

**Cousland Smiddy Trust
(Limited by Guarantee)
Report and Financial Statements
For the Year Ended
31 March 2011**



Company Registration Number: SC 116551

Scottish Charity No.: SC 009449

Cousland Smiddy Trust

**Report and Financial Statements
For the Year Ended 31 March 2011**

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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.cousland.net/smiddy.htm

Trustees and Registered Directors of the Company:

Sheena Irving (Chairman)
Gordon Brown (Secretary & Treasurer)
Alastair Buchanan
David Fleming
James Fleming
Kenneth Carnie
Peter Russell
Michael Black
David Connolly (Appointed 7/6/11)
Candice Heatherley (Appointed 7/6/11)

Independent Examiner

John G. Norman C.A.
Norman, Downie & Kerr Ltd

Accountants

Norman, Downie & Kerr Ltd
The Courtyard
130 Constitution Street
Leith
Edinburgh, EH6 6AJ

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

Standard Life Bank Ltd
1 Conference Square
Edinburgh
EH3 8RA

Clydesdale Bank plc
54 Court Street
Haddington
EH41 3AF

Cousland Smiddy Trust

Report of the Trustees For the Year Ended 31 March 2011

The trustees are pleased to present their report together with financial statements for the year ended 31 March 2011.

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 18th century smiddy, a Victorian cottage (providing an office for the Smiddy Trust, exhibition and community meeting facilities) and other partially conserved associated buildings. There are also 13 organic allotments 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 held, including Midlothian doors open day which regularly attracts over 200 visitors, and the village Christmas Carol Singing.

During the year 2 grants of £300 each were received from Midlothian Council Small Projects Regeneration Fund and the Federation of Midlothian Community Councils towards the costs of a new path for wheelchair access to the organic allotments.

A grant of £1,000 was received from the Voluntary Action Fund Community Chest for the services of a professional architect to design proposals for a new visitor centre..

Financial Review

The income and expenditure for the year is set out in the statement of financial activities on page 7. Total income from fund-raising, rent and bank interest in the year amounted to £3,556. Total expenditure amounted to £3,881, resulting in net decrease of £325 for the year (previous year – surplus of £647). Funds carried forward include £1,691 in the general fund, which represents the free reserves of the charity available for future 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.

Cousland Smiddy Trust

Report of the Trustees (continued)

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

Gordon Brown

Date: 6 September 2011

Name: GORDON BROWN

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 2011, 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

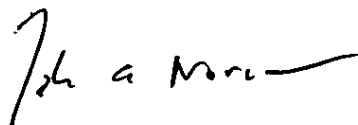
In the course of my examination, no matter has come to my attention:

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: 15 Sept. 2011

Norman, Downie & Kerr Ltd
Chartered Accountants
130 Constitution Street, Leith
Edinburgh EH6 6AJ

Cousland Smiddy Trust

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:

Office Equipment	33.3% per annum
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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 capital fund in note 6 represents the purchase price and development costs of the smiddy, which were largely funded by restricted grants.

Cousland Smiddy Trust

Statement of Financial Activities (Including Income & Expenditure Account) For the Year Ended 31 March 2011

Incoming Resources	Note	Unrestricted funds £	Restricted funds £	Total 2011 £	Total 2010 £
Incoming Resources from generated funds:					
<i>Voluntary income:</i>					
Grants receivable	1	-	1,600	1,600	-
Donations & fund-raising		1,130	-	1,130	946
<i>Investment income:</i>					
Rent received		820	-	820	670
Bank interest		6	-	6	4
Total incoming resources		<u>1,956</u>	<u>1,600</u>	<u>3,556</u>	<u>1,620</u>
Resources Expended					
Charitable Activities:					
Publicity & events		14	-	14	-
Property development		241	1,600	1,841	-
Property running costs		1,287	-	1,287	391
Administrative costs		304	-	304	135
Governance costs		<u>435</u>	<u>-</u>	<u>435</u>	<u>447</u>
Total resources expended	2	<u>2,281</u>	<u>1,600</u>	<u>3,881</u>	<u>973</u>
Net incoming (outgoing) / resources					
- Net income (expenditure) / for year		<u>(325)</u>	<u>-</u>	<u>(325)</u>	<u>647</u>
Net movement in funds		<u>(325)</u>	<u>-</u>	<u>(325)</u>	<u>647</u>
Funds brought forward		<u>2,016</u>	<u>124,150</u>	<u>126,166</u>	<u>125,519</u>
Funds carried forward		<u>1,691</u>	<u>124,150</u>	<u>125,841</u>	<u>126,166</u>

Further details of funds are shown in Note 7 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 9 to 11 and the accounting policies on page 6 form part of these financial statements.

Cousland Smiddy Trust

Balance Sheet at 31 March 2011

	Note	2011 £	2010 £
Fixed Assets			
Tangible assets	3	<u>124,150</u>	<u>124,150</u>
Current Assets			
Stock	4	22	342
Debtors	5	55	61
Cash at bank and in hand		<u>2,034</u>	<u>2,060</u>
		<u>2,111</u>	<u>2,463</u>
Creditors			
Amounts falling due within one year	6	<u>420</u>	<u>447</u>
Net Current Assets		<u>1,691</u>	<u>2,016</u>
Net Assets		<u>125,841</u>	<u>126,166</u>
Funds			
Restricted funds	7	124,150	124,150
Unrestricted funds	7	<u>1,691</u>	<u>2,016</u>
		<u>125,841</u>	<u>126,166</u>

For the year ended 31 March 2011 the company was entitled to exemption from an audit under section 477 of the Companies Act 2006 ("the Act") relating to small companies.

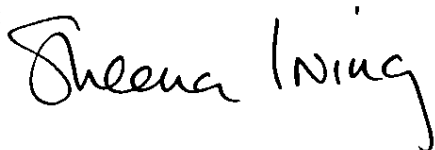
The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

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 6 Sept. 2011

Signed:



Name: SHEENA IRVING

Date: 6/9/2011

Trustee

The notes on pages 9 to 11 and the accounting policies on page 6 form part of these financial statements.

Cousland Smiddy Trust

Notes to the Financial Statements for the Year Ended 31 March 2011

	2011 £	2010 £
1. Grants Receivable		
<i>For Phase 3 development</i>		
Scottish Government Voluntary Action Fund	1,000	-
<i>For disabled access</i>		
Midlothian Council Small Scale Regeneration Project Fund	300	-
Federation of Midlothian Community Councils Community Awards	300	-
	<u>1,600</u>	<u>-</u>
2. Resources Expended		
Publicity & events		
Events	14	-
	<u>14</u>	<u>-</u>
Property development		
Design proposals for new visitor centre	1,200	-
Path for wheelchair access to allotments	641	-
	<u>1,841</u>	<u>-</u>
Property running costs		
Rates (refund in 2010)	-	(613)
Fuel costs	740	336
Property maintenance	24	42
Insurance	523	626
	<u>1,287</u>	<u>391</u>
Administrative costs		
Telephone, post & stationery	286	93
Other costs	18	42
	<u>304</u>	<u>135</u>
Governance costs		
Accountancy / independent examiner's remuneration	420	447
Other costs	15	-
	<u>435</u>	<u>447</u>
Total Resources Expended	<u>3,881</u>	<u>973</u>

Related Party Transactions:

During the year rent of £600 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)

3. Tangible Fixed Assets	Heritage Assets (see note)	Office equipment	Total
<i>Cost or valuation:</i>	£	£	£
At 1 April 2010	124,150	684	124,834
Additions	-	-	-
(Disposals)	-	-	-
At 31 March 2011	124,150	684	124,834
<i>Depreciation:</i>			
At 1 April 2010	-	684	684
Charge for year	-	-	-
(On Disposals)	-	-	-
At 31 March 2011	-	684	684
<i>Net Book Value:</i>			
At 31 March 2011	124,150	-	124,150
At 31 March 2010	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.

4. Stock	2011	2010
	£	£
Stock of heating oil	22	342
	22	342
5. Debtors		
<i>Amounts due within one year:</i>	£	£
Prepayments	55	61
	55	61
6. Creditors		
<i>Amounts falling due within one year:</i>	£	£
Accruals	420	447
	420	447

Cousland Smiddy Trust

Notes to the Financial Statements (continued)

7. Movement on Funds

	Note	At 1/4/10 £	Movement in year		At 31/3/11 £
			Incoming £	Outgoing £	
Restricted funds:					
Heritage assets	(1)	124,150	-	-	124,150
Phase 3 Development	(2)	-	1,000	(1,000)	-
Disabled Access	(3)	-	600	(600)	-
Total restricted funds		124,150	1,600	(1,600)	124,150
Unrestricted funds:					
General fund		2,016	1,956	(2,281)	1,691
Total funds		126,166	3,556	(3,881)	125,841

Notes:

- (1) The Heritage assets fund represents the cost of the Cousland Smiddy buildings and contents.
- (2) A grant of £1,000 was received from the Scottish Government Voluntary Action Fund Community Chest towards the production of new drawings to illustrate plans for the Phase 3 developments at the Smiddy.
- (3) Two grants of £300 were received from Midlothian Council Small Scale Regeneration Project Fund and the Federation of Midlothian Community Council Community Awards to improve disabled access to the Smiddy Gardens.

8. Analysis of Net Assets by Fund

	Restricted Funds £	Unrestricted General Fund £	Total Funds £
Heritage assets	124,150	-	124,150
Stock	-	22	22
Debtors	-	55	55
Cash at bank & in hand	-	2,034	2,034
Creditors	-	(420)	(420)
Net Assets at 31/3/11	124,150	1,691	125,841