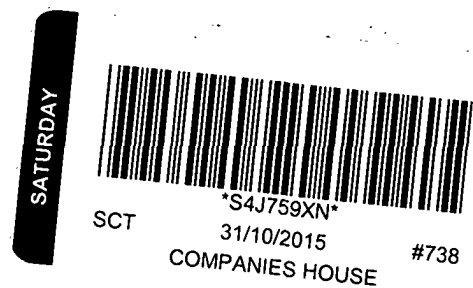


**Cousland Smiddy Trust  
(Limited by Guarantee)  
Report and Financial Statements  
For the Year Ended  
31 March 2015**



**Company Registration Number: SC 116551**

**Scottish Charity No.: SC 009449**

## **Cousland Smiddy Trust**

### **Report and Financial Statements For the Year Ended 31 March 2015**

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## **Cousland Smiddy Trust**

### **Reference and Administrative Information**

**Company Registration Number:** SC 116551

**Scottish Charity Number:** SC 009449

**Registered Office:** Cousland Smiddy Cottage  
31 Hadfast Road  
Cousland  
by Dalkeith  
Midlothian, EH22 2NZ.

**Website:** [www.couslandsmiddy.co.uk](http://www.couslandsmiddy.co.uk)

### **Directors and Trustees:**

*The following served as directors of the company and trustees of the charity during the year:*

#### **Present Directors:**

Sheena Irving (Chairman)  
Gordon Brown (Secretary & Treasurer)  
Kenneth Carnie  
Peter Russell  
Michael Black  
David Connolly  
Candice Hatherley  
Robin Donald (appointed 12/8/14)

#### **Directors during the year who have since resigned:**

David Fleming (resigned 1/5/15)  
James Fleming (resigned 1/5/15)

### **Independent Examiner**

John G. Norman C.A.

### **Accountants**

John G. Norman Ltd  
The Courtyard  
38 Coatfield Lane  
Edinburgh,  
EH6 6BE

### **Architects**

Simpson & Brown  
St Ninian's Manse  
Quayside Street  
Leith  
Edinburgh, EH6 6EJ

### **Banks**

The Royal Bank of Scotland plc  
30 Nicolson Street  
Edinburgh  
EH8 9LD

Barclays Bank plc  
Leicester  
LE87 2BB

## **Cousland Smiddy Trust**

### **Report of the Trustees For the Year Ended 31 March 2015**

The trustees are pleased to present their report together with financial statements for the year ended 31 March 2015.

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

Cousland Smiddy Trust is incorporated as a company limited by guarantee, with the liability of members limited to £1 each. The company is registered as a Scottish charity.

The trustees, who are also directors of the company, are listed on page 2.

One third of the trustees retire by rotation at each AGM and are eligible for re-appointment.

#### ***Review of Activities***

Cousland Smiddy is a heritage asset, comprising an early 18<sup>th</sup> century smiddy, a Victorian cottage and other partially conserved associated buildings. There are also 15 organic plots and some amenity ground.

The smiddy site is open to the public on a regular basis, on specified days and by appointment, between May and September (details are shown on the website, see page 2 above). Regular special events are also held, including Midlothian Doors Open Day, which regularly attracts many visitors, Midlothian Walking Festival and the village Christmas Carol Singing.

The Trust is a member of the Midlothian Tourism Forum. We participated in events associated with the development of the new Borders Railway. We participate in appropriate local exhibitions and give talks to other local groups, as requested. An invitation to our Chair to represent Scottish heritage communities at the launch of a new Industrial Heritage portal delivered by The Council of Europe, has resulted in Cousland Smiddy and Cousland Heritage projects being used as the online example, circulated in 30 countries throughout Europe.

This has been a very active and significant year for the Trust. A formal partnership was signed with the Cousland Local History Project and we continue to have positive collaborations with Cousland Village Hall Association.

Late in 2014 we needed to carry out emergency repair and demolition work to prevent further deterioration of the fabric of the smiddy cottage caused by water penetration in the west gable wall. We are grateful for the enlightened support of Midlothian Council Planning and Heritage Officers who provided advice and allowed us to progress with the necessary works. The temporary "shed" and former kitchenette extension were removed. The gable wall was repointed early in 2015. An unexpected bonus has been the creation of additional amenity space, between the smiddy cottage and the but 'n' ben.

We had a breakthrough with major funders. We secured restricted funding of £9,700 from Heritage Lottery Fund (HLF) for a smaller Phase 3A(1) project to create the much needed Cousland Community Heritage Hub in the Smiddy Cottage. This is a partnership venture with Cousland Local History Project. We were also granted £7,200 from Midlothian Council Environment budget for this project.

## Cousland Smiddy Trust

### Report of the Trustees (continued)

#### *Financial Review*

The income and expenditure for the year is set out in the statement of financial activities on page 6. Total income from grants, fund-raising and rent in the year amounted to £19,496. Grants included £9,700 from the Heritage Lottery Fund and £7,200 from Midlothian Council Environment Fund for the Phase 3A(1) development project.

Total expenditure amounted to £5,630 which includes property development costs of £3,747 for improvement to the access route, walling and landscaping of environs as well as £2,762 for work on the Phase 3A(1) project mentioned above.

Funds carried forward include £14,138 restricted for Phase 3A(1) development and £1,223 in the general fund, which represents the free reserves of the charity available for general expenditure.

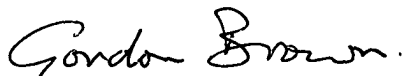
Development and other grants have been received in previous years on condition that the smiddy is kept open to the public for a minimum of 25 days each year including 10 weekends between May and September.

The heritage assets, comprising the Cousland Smiddy buildings and contents of historic value, have been included in the balance sheet at a cost of £124,150, being the original purchase price plus development costs to date. Due to the unique nature of the assets, it is difficult to establish an accurate market value and it is considered reasonable to use cost. Depreciation has not been charged as the assets are considered to have an indefinite useful life and a residual value in excess of the cost.

#### *Small Company Provisions*

The Report of the Trustees has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

Signed on behalf of the Board of Trustees



Name: GORDON BROWN

Date: 26 October 2015

Trustee

**Report of the Independent Examiner  
To the Trustees of the Cousland Smiddy Trust**

I report on the accounts of Cousland Smiddy Trust for the year ended 31 March 2015, which are set out on pages 6 to 11.

***Respective responsibilities of trustees and examiner***

The trustees of the charity (directors of the company) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act) and the Charities Accounts (Scotland) Regulations 2006. They 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 accounts 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 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 view given by the accounts.

***Independent examiner's statement***

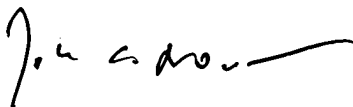
In the course of my examination, no matter has come to my attention:

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 accounts 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 accounts to be reached.



**John G Norman CA**

**Date: 30 Oct. 2015**

John G. Norman Ltd  
Chartered Accountants  
38 Coatfield Lane  
Edinburgh EH6 6BE

# Cousland Smiddy Trust

## Statement of Financial Activities (Including Income & Expenditure Account) For the Year Ended 31 March 2015

Incoming Resources	Note	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
<b>Incoming Resources from generated funds:</b>					
<i>Voluntary income:</i>					
Grants receivable	2	-	17,340	17,340	-
Donations & fund-raising		1,436	-	1,436	1,250
<i>Investment income:</i>					
Rent received		720	-	720	890
<b>Total incoming resources</b>		<u>2,156</u>	<u>17,340</u>	<u>19,496</u>	<u>2,140</u>
<b>Resources Expended</b>					
<b>Charitable Activities:</b>					
Property development		364	3,383	3,747	419
Property running costs		1,180	-	1,180	1,452
Administrative costs		370	-	370	362
<b>Governance costs</b>		<u>333</u>	<u>-</u>	<u>333</u>	<u>433</u>
<b>Total resources expended</b>	3	<u>2,247</u>	<u>3,383</u>	<u>5,630</u>	<u>2,666</u>
<b>Net (outgoing) / incoming resources</b>					
<b>- Net (expenditure) / income for year</b>		<u>(91)</u>	<u>13,957</u>	<u>13,866</u>	<u>(526)</u>
<b>Net movement in funds</b>		(91)	13,957	13,866	(526)
<b>Funds brought forward</b>		<u>1,314</u>	<u>124,331</u>	<u>125,645</u>	<u>126,171</u>
<b>Funds carried forward</b>		<u>1,223</u>	<u>138,288</u>	<u>139,511</u>	<u>125,645</u>

Further details of funds are shown in Note 8 on page 11.

The statement of financial activities includes all gains and losses in the year.  
All incoming resources and resources expended derive from continuing activities.

The notes on pages 8 to 11 form part of these financial statements.

## Cousland Smiddy Trust

### Balance Sheet at 31 March 2015

	Note	2015 £	2014 £
<b>Fixed Assets</b>			
Tangible assets	4	<u>124,150</u>	<u>124,150</u>
<b>Current Assets</b>			
Stock	5	140	150
Debtors	6	61	60
Cash at bank and in hand		<u>15,480</u>	<u>1,705</u>
		<u>15,681</u>	<u>1,915</u>
<b>Creditors</b>			
Amounts falling due within one year	7	<u>320</u>	<u>420</u>
<b>Net Current Assets</b>		<u>15,361</u>	<u>1,495</u>
<b>Net Assets</b>		<u>139,511</u>	<u>125,645</u>
<b>Funds</b>			
Restricted funds	8	138,288	124,331
Unrestricted funds	8	<u>1,223</u>	<u>1,314</u>
		<u>139,511</u>	<u>125,645</u>

For the year ended 31 March 2015 the company was entitled to exemption from an audit under section 477 of the Companies Act 2006 ("the Act") relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board of Trustees and authorised for issue on 26 October 2015

Signed:

*Sheena Irving*

Name: SHEENA IRVING

Date: 26<sup>th</sup> October 2015

Trustee

The notes on pages 8 to 11 form part of these financial statements.



## Cousland Smiddy Trust

### Notes to the Financial Statements for the Year Ended 31 March 2015

#### 1. Accounting Policies

##### ***Basis of Accounting***

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice *Accounting and Reporting by Charities*, issued in March 2005.

##### ***Incoming Resources***

Grants and donations are recognised when receivable unless there are imposed pre-conditions on use of the funds or the income is for a future accounting period. Income from fund-raising is recognised when received. Rental income is recognised in the period when it is due.

##### ***Resources Expended***

Resources expended are included on an accruals basis.

Governance costs are those associated with the management of the charity and compliance with statutory requirements, including preparation and independent examination of the annual accounts.

##### ***Tangible Fixed Assets and Depreciation***

Heritage assets, comprising the Cousland Smiddy buildings and contents of historic value, are stated at cost, being the original purchase price plus development costs to date.

These heritage assets have not been depreciated as they are considered to have an indefinite useful life and a residual value in excess of the cost.

Other tangible fixed assets are stated at cost less depreciation. Depreciation is charged by the straight line method over the estimated useful life of each asset at the following rate:

<i>Office Equipment</i>	<i>33.3% per annum</i>
-------------------------	------------------------

##### ***Stock***

Stock comprises an estimate of heating oil unused at the year-end, at cost.

##### ***Taxation***

The company is a registered charity and is exempt from corporation tax on its charitable activity. It is not registered for VAT and expenditure includes VAT where relevant.

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

*Unrestricted funds* can be used in accordance with any of the charitable objects at the discretion of the trustees.

*Restricted funds* can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. The restricted *Heritage assets fund* in note 6 represents the purchase price and development costs of the smiddy, which were largely funded by restricted grants.

## Cousland Smiddy Trust

### Notes to the Financial Statements for the Year Ended 31 March 2015

	2015 £	2014 £
<b>2. Grants Receivable</b>		
<i>For Phase 3A(1) development:</i>		
Heritage Lottery Fund	9,700	-
Midlothian Council Environment Fund	7,200	-
<i>to improve access road</i>		
Midlothian Council Small Projects Regeneration Fund	440	-
	<u>17,340</u>	<u>-</u>
<b>3. Resources Expended</b>		
<b>Property development</b>		
Improvement to access route, walling & landscaping of environs	985	419
Development of attic space for archive storage	1,492	-
Damp-proofing and building repairs	1,270	-
	<u>3,747</u>	<u>419</u>
<b>Property running costs</b>		
Fuel costs	573	894
Insurance	574	558
Other property maintenance	33	-
	<u>1,180</u>	<u>1,452</u>
<b>Administrative costs</b>		
Telephone, post & stationery	362	317
Other costs	8	45
	<u>370</u>	<u>362</u>
<b>Governance costs</b>		
Accountancy / independent examiner's remuneration	320	420
Other costs	13	13
	<u>333</u>	<u>433</u>
<b>Total Resources Expended</b>	<u>5,630</u>	<u>2,666</u>

#### ***Related Party Transactions:***

During the year rent of £720 was received from James Fleming, a trustee, for the let of the smiddy as a blacksmith's workshop.

No remuneration was paid to the trustees during the year and no expenses were reimbursed.

## Cousland Smiddy Trust

### Notes to the Financial Statements (continued)

<b>4. Tangible Fixed Assets</b>	<b>Heritage Assets (see note)</b>	<b>Office equipment</b>	<b>Total</b>
<i>Cost or valuation:</i>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2014	124,150	684	<b>124,834</b>
Additions	-	-	-
(Disposals)	-	-	-
<b>At 31 March 2015</b>	<b>124,150</b>	<b>684</b>	<b>124,834</b>
<i>Depreciation:</i>			
At 1 April 2014	-	684	<b>684</b>
Charge for year	-	-	-
(On Disposals)	-	-	-
<b>At 31 March 2015</b>	<b>-</b>	<b>684</b>	<b>684</b>
<i>Net Book Value:</i>			
<b>At 31 March 2015</b>	<b>124,150</b>	<b>-</b>	<b>124,150</b>
At 31 March 2014	124,150	-	124,150

#### Note

Heritage assets comprise the Cousland Smiddy buildings and contents of historic value, which are stated at cost, being the original purchase price of £30,000 plus development costs of £94,150. Due to the uniqueness of the assets, it is difficult to establish an accurate market value and it is considered reasonable to use cost in the circumstances. The reinstatement cost for insurance purposes was assessed as £320,000 in March 2006.

<b>5. Stock</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Stock of heating oil	140	150
	<b>140</b>	<b>150</b>
<b>6. Debtors</b>		
<i>Amounts due within one year:</i>	<b>£</b>	<b>£</b>
Prepayments	61	60
	<b>61</b>	<b>60</b>
<b>7. Creditors</b>		
<i>Amounts falling due within one year:</i>	<b>£</b>	<b>£</b>
Accruals	320	420
	<b>320</b>	<b>420</b>

## Cousland Smiddy Trust

### Notes to the Financial Statements (continued)

#### 8. Movement on Funds

	Note	At 1/4/14 £	Movement in year		At 31/3/15 £
			Incoming £	Outgoing £	
<b>Restricted funds:</b>					
Access improvements	(1)	181	440	(621)	-
Phase 3A(1) development	(2)	-	16,900	(2,762)	14,138
Heritage assets	(3)	124,150	-	-	124,150
<b>Total restricted funds</b>		124,331	17,340	(3,383)	138,288
<b>Unrestricted funds:</b>					
General fund		1,314	2,156	(2,247)	1,223
<b>Total funds</b>		125,645	19,496	(5,630)	139,511

#### Notes:

- (1) Grants were received from Midlothian Council Small Projects Regeneration Fund for improving access to the Smiddy. The work was completed in April 2015.
- (2) Grants were received from the Heritage Lottery Fund and Midlothian Council as part of the Phase 3A(1) development to create a Cousland Community Heritage Hub. Approved purposes include repair & damp-proofing work in the Smiddy; cataloguing & conservation of archives held by the Cousland Smiddy Trust and the Cousland Local History Project; open days, exhibitions & talks and training volunteers.
- (3) The Heritage assets fund represents the cost of the Cousland Smiddy buildings and contents.

#### 9. Analysis of Net Assets by Fund

	Restricted Funds £	Unrestricted General Fund £	Total Funds £
Heritage assets	124,150	-	124,150
Stock	-	140	140
Debtors	-	61	61
Cash at bank & in hand	14,138	1,342	15,480
Creditors	-	(320)	(320)
<b>Net Assets at 31/3/15</b>	<b>138,288</b>	<b>1,223</b>	<b>139,511</b>