

**ECONOMIC DEVELOPMENT ASSOCIATION ( SCOTLAND)**

**REPORT OF THE TRUSTEES AND UNAUDITED FINANCIAL STATEMENTS**

**For the year ended 31 MARCH 2016**

**Company Registration Number: SC199452**

**Charity Registration Number: SC029358**

## **ECONOMIC DEVELOPMENT ASSOCIATION ( SCOTLAND)**

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**ECONOMIC DEVELOPMENT ASSOCIATION ( SCOTLAND)  
REPORT OF THE DIRECTORS  
for the year ended 31 March 2016**

The directors are pleased to present their annual report together, with the financial statements of the company. The company is also a registered charity for the year ending 31 March 2016.

**Our purposes and activities**

The purposes of the charity are:

To facilitate a substantial improvement in the effectiveness of economic development activity in Scotland through raising the knowledge, information and networks of those involved in all aspects of economic development.

**Achievements and performance**

**Review of activities**

EDAS is the independent voice of economic development in Scotland and the country's foremost membership driven association for all organisations and individuals with an interest in economic development, with around 2500 members and 50 strategic partners. The Association's overarching premise remains to facilitate a substantial improvement in the effectiveness of economic activity in Scotland by helping to raise the knowledge, skills and networks of those involved in all aspects of economic development. The Association's overarching premise remains to facilitate a substantial improvement in the effectiveness of economic activity in Scotland by helping to raise the knowledge, skills and networks of those involved in all aspects of economic development. The Association continues to offer core activities – networking, events, CPD courses and an independent, 'safe' space to discuss and inform policy.

EDAS is committed to innovative and dynamic solutions to economic development challenges.

Over the last year, with our members, we developed the Route Map for Common Ambition for Scotland – a policy analysis framework, designed to ensure key aspects of Scottish economic development are kept at the forefront of debate, analysis and comment. The Route Map promoted the twin goals of enhanced productivity and equity, with particular focus on three key policy areas: innovation, internationalisation and skills. The Strategy was developed and informed by EDAS members from the private, public and third sectors, reflecting the diversity and complexity of the economic development agenda.

Final outputs and key messages are being presented for consideration at events and activities throughout Scotland.

**Financial Review**

The organisation had a deficit in year of £22,507 ( 2015: Deficit £21,797).

In relation to reserves, the directors have considered that the ideal level of unrestricted reserves would be sufficient to cover six months operating costs. At the year end, the reserves were £33,409 and the directors are of the opinion that this is sufficient for the organisation.

**Investment Policy**

The charity does not hold any investments. Any surplus cash flow during the year is re-invested in pursuit of the charity's aims and objectives.

**Risk Management**

The directors have considered the major strategic business operational risks which the company faces and are in the process of developing systems to ensure that risks to the charity are minimised.

**ECONOMIC DEVELOPMENT ASSOCIATION ( SCOTLAND)  
REPORT OF THE DIRECTORS  
for the year ended 31 March 2016**

**Plans for future periods**

Whatever the current political and economic climate brings, the EDAS Route Map, with its three themes of innovation, internationalisation and skills, remains relevant to our work with members and wider networks. Scotland is likely to be heavily influenced by how well we innovate, how well we engage with the rest of the world and how well we realise the potential of people. We will continue to use this map to guide our work but we will refresh it as the road ahead becomes clearer.

As we move into a new year, we will be aiming to help keep members abreast of developments and explore possible scenarios and understand their implications for economic development in Scotland. To do this effectively it is vital that we continue to engage closely with members to better understand concerns and spot opportunities. Through member consultation, events and a key conference attended by senior economic development professionals, we aim to get feedback on how members are seeing the future and what the biggest challenges are that EDAS might help to address.

**Structure, governance and management**

**Governing Document**

Economic Development Association (Scotland) is a company limited by guarantee and the company is governed by its Memorandum and Articles of Association under the Companies Act 2006. The management of the company and its investment policy are the responsibility of the trustees who are elected under the terms of the Articles of Association.

**Appointment, induction and training of trustees**

The charity ensures that new directors have skills that will complement the existing structure of the board and has the following procedures in place to ensure adequate training and induction is given.

As set out in the Articles of Association the maximum number of directors is fifteen; out of that number the maximum number of elected directors is thirteen and the maximum number of co-opted directors is two.

A member may nominate themselves or another for consideration for election as a director. The election process will take place at the Annual General Meeting.

The directors may at any time appoint any member (providing he/she is willing to act) to be a director, either to fill a vacancy or as an additional director.

All current directors are familiar with the practical work of the charity and received an induction pack which includes:

- The legal responsibilities of a Board member
- EDAS history, aims and objectives
- Memorandum and Articles of Association
- Most recent EDAS Progress Report and Forward Plan
- Most recent annual statutory accounts
- Membership list
- List of trustees and contact information
- Current management accounts
- Recent Board minutes.

**ECONOMIC DEVELOPMENT ASSOCIATION ( SCOTLAND)  
REPORT OF THE DIRECTORS  
for the year ended 31 March 2016**

**Structure, governance and management (contd)**

**Organisation**

The directors present their report with the financial statements of the charity for the year ended 31 March 2016. The directors have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

**Management Structure**

**The trustees who served during the year were as follows:**

Irene Bell (resigned 17 June 2016)  
Ishabel Bremner  
Vivienne Brown (resigned 17 June 2016)  
Robert Crawford (resigned on 6 November 2015)  
Suzanne Hamilton  
Kerry Keane (appointed 29th May 2015)  
Geoff Leask  
Susan Love  
Elizabeth Miller-McEntee  
Giuseppe Luigi Pacitti (resigned on 26 August 2016)  
Robert Pollock  
Ian Davison Porter  
Taylor Stewart  
Kirk Torrance (resigned 8th May 2015)  
Charles Woods ( appointed 30th January 2015)

Company Secretary     Elaine Bone

**Registered Office**     10 Fordyce Way  
                                    Auchterarder  
                                    Perthshire  
                                    PH3 1BE

**Registered Number**     SC199452

**Charity Number**         SC029358

**Independent Examiner** Linda Fleming FCA  
                                    Soroban  
                                    4 Woodside Terrace  
                                    Glasgow  
                                    G3 7UY

**ECONOMIC DEVELOPMENT ASSOCIATION ( SCOTLAND)**  
**REPORT OF THE DIRECTORS**  
**for the year ended 31 March 2016**

**Related parties**

None of the directors receive remuneration or other benefit from their work with the charity. Any connection between a director of the charity with a supplier or contractor must be disclosed to the full board of directors in the same way as any other contractual relationship with the related party. The directors should then withdraw from decisions where a conflict of interest arises. In the current year there were no such related party transactions to report.

**Statement of responsibilities of Members of the Board of Directors**

Company and charity 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 surplus deficit of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Small company exemption**

The above report has been prepared in accordance with the special provision relating to small companies within part 15 of the Companies Act 2006 relating to small companies.

Robert Pollock  
**Chair**

Date:1 December 2016

**ECONOMIC DEVELOPMENT ASSOCIATION ( SCOTLAND)**

**INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF ECONOMIC DEVELOPMENT ASSOCIATION (SCOTLAND)**

I report on the financial statements of the charity for the year ended 31 March 2016 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the balance sheet and the related notes.

This report is solely to the charity's directors, as a body, in accordance with section 44 (1) (c) of the Charities and Trustees Investment (Scotland) Act 2005. My examination has been undertaken so that I might state to the charity's directors those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's directors as a body, for my examination, for this report, or for the opinions I have formed.

**Respective responsibilities of directors and examiner**

The directors are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland ) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 9as amended) (the Regulations). The charity directors consider that the audit requirement of Regulation 10 (1) (a) to (c) of the 2006 Regulations doe not apply. It is my responsibility to examine the accounts as required under section 22 (1) (c) of the 2005 Act and to state whether particular matter have come to my attention.

**Basis of the independent examiner's statement**

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

**Independent examiner's statement**

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

a) 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 accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Linda Fleming BA, FCA  
Soroban  
4 Woodside Terrace  
GLASGOW  
G3 7UY

Date 1 December 2016

**ECONOMIC DEVELOPMENT ASSOCIATION ( SCOTLAND)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**for the year end 31 March 2016**

		<b>2016</b>	<b>2016</b>	<b>2015</b>
		<b>Unrestricted</b>	<b>Total funds</b>	<b>Total funds</b>
	<b>Notes</b>	<b>funds</b>	<b>£</b>	<b>£</b>
		<b>£</b>	<b>£</b>	<b>£</b>
<b>Income</b>				
Charitable activities	<b>2</b>	58,863	58,863	48,680
Investment Income	<b>3</b>	18	18	46
<b>Total Income</b>		<u>58,881</u>	<u>58,881</u>	<u>48,726</u>
<b>Expenditure</b>				
Charitable activities	<b>4</b>	<u>81,388</u>	<u>81,388</u>	<u>70,523</u>
<b>Total expenditure</b>		<u>81,388</u>	<u>81,388</u>	<u>70,523</u>
<b>Net income/(expenditure) and net movement in funds for the year</b>		(22,507)	(22,507)	(21,797)
<b>Reconciliation of funds</b>				
Total funds brought forward		55,916	55,916	77,713
<b>Total funds carried forward</b>		<u><u>33,409</u></u>	<u><u>33,409</u></u>	<u><u>55,916</u></u>



**ECONOMIC DEVELOPMENT ASSOCIATION ( SCOTLAND)**  
**BALANCE SHEET**  
**at 31 March 2016**

	Notes	2016 Total funds £	2015 Total funds £
<b>Current assets</b>			
Bank Deposit Account		41,548	59,031
Debtors	6	<u>14,365</u>	<u>7,002</u>
		55,913	66,033
<b>Current Liabilities</b>			
Bank Current Account		15,931	4,463
Creditors: amounts falling due within one year	7	<u>6,573</u>	<u>5,654</u>
		22,504	10,117
<b>Net current assets</b>		<u>33,409</u>	<u>55,916</u>
<b>Total assets less current liabilities</b>		33,409	55,916
<b>NET ASSETS</b>		<u><u>33,409</u></u>	<u><u>55,916</u></u>
<b>The funds of the charity:</b>			
Unrestricted income funds	8	33,409	55,916
<b>TOTAL FUNDS</b>		<u><u>33,409</u></u>	<u><u>55,916</u></u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective January 2015)

For the financial year ended 31 March 2016, the company was entitled to exemption from audit under section 477 of the Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and its profit for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements were authorised for issue by the board of directors and signed on its behalf by:

Robert Pollock  
Chair  
Date: 1 December 2016

**The notes form an integral part of these financial statements**

**ECONOMIC DEVELOPMENT ASSOCIATION ( SCOTLAND )**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2016**

**1 Accounting policies**

**Accounting convention**

The accounts 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 for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policies.

**Going concern**

The directors have considered a period of twelve months from the date of their approval of the financial statements and, taking into account the company's net asset position and expected future incoming resources, they consider it appropriate to prepare the financial statements on the going concern basis.

**Reconciliation with previous Generally Accepted Accounting Practice**

In preparing these accounts, the Board of Directors have considered whether in applying the accounting policies required the Charities Statement of Recommended Practice and the Financial reporting Standard for Smaller Entities (effective January 2015), the restatement of comparative items was required: no restatements were required.

**Income**

Income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

*Income from charitable activities*

Income is from membership and events raised from government or public authorities and other parties which fund the provision of particular goods or services.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure.

Expenditure incurred, which related directly to any one cost category, is allocated directly to that category. Expenditure common to more than one cost category is apportioned on a reasonable and consistent basis to the categories involved, 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 for Smaller Entities published on 16 July 2014.

**Charitable activities**

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

**ECONOMIC DEVELOPMENT ASSOCIATION ( SCOTLAND)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2016**

**Accounting policies**  
**Expenditure (contd)**

**Allocation of support costs**

Support costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include the independent examination and costs linked to the strategic management of the charitable company.

**Cash flow**

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare a statement under the Financial Reporting Standard for Smaller Entities (effective January 2015).

**Taxation**

As a charity is exempt from tax on income and gains falling within sections 478-489 of the Corporation Tax Act 2010 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

**Debtors**

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

**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.

**Creditors**

Creditors are recognised where the charity has 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 discount due.

**2 Income from donations and legacies**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>		
Seminars and Courses	35,979	31,880
Membership	22,884	16,800
	<u>58,863</u>	<u>48,680</u>

**ECONOMIC DEVELOPMENT ASSOCIATION ( SCOTLAND)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2016

**3 INVESTMENT INCOME**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Bank interest	<u>18</u>	<u>46</u>

**4 EXPENDITURE ON CHARITABLE ACTIVITIES**

	<b>Unrestricted</b>	<b>Total</b>	<b>Total</b>
		<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
Administration fees	37,494	37,494	26,030
Seminar and course expenses	34,994	34,994	31,357
Consultants costs		-	5,475
Recruitment		-	-
Telephone	1,668	1,668	1,669
Marketing		-	-
Website expenses	1,885	1,885	265
Travel	1,606	1,606	2,490
Office expenses	1,572	1,572	908
New projects		-	-
Bank charges	108	108	283
Subscriptions	35	35	35
Insurance	727	727	530
Accountancy	1,298	1,298	1,481
	<u>81,388</u>	<u>81,388</u>	<u>70,523</u>

**5 GOVERNANCE COSTS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Accountancy	<u>1,298</u>	<u>1,481</u>

**6 DEBTORS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade debtors	<u>14,365</u>	<u>7,002</u>

**7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade creditors	3,400	54
Social security and other taxes	1,888	1,448
Accruals	1,285	4,152
	<u>6,573</u>	<u>5,654</u>

**ECONOMIC DEVELOPMENT ASSOCIATION ( SCOTLAND)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2016

**8 ANALYSIS OF CHARITABLE FUNDS**

**Analysis of movement in unrestricted funds**

	At 1 April 2015 £	Income	Expenditure £	At 31 March 2016 £
<b>Unrestricted funds</b>				
General fund	<u>55,916</u>	<u>58,881</u>	<u>(81,388)</u>	<u>33,409</u>

Name of unrestricted fund	Description, nature and purpose of the fund
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General fund	The general fund of the company is all unrestricted reserves, where there are no further specified purposes for these funds.
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**Net movement in funds, included in the above, are as follows:**

	Incoming resources £	Resources expended £	Net movement in funds £
<b>Unrestricted funds</b>			
General fund	58,881	(81,388)	(22,507)
<b>TOTAL FUNDS</b>	<u>58,881</u>	<u>(81,388)</u>	<u>(22,507)</u>

**9 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds £	2016 Total Funds £	2015 Total Funds £
Current assets	55,913	55,913	66,033
Current liabilities	<u>(22,504)</u>	<u>(22,504)</u>	<u>(10,117)</u>
	<u>33,409</u>	<u>33,409</u>	<u>55,916</u>

**10 Transition to SORP FRSSSE 2015**

These financial statements for the year ended 31 March 2016 are the company's first financial statements that comply with SORP FRSSSE 2015. The company's date of transition to SORP FRSSSE 2015 is 1 April 2014. The company's last financial statements prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice-Accounting by Charities (revised 2005) and the Charities Accounts (Scotland) Regulations 2006 (as amended) were for the year ended 31 March 2015