event that will probably result in a 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.

##### **1.8 Financial instruments**

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

##### **1.9 Fund Accounting**

Unrestricted funds are funds that can be used in accordance with the objectives of the organisation at the discretion of the directors.

##### **2.0 Taxation**

As a charity, Tullis Russell Environmental Education Limited is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charitable company.

##### **2.1 Legal status of the charitable company**

The charitable company is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**Tullis Russell Environmental Education Limited**

**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2017**

**2. Income from charitable activities**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Education Centre	-	-

**3. Expenditure**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Direct charitable expenditure</b>		
Insurance	6,693	3,538
Rates	5,071	2,909
Repairs and maintenance	-	65
Telephone	-	45
Legal and professional fees	-	1,742
Bank charges	60	63
Depreciation	34,610	34,610
Accountancy fees – Current Year	700	1,750
<b>Other expenditure</b>		
Loss on disposal of assets	350,191	-
<b>Governance costs</b>		
Independent Examiner fee	300	750
	<u>397,625</u>	<u>45,472</u>

**4. Net (expenditure) for the year**

Stated after charging:	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Depreciation charge	34,610	34,610
Loss on disposal of assets	350,191	-
Independent Examiner fee	300	750
Independent Examiner – Other services	700	1,750

**5. Directors**

No Directors (nor any person connected with them) received any remuneration or reimbursement of expenses during the current or prior year.

**Tullis Russell Environmental Education Limited**

**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2017**

**6. Tangible fixed assets**

	Heritable property £	Permanent exhibits £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>				
At 1 September 2016	1,112,039	109,091	7,299	1,228,429
Disposals	<u>(1,112,039)</u>	<u>(109,091)</u>	<u>(7,299)</u>	<u>(1,228,429)</u>
At 31 August 2017	-	-	-	-
<b>Depreciation</b>				
At 1 September 2016	806,521	32,727	4,380	843,628
Charge for year	22,241	10,909	1,460	34,610
Disposals	<u>(828,762)</u>	<u>(43,636)</u>	<u>(5,840)</u>	<u>(878,238)</u>
At 31 August 2017	-	-	-	-
<b>Net Book Value</b>				
At 31 August 2017	-	-	-	-
At 31 August 2016	<u>305,518</u>	<u>76,364</u>	<u>2,919</u>	<u>384,801</u>

**7. Debtors**

	2017 £	2016 £
Prepayments	-	6,613
Other debtors	<u>3,225</u>	<u>514</u>
	<u>3,225</u>	<u>7,127</u>

**8. Creditors: amounts falling due within one year**

	2017 £	2016 £
Trade creditors	1,607	3,060
Accruals	<u>3,500</u>	<u>2,500</u>
	<u>5,107</u>	<u>5,560</u>

**Tullis Russell Environmental Education Limited**

**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2017**

**9. Analysis of movement in reserve:**

	<b>At 1 Sep £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>At 31 Aug £</b>
<b>Unrestricted fund 2016/17</b>	<u>445,221</u>	<u>-</u>	<u>(397,625)</u>	<u>47,596</u>
<b>Unrestricted fund 2015/16</b>	<u>490,693</u>	<u>-</u>	<u>(45,472)</u>	<u>445,221</u>

**10. Related party transactions**

There were no related party transactions in either the current or prior year.