

Scottish European Educational Trust
Report and Financial Statements
for the year ended 31 July 2014

Charity number: SC022171
Company number: SC143658

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Scottish European Educational Trust

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Scottish European Educational Trust

Legal and Administrative Information

Charity name	Scottish European Educational Trust	
Charity registration number	SC022171	
Company registration number	SC143658	
	James Ivory	
	Dugald Craig	
	Alison Edwards	
	Dr Christine Fitton	
	John Mulgrew	Chairperson
	Stuart Rycroft	Resigned April 2014
	Bob Payne	
	Moira Frizzell	
	Roderick Skinner	
	Lady Flora MacCormick	
	John Edward	
Company secretary	Sophie Buxton	
Principal office and Registered office	12b Cumberland Street South East Lane Edinburgh EH3 6RU	
Independent examiner	Alan Cunningham, C.A. Alexander Sloan Chartered Accountants 1 Atholl Place Edinburgh EH3 8HP	

Scottish European Educational Trust

Trustees' Annual Report for the year ended 31 July 2014

The Trustees present their report and the financial statements of the charity for the year ended 31 July 2014.

Trustees

The Directors of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and since the year end are detailed on page 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Scottish European Educational Trust ("the charity") is a company limited by guarantee (No. SC143658) and a recognised Scottish charity (No. SC022171), governed by its Memorandum and Articles of Association.

Appointment of Trustees

Appropriate potential Trustees are identified by the existing Trustees. Under the provisions of the Memorandum and Articles of Association, one third of the Trustees retire at the Annual General Meeting but are eligible for re-election. The Trustees to retire shall be those who have been longest in office.

Trustees' induction and training

New Trustees take part in an induction by the Chair which aims to familiarise them with the charity's values, aims and objectives together with its day-to-day operations, in addition to clarifying their statutory responsibilities as Directors of a company limited by guarantee and Trustees of a charity.

Organisational structure

The Trustees are responsible for the overall direction of the charity.

Risk management

The Trustees have assessed the major risks, financial and non-financial, to which the charity is exposed and are satisfied that systems are in place to mitigate any exposure to the major risks as a result of this review.

OBJECTIVES AND ACTIVITIES

The objectives of the charity are:

- to promote and encourage education in Scotland, by the advancement of schemes for the teaching and study of European matters,
- to promote and encourage education in Europe by the advancement of schemes for the teaching and study of Scottish matters,
- to establish and maintain scholarships, studentships and grants tenable at such Scottish universities, colleges, schools or other educational establishments as seen fit by the Trustees in support of the above.

Scottish European Educational Trust

Trustees' Annual Report for the year ended 31 July 2014

ACHIEVEMENTS AND PERFORMANCE

Over the past year, the Trust has continued to inform young people in Scotland about Europe and the European Union, and promote the learning of European languages. Our cohesive thematic approach starts with the introduction of European awareness and language knowledge at primary level, continues in more depth at secondary level through the innovative inter-disciplinary film competition, and goes on to highlight opportunities for work and study abroad through the Scotland Goes Global module. The result is the creation of a cumulative European learning experience for young people across Scotland.

The second year of the our Europe Film Competition for secondary schools pupils (S3-S6) was launched in September 2013. Outreach sessions were conducted for schools during the autumn term to get them thinking about how Europe affects young people and what it means to be a European Citizen. This year, 32 teams involving 128 students entered the competition by submitting their storyboard entries laying out their film ideas. An important aspect of this project was the requirement that students present part of their film in a foreign language, developing these skills and their enthusiasm for using them. The six top teams were selected to attend a full day workshop in Glasgow in February 2014 where they had the opportunity to turn their ideas into films, before presenting these to a panel of judges. The team from Lenzie Academy in East Dunbartonshire were the overall winners of this year's competition.

This year's competition was largely financed through individual donations, following an unsuccessful bid to the European Parliament. Due to financial constraints, we were unfortunately unable to take the top teams to Brussels this year to visit the European Parliament, but hope to reinstate this prize again in future years. The Trustees are grateful for support from a number of individual donors, without which continuation of this project would not have been possible.

Heats for Euroquiz 2014, for primary 6 students (aged 10-11), took place in different authority areas between January and March 2014. This year, 1,700 pupils from 425 schools competed in the different regional events, which were held in 31 of the 32 Scottish local authorities. The Trust welcomes the increase in involvement again this year. The Euroquiz language round involved participating pupils in answering aural comprehension questions in French, German and Spanish. These were devised with the support of SCILT, Scotland's National Centre for Languages, and were recorded by native speakers at Heriot Watt University.

Scottish European Educational Trust

Trustees' Annual Report for the year ended 31 July 2014

ACHIEVEMENTS AND PERFORMANCE (cont)

The Euroquiz Final 2014 was again held in the debating chamber of the Scottish Parliament in May 2014. Deputy Presiding Officer, John Scott MSP asked the questions, with Per Johansson, Head of the European Parliament Office in Scotland announcing the correct answers. Struan Stevenson MEP took on the role of quizmaster for the European round. Euroquiz 2014 was won by the team from Crossford Primary in Fife. All participants enjoyed a full day at the Parliament and appreciated the opportunity to compete in front of a packed gallery of parents and teachers in this prestigious venue.

Following the success of Euroquiz in 2013, our tender contract with the European Parliament was renewed for a second year, and we are hopeful that this will continue to be the case. This puts the annual Euroquiz on a more sustainable footing. However, increasing costs for the venue and travel for the event are a cause for concern. The Trust also received a small amount of funding from the Scottish Government towards the Euroquiz again this year, particularly towards the development of a language round which supports the learning of European languages at primary level in line with the Scottish Government's commitment to create the conditions for every child to learn two languages in addition to their mother tongue.

In 2013-14, the Trust continued to work with the National Union of Students in Scotland to further develop a module for schools as part of the Scotland Goes Global programme, informing young people about study and work opportunities in Europe. With the support of Trustees, the module underwent editing and redevelopment in response to feedback from schools. In March 2014, a second group of students with personal experience of studying abroad received training as 'ambassadors' before going into secondary schools to deliver the module from May 2014 onwards.

Jessica Parr resigned from her position as Project Co-ordinator for the film competition in December 2013. Due to funding constraints, the Trust was unable to replace her immediately, and work on the Film Competition was carried forward by the National Organiser. Fortunately the value of this work has been recognised and we are delighted that the Robertson Trust has pledged part-funding towards this staff position over the next three years. Madeleine McGirk was appointed as the new Project Co-ordinator in May 2014. This allows the Trust to increase its outreach to schools, particularly in disadvantaged areas, in order to ensure equality of opportunity and involve a broader range of students in the competition.

Stuart Rycroft resigned from the Board of Trustees in early 2014, and the Trustees have started the process of looking for new members to join the Board.

Scottish European Educational Trust

Trustees' Annual Report for the year ended 31 July 2014

FINANCIAL REVIEW

The Statement of Financial Activities on page 8 indicates net incoming resources (i.e. a surplus) for the year of £1,266 (2013 - surplus of £17,652) and total funds of £30,837 (2013 - £29,571) at 31 July 2014 of which £22,559 relates to Restricted Funds.

Comparative figures represent the extended accounting period 1 April 2012 to 31 July 2013.

Reserves policy

Although it is the policy of the charity to maintain Unrestricted Funds (i.e funds not designated, committed or invested in fixed assets) at a sufficient level to cover administrative costs, the charity's core activities are mainly financed by Restricted Funds. Accordingly, the charity's Unrestricted reserves largely represent funds arising from donations. Unrestricted funds per the General Fund (page 9) at 31 July 2014 amounted to £8,278 which was considered adequate by the Trustees.

Scottish European Educational Trust

Trustees' Annual Report for the year ended 31 July 2014

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of Scottish European Educational Trust 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 which 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 judgements and accounting 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;
- 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 proper accounting records that 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent examiner

The Trustees recommend that Alan Cunningham, C.A., a partner in Alexander Sloan, Chartered Accountants, remains in office as independent examiner until further notice.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Trustees on 4 December 2014 and signed on their behalf by



Sophie Buxton
Secretary

Scottish European Educational Trust

Independent Examiner's Report to the Trustees on the Unaudited Financial Statements of Scottish European Educational Trust.

I report on the financial statements of Scottish European Educational Trust for the year ended 31 July 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes.

Respective responsibilities of Trustees and examiner

The charity's Trustees (who are also directors of the company for the purpose of company law) are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 ("2005 Act") and the Charities Accounts (Scotland) Regulations 2006 (as amended) ("2006 Accounts Regulations"). The charity's Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of Independent Examiner's report

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity 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 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 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, 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.



Alan Cunningham, C.A.
Partner

Alexander Sloan
Chartered Accountants

1 Atholl Place
Edinburgh
EH3 8HP

Date: 4 December 2014

Scottish European Educational Trust

Statement of Financial Activities
(incorporating Income and Expenditure Account)

for the year ended 31 July 2014

		Unrestricted funds	Restricted funds	Year ended 31/07/2014 Total	Period ended 31/07/13* Total
	Notes	£	£	£	£
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	5,725	11,750	17,475	12,776
Investment income		2	-	2	-
Incoming resources from charitable activities	3	-	42,371	42,371	96,201
Other incoming resources	4	1,375	1,125	2,500	-
Total incoming resources		<u>7,102</u>	<u>55,246</u>	<u>62,348</u>	<u>108,977</u>
Resources expended					
Charitable activities	5	(4,620)	(54,518)	(59,138)	(89,717)
Governance costs	6	(1,944)	-	(1,944)	(1,608)
Total resources expended		<u>(6,564)</u>	<u>(54,518)</u>	<u>(61,082)</u>	<u>(91,325)</u>
Net incoming/(outgoing) resources before transfers		538	728	1,266	17,652
Gross transfers between funds		(5,500)	5,500	-	-
Net movement in funds		<u>(4,962)</u>	<u>6,228</u>	<u>1,266</u>	<u>17,652</u>
Reconciliation of funds					
Total funds brought forward		<u>13,240</u>	<u>16,331</u>	<u>29,571</u>	<u>11,919</u>
Total funds carried forward		<u><u>8,278</u></u>	<u><u>22,559</u></u>	<u><u>30,837</u></u>	<u><u>29,571</u></u>

* The comparative figures cover the extended accounting period from 1 April 2012 to 31 July 2013.

The notes on pages 11 to 17 form an integral part of these financial statements.

Scottish European Educational Trust

Balance Sheet **as at 31 July 2014**

		31/07/14		31/07/13	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	10		268		66
			<u>268</u>		<u>66</u>
Current assets					
Debtors	11	1,250		25,884	
Cash at bank and in hand		31,975		6,640	
		<u>33,225</u>		<u>32,524</u>	
Creditors: amounts falling due within one year	12	(2,656)		(3,019)	
Net current assets			30,569		29,505
Net assets			<u>30,837</u>		<u>29,571</u>
Funds					
Unrestricted funds					
General funds	14		8,278		13,240
Restricted funds	17		22,559		16,331
			<u>30,837</u>		<u>29,571</u>

The Trustees' statements required by Sections 475 (2) and (3) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 11 to 17 form an integral part of these financial statements.

Scottish European Educational Trust

Balance Sheet (continued)

Trustees' statements required by Sections 475 (2) and (3) for the year ended 31 July 2014

In approving these financial statements as Trustees of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 477 of the Companies Act 2006 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 476 requesting that an audit be conducted for the year ended 31 July 2014 and

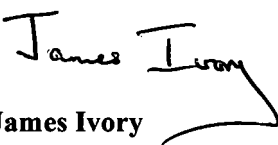
(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 386, and

(2) 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 of its incoming resources and application of resources, including the income and expenditure, for the year then ended in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved and authorised for issue by the Board on 4 December 2014 and signed on its behalf by


James Ivory
Trustee

Registered number: SC143658

The notes on pages 11 to 17 form an integral part of these financial statements.

Scottish European Educational Trust

Notes to the Financial Statements for the year ended 31 July 2014

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost and in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.2. Incoming resources

Voluntary income include donations that provide core funding or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies that the donation must only be used in future accounting periods, or when the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from investments, namely bank interest, is included in the year in which it is receivable.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned (as the related goods or services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

1.3. Resources expended

Expenditure is recognised on an accruals basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

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

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

1.4. Tangible fixed assets and depreciation

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £300 are not capitalised.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	- 25% straight line
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Scottish European Educational Trust

Notes to the Financial Statements for the year ended 31 July 2014

2. Voluntary income

	Year ended 31/07/14 £	Period ended 31/07/13 £
Donations and other income	17,475	12,776
	<u>17,475</u>	<u>12,776</u>

3. Incoming resources from charitable activities

	Year ended 31/07/14 £	Period ended 31/07/13 £
Grants for Project Co-ordinator	5,000	-
Grant for Euroquiz	35,714	46,667
Grants for Film Competition	(193)	42,534
Grant income for NUS project	1,850	7,000
	<u>42,371</u>	<u>96,201</u>

4. Other incoming resources

	Year ended 31/07/14 £	Period ended 31/07/13 £
Income tax reclaimed	2,500	-
	<u>2,500</u>	<u>-</u>

Scottish European Educational Trust

Notes to the Financial Statements for the year ended 31 July 2014

5. Costs of charitable activities

	Year ended 31/07/14 £	Period ended 31/07/13 £
Projects and activities costs	19,600	41,140
Staff costs	26,974	33,109
Premises costs	7,453	9,842
Running costs	4,953	5,405
Interest and finance charges	3	-
Depreciation	155	221
	<u>59,138</u>	<u>89,717</u>

6. Governance costs

	Year ended 31/07/14 £	Period ended 31/07/13 £
Independent Examiner's remuneration	1,944	1,608
	<u>1,944</u>	<u>1,608</u>

7. Net incoming resources for the year

	Year ended 31/07/14 £	Period ended 31/07/13 £
Net incoming resources is stated after charging:		
Depreciation and other amounts written off tangible assets	155	221
Independent Examiner's remuneration	<u>1,944</u>	<u>1,608</u>

Scottish European Educational Trust

Notes to the Financial Statements for the year ended 31 July 2014

8. Employees

Number of employees

	Year ended 31/07/14	Period ended 31/07/13
	Number	Number
The average monthly numbers of employees during the year were:		
Administration	<u>2</u>	<u>2</u>

Employment costs

	Year ended 31/07/14	Period ended 31/07/13
	£	£
Wages and salaries	25,759	30,977
Social security costs	<u>1,215</u>	<u>2,132</u>
	<u>26,974</u>	<u>33,109</u>

There were no employees who received remuneration of over £60,000 in the period.

9. Trustees' emoluments

No Trustees nor any persons connected with them received remuneration or reimbursements for expenses in the period.

Scottish European Educational Trust

Notes to the Financial Statements for the year ended 31 July 2014

10. Tangible fixed assets	Fixtures, fittings and equipment £	Total £
Cost		
At 1 August 2013	1,885	1,885
Additions	357	357
At 31 July 2014	<u>2,242</u>	<u>2,242</u>
Depreciation		
At 1 August 2013	1,819	1,819
Charge for the year	155	155
At 31 July 2014	<u>1,974</u>	<u>1,974</u>
Net book values		
At 31 July 2014	<u>268</u>	<u>268</u>
At 31 July 2013	<u>66</u>	<u>66</u>

11. Debtors	31/07/14 £	31/07/13 £
Debtors and accrued income	-	25,884
Other debtors	1,250	-
	<u>1,250</u>	<u>25,884</u>

12. Creditors: amounts falling due within one year	31/07/14 £	31/07/13 £
Creditors	727	1,042
Other taxes and social security costs	613	677
Accruals and deferred income	1,316	1,300
	<u>2,656</u>	<u>3,019</u>

Scottish European Educational Trust

Notes to the Financial Statements for the year ended 31 July 2014

13. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 July 2014 as represented by:			
Tangible fixed assets	268	-	268
Current assets	9,517	23,707	33,224
Current liabilities	(1,507)	(1,148)	(2,655)
	<u>8,278</u>	<u>22,559</u>	<u>30,837</u>

14. Unrestricted General Funds

	1 Aug '13	Incoming	Outgoing	Transfers	31 Jul '14
	£	£	£	£	£
General Fund	13,240	7,102	(6,564)	(5,500)	8,278
	<u>13,240</u>	<u>7,102</u>	<u>(6,564)</u>	<u>(5,500)</u>	<u>8,278</u>

Purposes of General Funds

General Fund

General funds are accumulated unspent donations received without restrictions upon their use, and are used for promoting and encouraging education in Scotland and Europe by the advancement of schemes for the teaching and study of European and similar Scottish matters.

15. Comparative figures

The comparative figures cover the extended accounting period from 1 April 2012 to 31 July 2013.

Scottish European Educational Trust

Notes to the Financial Statements for the year ended 31 July 2014

16. Financial commitments

At 31 July 2014 the charity had annual commitments under non-cancellable operating leases as follows:

	31/07/14	31/07/13
	£	£
Expiry date:		
Within one year	3,500	4,200
	<u>3,500</u>	<u>4,200</u>

17. Restricted funds

	1 Aug '13	Incoming	Outgoing	Transfers	31 Jul '14
	£	£	£	£	£
Euroquiz Fund	16,331	35,714	(37,298)	-	14,747
Film Competition Fund	-	7,682	(13,152)	5,500	30
NUS Scotland Goes Global Fund	-	1,850	(1,850)	-	-
Project Co-ordinator Fund	-	10,000	(2,218)	-	7,782
	<u>16,331</u>	<u>55,246</u>	<u>(54,518)</u>	<u>5,500</u>	<u>22,559</u>

Purposes of restricted funds

Euroquiz Fund

The Euroquiz Fund represents funds allocated to the administration and running of the Euroquiz project for primary school pupils which, this year, included funding from the European Parliament and Scottish Government.

Film Competition Fund

Represents funds allocated to the Our Europe Competition for secondary school students, which involves language development and film-making workshops. The project was run in 2013-14 on donations received from individuals and using internal resources.

NUS Scotland Goes Global Fund

Funding was received from the National Union of Students Scotland for development of a module on study and work opportunities in Europe and the provision of training to student ambassadors for delivering this module in schools.

Project Co-ordinator Fund

Represents funds allocated towards salary costs of a Project Co-ordinator to manage the Our Europe Film Competition and increase outreach to schools. A grant was received from the Robertson Trust specifically for this purpose, and match funding was secured. This fund was opened in May 2014 and will be key to enabling the Film Competition to run in 2014-15.