

Company Registration Number: SC299474
Charity Registration Number: SC037311

BIG HEARTS COMMUNITY TRUST
(A company limited by guarantee)
REPORT and FINANCIAL STATEMENTS
Year ended 31 March 2018

C |
| T

BIG HEARTS COMMUNITY TRUST
(A company limited by guarantee)

Report and Financial Statements

Year ended 31 March 2018

Contents	Page
Reference and administrative information	1
Report of the Board of Directors and Trustees	2 - 4
Report of the Independent Examiner	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 - 14

BIG HEARTS COMMUNITY TRUST

Reference and Administrative Information

Year ended 31 March 2018

Charity Registration Number
SC037311

Company Registration Number
SC299474

Directors and Trustees
Billy Watson (chairman)
Lawrence Broadie
Ann Budge
Tim Gardiner
David Sellar
Pamela Scott (appointed 1 December 2017)

Company Secretary
Caryn Kerr

Registered Office
Tynecastle Stadium
Gorgie Road
Edinburgh
Midlothian
EH11 2NL

Independent Examiner
Malcolm Beveridge CA
Chlene + Tait LLP
Chartered Accountants and Independent Examiner
61 Dublin Street
Edinburgh
EH3 6NL

BIG HEARTS COMMUNITY TRUST

REPORT OF THE BOARD OF DIRECTORS AND TRUSTEES

Year ended 31 March 2018

The Board of Directors and Trustees submit their report and the financial statements for the year ended 31 March 2018. The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting 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) (effective 1 January 2015).

Principal Objectives and Activities

The objectives of the charity are as follows:

- a) The advancement of education,
- b) The advancement of citizenship or community development,
- c) 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 or activities are primarily intended,
- d) The relief of those in need by reason of age, ill health, disability, financial hardship or other disadvantage

The charity looks to achieve its objects through initiatives and partnerships.

Achievements and Performance

Big Hearts began financial year 2017/18 in a strong position, dedicated to delivering our strategy to support all generations within the community, targeting those most in need.

Our focus was across 4 main programmes, Kinship Care, Football Memories, T.E.A.M and Big Hearts Supporters.

Our well-established Kinship Care Programme delivered excellent results across 17/18. We continued to provide a range of tailored support to families, across our After-School Club, Emergency Essentials Grants, Youth Befriending and School Holiday activities.

Our Annual Kinship Family Day took place in October with Guests having access to many exciting activities and also benefiting from our fantastic marketplace of stalls.

Football Memories supported over 60 older people suffering from or at risk from Dementia. Our bi-weekly groups providing a great setting for participants, carers and volunteers to share stories, make friendships and enjoy some traditional football snacks and refreshments.

T.E.A.M was launched in September 2017 in partnership with Multi-Cultural Family Base and works closely with young people identified as being at risk of social isolation from across local schools.

Big Hearts Supporters, our volunteering network, now engages with close to 200 volunteers each year. The volunteers carry out a range of roles both with Big Hearts and partner charities supporting all generations from across our community.

The excellent results across a number of areas allowed us to appoint a dedicated fundraising resource in January 2018. Our Fundraising and Development Manager has increased our fundraising activity across a number of areas including; trusts and foundations, corporate giving and community fundraising with good early success.

BIG HEARTS COMMUNITY TRUST

REPORT OF THE BOARD OF DIRECTORS AND TRUSTEES (Contd.)

Year ended 31 March 2018

Review of Financial Position

The Trust is reliant on income from donations and activities, the income from which was £237,551 (2017: £151,990) in the year ended 31 March 2018.

Expenditure during the year amounted to £244,582 (2017: £180,354).

Reserves

Reserves held at 31 March 2018 amounted to £263,339 (2017: £270,370) and this is made up of a surplus on unrestricted funds of £247,927 (2017: £269,290) and a surplus on restricted funds of £15,412 (2017: £1,080). The Board keeps a certain amount of reserves to assist with variations in volumes of funding against committed spend. Expenditure will continue to increase, and general reserves will reduce, over time as we introduce new activity linked to our strategy and vision of the organisation while also continuing with existing programmes.

Risk management

Our risk matrix is reviewed by the Trustees on a regular basis.

Plans for Future Periods

Our 5 key areas of focus for the next 3 years are:

- Supporting Kinship Care families
- Build a community where all Cultures thrive together
- Improve the wellbeing of Older People
- Make a difference to families living in Poverty
- Develop initiatives promoting positive Mental Health

Structure, Governance and Management

The Company is a registered charity, limited by guarantee. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members of the Company are required to contribute an amount not exceeding £10.

The Directors, who are the key management personnel of the charity are also charity Trustees for the purposes of charity law. The Board of Trustees must consist of one or more Trustees. New Trustees are suggested by the Board Members. Their suitability is considered by the Board and if appropriate, appointment is then made. Any briefing and induction of future Trustees is the responsibility of the Board.

BIG HEARTS COMMUNITY TRUST

REPORT OF THE BOARD OF DIRECTORS AND TRUSTEES (Contd.)

Year ended 31 March 2018

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of Big Hearts Community 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing the financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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;
- 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 adequate 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 (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.

The Trustees confirm that the Financial Statements comply with the above requirements.

Approved by the Board of Trustees and signed on its behalf by



Billy Watson
Chairman

28 September 2018

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
BIG HEARTS COMMUNITY TRUST**



I report on the financial statements of Big Hearts Community Trust for the year ended 31 March 2018 which are set out on pages 6 to 14.

This report is made to the Trustees of Big Hearts Community Trust, as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to prepare the financial statements on behalf of the Trustees and to report my opinion as set out below and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than Trustees and members of Big Hearts Community Trust, as a body, for my work or for this report.

Respective responsibilities of the Trustees and Independent examiner

The charity's Trustees (who are also the directors of the charity for the purposes 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 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended) (the Regulations). The charity Trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 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 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 Act and Regulation 4 of the Regulations, and
 - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the Regulations

have not been met; or

2. to which, in my opinion, attention should be drawn, other than as detailed below, in order to enable a proper understanding of the financial statements to be reached.

Malcolm Boveridge

Malcolm Boveridge CA
CHIENE + TAIT LLP
Chartered Accountants and Independent Examiner
61 Dublin Street
Edinburgh
EH3 6NL

28 September 2018

BIG HEARTS COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)

For the year ended 31 March 2018

	Notes	Un- restricted £	Restricted £	Total 2018 £	Total 2017 £
Income and endowments from:					
Donations and legacies		216,126	17,279	233,405	149,736
Charitable activities	2	-	3,745	3,745	1,692
Investment income – bank interest		401	-	401	562
Total Income		216,527	21,024	237,551	151,990
Expenditure on:					
Raising funds	3	62,204	-	62,204	40,108
Charitable activities	4	175,565	6,813	182,378	140,246
Total expenditure		237,769	6,813	244,582	180,354
Net (expenditure)/income		(21,242)	14,211	(7,031)	(28,364)
Transfers between funds		(121)	121	-	-
Net movement in funds		(21,363)	14,332	(7,031)	(28,364)
Reconciliation of funds:					
Total funds brought forward		269,290	1,080	270,370	298,734
Total funds carried forward	12	247,927	15,412	263,339	270,370

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 14 form part of these financial statements.

BIG HEARTS COMMUNITY TRUST**BALANCE SHEET****As at 31 March 2018**

	Notes	2018 £	2017 £
Fixed assets			
Tangible fixed assets	9	2,292	2,668
Current assets			
Debtors	10	3,694	1,200
Bank and cash		292,120	278,064
		-----	-----
		295,814	279,264
Creditors: amounts falling due within one year			
Creditors and accruals	11	34,767	11,562
		-----	-----
Net current assets		261,047	267,702
Net assets		263,339	270,370
		=====	=====
Represented by			
Unrestricted funds			
General funds	12	247,927	269,290
Restricted funds	12	15,412	1,080
		-----	-----
		263,339	270,370
		=====	=====

Audit exemption statement

For the year ended 31 March 2018 the company was entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006.

No notice has been deposited with the company under section 476 of the Companies Act 2006 requiring an audit to be carried out.

The trustees acknowledge their responsibilities for

- Ensuring the company keeps accounting records in accordance with sections 386 and 387 of the Companies Act 2006; and
- Preparing 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 deficit for that financial year in accordance with the requirements of sections 394 and 395 of the Companies Act 2006.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Approved by the Board of Trustees on 28 September 2018 and signed on its behalf by:



.....
Billy Watson
Chairman

Company No. SC299474

The notes on pages 8 to 14 form part of these financial statements.

BIG HEARTS COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2018

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102) Issued on 16 July 2014 (as updated through update Bulletin 1, issued on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102,) the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity constitutes a public benefit entity as defined by FRS 102.

Going concern

The financial statements have been prepared on a going concern basis. The Trustees have assessed the Trust's ability to continue as a going concern and have reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Funds Structure

Unrestricted funds are expendable at the discretion of the Trustees in the furtherance of the objects of the charity.

Restricted funds are funds that can only be used for particular restricted purposes within the objects. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Income recognition

All income is recognised once the Trust has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations are recognised when they have been communicated in writing with notification of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Trust is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Trust and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank.

BIG HEARTS COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2018

1. Accounting policies (continued)

Expenditure recognition

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust to that expenditure. All expenditure is accounted for on an accruals basis and all expenses are allocated to the applicable expenditure headings. Irrecoverable VAT is charged to the Statement of Financial Activities as Incurred.

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the Trust and its compliance with regulation and good practice. These costs include costs related to independent examination, accountancy and legal fees together with an apportionment of overhead and support costs.

Support costs have been apportioned 45% to costs of raising funds, 34% to charitable activities and 21% to governance costs. The allocation of support and governance costs is analysed in note 6.

Costs of raising funds

Costs of raising funds comprise those costs associated with attracting donations.

Charitable activities

Charitable activities costs are those costs expended on meeting the Trust's objectives and the governance costs.

Tangible fixed assets

All assets costing more than £1,000 are capitalised and valued at historic cost. Depreciation is charged at 20%-33.33% on a straight-line basis.

Pensions

The Trust operates a defined contribution pension scheme. Contributions payable are charged to the Statement of Financial Activities in the year that they are payable. There were no outstanding contributions at the year end.

Taxation

The Trust is a registered charity and accordingly is exempt from taxation on its income and gains when they are applied for charitable purposes.

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Financial Instruments

The charity 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.

BIG HEARTS COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2018

2. Income from Charitable Activities	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Football memories	-	3,745	3,745	1,692
	-----	-----	-----	-----
	-	3,745	3,745	1,692
	=====	=====	=====	=====

3. Costs of Raising Funds	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Fundraising costs	1,020	-	1,020	3,800
Allocation of support costs (note 6)	61,184	-	61,184	36,308
	-----	-----	-----	-----
	62,204	-	62,204	40,108
	=====	=====	=====	=====

4. Expenditure on Charitable Activities	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Project delivery	70,606	82	70,688	27,823
Materials and equipment	1,370	26	1,396	5,596
Advertising	5,473	90	5,563	13,476
Clothing	480	-	480	185
Staff hire	2,565	500	3,065	8,502
Catering expenses	18,058	126	18,184	16,394
Travel expenses	356	-	356	453
Other costs	537	-	537	1,766
Depreciation	940	-	940	800
Allocation of support costs (note 6)	39,399	5,989	45,388	45,684
Governance costs (note 5)	33,981	-	33,981	19,567
Donations	1,800	-	1,800	-
	-----	-----	-----	-----
	175,565	6,813	182,378	140,246
	=====	=====	=====	=====

BIG HEARTS COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2018

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
5. Governance costs				
Independent examination fees	1,740	-	1,740	2,187
Bookkeeping costs	3,456	-	3,456	3,456
Allocation of support costs (note 6)	28,785	-	28,785	13,924
	33,981	-	33,981	19,567
	=====	=====	=====	=====

	Charitable Activities				2018 Total £	2017 Total £
	Raising Funds £	Unrestricted Funds £	Restricted Funds £	Governance Costs £		
6. Support costs						
Salaries	49,634	30,832	5,989	23,351	109,806	87,490
Insurance and sundries	11,550	8,567	-	5,434	25,551	8,426
	61,184	39,399	5,989	28,785	135,357	95,916
	=====	=====	=====	=====	=====	=====

7. Analysis of staff costs	2018 £	2017 £
Salaries and wages	101,184	82,298
Social security costs	5,592	4,027
Pension costs	3,030	1,165
	109,806	87,490
	=====	=====

No employee received emoluments of more than £60,000.

The average number of employees during the year, calculated on the basis of full time equivalents was as follows:

	2018 No.	2017 No.
Fundraising, administration and support	5	4
	=====	=====

8. Related party transactions and Trustees' remuneration

The Trustees, who are the key management personnel, did not receive remuneration or reimbursement of expenses for their services during the year.

Included within other creditors at the year end is £nil (2017: £660) and within trade creditors is £4,341 (2017: £2,488) due to Heart of Midlothian Plc, a company in which Ann Budge is also a director.

BIG HEARTS COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2018

9. Fixed Assets:

	Furniture & Fixtures £	Computer Equipment £	Total £
Cost			
At 1 April 2017	21,406	802	22,208
Additions	364	200	564
	-----	-----	-----
At 31 March 2018	21,770	1,002	22,772
	-----	-----	-----
Depreciation			
At 1 April 2017	19,273	267	19,540
Charge for the year	606	334	940
	-----	-----	-----
At 31 March 2018	19,879	601	20,480
	-----	-----	-----
Net book value			
At 31 March 2018	1,891	401	2,292
	=====	=====	=====
At 31 March 2017	2,133	535	2,668
	=====	=====	=====

10. Debtors

	2018 £	2017 £
Prepayments and accrued income	3,694	1,200
	-----	-----
	3,694	1,200
	=====	=====

11. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	23,585	3,051
Tax and social security	1,974	-
Other creditors	344	660
Accruals	8,864	7,851
	-----	-----
	34,767	11,562
	=====	=====

BIG HEARTS COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2018

12. Funds

	Balance at 1 April 2017	Funds received	Funds Expended	Transfers	Balance at 31 March 2018
	£	£	£	£	£
Unrestricted Funds					
General reserve	269,290	216,527	(237,769)	(121)	247,927
	-----	-----	-----	-----	-----
	269,290	216,527	(237,769)	(121)	247,927
	-----	-----	-----	-----	-----
Restricted Funds					
Creative Scotland Music Project	520	-	(641)	121	-
Football Memories	-	3,745	-	-	3,745
Parent on the Ball	560	-	(560)	-	-
Crerar Hotel Trust Fund	-	14,000	(2,333)	-	11,667
Kinship Care	-	3,279	(3,279)	-	-
	-----	-----	-----	-----	-----
	1,080	21,024	(6,813)	121	15,412
	-----	-----	-----	-----	-----
	270,370	237,551	(244,582)	-	263,339
	=====	=====	=====	=====	=====

Restricted Funds

Creative Scotland Music Project/ SPL Music Box - This programme continues to be supported by Big Hearts in its new form "Music Box Cares" which is linked to the Trust's new flagship Kinship Care programme and provides music tuition for looked after and accommodated young people aged 12-18.

Football Memories - This has been funded by the Peoples Postcode Lottery. The programme was created to help men with dementia by reviving memories of players, matches, goals and incidents from football matches in their younger days.

Parent on the Ball - This is an SPFL Trust pilot project which we were chosen to deliver in the early part of 2017. The project was designed to support parents with a number of challenges and run in partnership with Action for Children. The parents undertook a range of tasks, designed to improve their parenting skills and general wellbeing.

Crerar Hotel Trust Fund - This funding was received to support the delivery of our Kinship Care After School Club. This work supports both young people and carers by providing various activities and family support on a weekly basis.

Kinship Care - The Trust received funding from Children's Aid Scotland towards the delivery of this project.

Unrestricted Funds

General Reserve

The General Reserve represents the unrestricted funds which the Trustees are free to use in accordance with the charitable objects.

BIG HEARTS COMMUNITY TRUST
NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2018

13. Analysis of net assets between funds

	Tangible Fixed Assets £	Net Current Assets £	Total £
Restricted funds	-	15,412	15,412
Unrestricted funds	2,292	245,635	247,927
	-----	-----	-----
	2,292	261,047	263,339
	=====	=====	=====

14. Statement of financial activities for the comparative year

	Un- restricted £	Restricted £	Total 2017 £
Income and endowments from:			
Donations and legacies	139,562	10,174	149,736
Charitable activities	-	1,692	1,692
Investment income -- bank interest	562	-	562
	-----	-----	-----
Total income	140,124	11,866	151,990
	-----	-----	-----
Expenditure on:			
Raising funds	40,108	-	40,108
Charitable activities	120,730	19,516	140,246
	-----	-----	-----
Total expenditure	160,838	19,516	180,354
	-----	-----	-----
Net expenditure	(20,714)	(7,650)	(28,364)
Transfers between funds	(3,305)	3,305	-
	-----	-----	-----
Net movement in funds	(24,019)	(4,345)	(28,364)
	-----	-----	-----
Reconciliation of funds:			
Total funds brought forward	293,309	5,425	298,734
	-----	-----	-----
Total funds carried forward	269,290	1,080	270,370
	=====	=====	=====