

Company number: 07038751  
Charity Number: 1139325

# 38 Degrees Trust

Report and financial statements  
For the year ended 30 September 2016



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## 38 Degrees Trust

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For the year ended 30 September 2016

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## 38 Degrees Trust

### Reference and administrative information

For the year ended 30 September 2016

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Company number 07038751

Charity number 1139325

Registered office and operational address 40 Bowling Green Lane, London EC1R 0NE

Country of registration England & Wales

Country of incorporation United Kingdom

**Trustees** Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Lawrence Simanowitz – Chair  
Warren Puckett  
Theresa Arden  
Benedict Southworth  
Peter Tyson  
Anita Davies – left June 2016

**Bankers** Co-operative Bank  
P.O. Box 101,  
1 Balloon Street,  
Manchester  
M60 4EP  
  
CAF Bank  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

**Auditors** Sayer Vincent LLP  
Chartered Accountants and Statutory Auditors  
Invicta House  
108–114 Golden Lane  
LONDON  
EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 30 September 2016.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## Objectives and activities

### Purposes and aims

The objects of the charity are:

- a) the prevention or relief of poverty;
- b) the advancement of education
- c) the advancement of health or the saving lives
- d) the advancement of citizenship or community development by such charitable purposes as the Trustees see fit
- e) the advancement of the arts, culture, heritage or science by such charitable purposes as the Trustees see fit
- f) the advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity by such charitable purposes as the Trustees see fit
- g) the advancement of environmental protection or improvement
- h) the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage; and
- i) the advancement of animal welfare by such charitable purposes as the Trustees see fit.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

This year the main focus of the Trust has been the emotional and physical hardship caused by flooding from Storm Desmond.

## 38 Degrees Trust

### Trustees' annual report

For the year ended 30 September 2016

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£22,000 was provided to the Cumbria Community Fund for their work helping individuals and families in Cumbria.

<http://www.cumbriafoundation.org/ways-to-give-new/cumbria-flood-appeal-2015/cumbria-flood-recovery-appeal-2015>

£5,872 was provided to the Hawick Flood Group for their work supporting the community of Hawick.

<https://www.facebook.com/photo.php?fbid=339624563092824&set=pcb.339625089759438&type=3&theater>

## Achievements and performance

The Trusts main activities are the provision of grants to organisations that can help meet its charitable objects.

The Trust gives grants to organisations it has a high level of trust will deliver. For example Hawick Flood Group was recently told:

"What a wonderful job done by all in the flood group thank you for all the updates especially when my 85 year old mother lives.... Thank you"

The Cumbria Community Fund has helped 2,150 people, which is 41% of all flooded households.

## Beneficiaries of our services

The beneficiaries have been people affected by flooding in England and Scotland.

## Financial review

The Trust's income for the year was £34,491. The main source of income was £27,872 from an appeal to 38 Degrees supporters following Storm Desmond in December 2015. Additional income was from payroll giving and a Gift Aid rebate from HMRC.

The Trust paid out £27,872 in two grants. At the end of the year the Trust has £13,809.

## Principal risks and uncertainties

The Trust only spends money already donated. The Board of Trustees scales financial and other oversight as appropriate and have undertaken as a one-off a more detailed audit than required by law. The 38 Degrees Trust does not accept unsolicited applications for funding.

## Reserves policy and going concern

Our approach is to maintain enough money on reserve to pay the administrative and financial fees including audits and to make all other monies available for grants.

## Plans for the future

The Trust had dispersed additional funding in the current financial year to the Cumbria Community Fund. The Trust will remain a reactive vehicle for 38 Degree supporters and others to channel their money towards activities that contribute to the charities objects. As such the scale of our activities will be driven by external factors. The Board of Trustees scales financial and other oversight as appropriate.

## Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 13 October 2009 and registered as a charity on 14 December 2010.

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.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

The Trust has no staff. The Trust has contracted the administrative and bookkeeping capacity.

## Appointment of trustees

The Board consists of no fewer than three and no more than ten persons.

At the third annual meeting after their election a Trustee shall retire and be eligible for re-election at the annual general meeting.

## Related parties and relationships with other organisations

While we are a legally separate organisation, we work in collaboration with 38 Degrees, the UK's largest campaigning community, who have donated services-in-kind for administering the appeal and our grants.

## Statement of responsibilities of the trustees

The trustees (who are also directors of 38 Degrees Trust for the purposes of company law) are responsible for preparing the trustees' annual 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 estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity 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. 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.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 30 September 2016 was 5 (2015: 6). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

38 Degrees Trust

Trustees' annual report

For the year ended 2015/16

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## Auditors

Sayer Vincent LLP were appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 23 March 2017 and signed on their behalf by Benedict Southworth.

A handwritten signature in black ink, appearing to read 'Benedict Southworth', written in a cursive style.

Benedict Southworth  
Trustee



## Opinion

We have audited the financial statements of 38 Degrees Trust (the 'charitable company') for the year ended 30 September 2016 which comprise the statement of financial activities, balance sheet, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 30 September 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Independent auditor's report

To the members of

38 Degrees Trust

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### Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Other matters

The prior year comparative figures have not been audited as the company was not required to have an audit.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, has been prepared in accordance with applicable legal requirements

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or

## Independent auditor's report

To the members of

### 38 Degrees Trust

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- The trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

## Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one

## Independent auditor's report

To the members of

### 38 Degrees Trust

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resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Joanna Pittman (Senior statutory auditor)

24 April 2017

for and on behalf of Sayer Vincent LLP, Statutory Auditor  
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

### 38 Degrees Trust

#### Statement of financial activities (incorporating an income and expenditure account)

For the year ended 30 September 2016

	Note	Unrestricted £	Restricted £	2016 Total £	Unrestricted £	Restricted £	2015 Total £
<b>Income from:</b>							
Donations and legacies	2	2,997		2,997	2,588	-	2,588
Charitable activities							
Winter flood appeal	3	-	31,494	31,494	-	-	-
Other		-	-	-	-	-	-
<b>Total income</b>		<b>2,997</b>	<b>31,494</b>	<b>34,491</b>	<b>2,588</b>	<b>-</b>	<b>2,588</b>
<b>Expenditure on:</b>							
Raising funds	4	51	-	51	-	-	-
Charitable activities							
Winter flood appeal	4	4,174	27,872	32,046	2,789	-	2,789
<b>Total expenditure</b>		<b>4,225</b>	<b>27,872</b>	<b>32,097</b>	<b>2,789</b>	<b>-</b>	<b>2,789</b>
<b>Net income / (expenditure) for the year</b>	6	<b>(1,228)</b>	<b>3,622</b>	<b>2,394</b>	<b>(201)</b>	<b>-</b>	<b>(201)</b>
<b>Net movement in funds</b>		<b>(1,228)</b>	<b>3,622</b>	<b>2,394</b>	<b>(201)</b>	<b>-</b>	<b>(201)</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		11,415	-	11,415	11,616	-	11,616
<b>Total funds carried forward</b>		<b>10,187</b>	<b>3,622</b>	<b>13,809</b>	<b>11,415</b>	<b>-</b>	<b>11,415</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 11 to the financial statements.

# 38 Degrees Trust

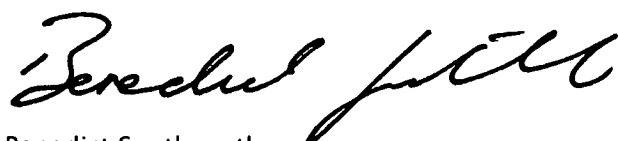
## Balance sheet

Company no. 07038751

As at 30 September 2016

	Note	£	2016 £	£	2015 £
<b>Current assets:</b>					
Cash at bank and in hand		17,709		11,415	
		<u>17,709</u>		<u>11,415</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	10	(3,900)		-	
		<u>(3,900)</u>		<u>-</u>	
<b>Net current assets / (liabilities)</b>			<b>13,809</b>		<b>11,415</b>
<b>Total assets less current liabilities</b>			<b>13,809</b>		<b>11,415</b>
<b>Total net assets / (liabilities)</b>			<b>13,809</b>		<b>11,415</b>
<b>The funds of the charity:</b>					
Restricted income funds	11		3,622		-
Unrestricted income funds:					
General funds		10,187		11,415	
		<u>10,187</u>		<u>11,415</u>	
<b>Total unrestricted funds</b>			<b>10,187</b>		<b>11,415</b>
<b>Total charity funds</b>			<b>13,809</b>		<b>11,415</b>

Approved by the trustees on 23 March 2017 and signed on their behalf by



Benedict Southworth  
Trustee

**1 Accounting policies**

**a) Basis of preparation**

The financial statements 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 applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

**b) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)**

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. The transition date was 1 October 2014. No transitional adjustments were required.

**c) Public benefit entity**

The charitable company meets the definition of a public benefit entity under FRS 102.

**d) Going concern**

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**e) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**f) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

**g) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

**h) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of grants awarded to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**1 Accounting policies (continued)**

**i) Grants payable**

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

**j) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Support and governance costs are re-allocated to charitable activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

**k) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £500.

**l) Debtors**

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

**m) Cash at bank and in hand**

Cash at bank and cash 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.

**n) Creditors and provisions are recognised where the charity has a 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 discounts due.**

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.



## 38 Degrees Trust

### Notes to the financial statements

For the year ended 30 September 2016

#### 2 Income from donations and legacies

	Unrestricted £	Restricted £	2016 Total £	2015 Total £
Gifts	2,946	-	2,946	2,588
Donated services	51	-	51	-
	<u>2,997</u>	<u>-</u>	<u>2,997</u>	<u>2,588</u>

Donated services represent the time spent by staff of 38 Degrees in administering the winter flood appeal.

#### 3 Income from charitable activities

	Unrestricted £	Restricted £	2016 Total £	2015 Total £
Cumbria flooding appeal	-	31,949	31,949	-
Sub-total for Cumbria Flooding	<u>-</u>	<u>31,949</u>	<u>31,949</u>	<u>-</u>
Total income from charitable activities	<u>-</u>	<u>31,949</u>	<u>31,949</u>	<u>-</u>

38 Degrees Trust

Notes to the financial statements

For the year ended 30 September 2016

4 Analysis of expenditure

	Cost of raising funds £	Charitable activities Winter flood appeal £	Governance costs £	Support costs £	2016 Total £	2015 Total £
Grants payable (note 6)	-	27,872	-	-	27,872	-
Administration	51	-	-	574	625	-
Audit costs	-	-	3,600	-	3,600	-
	51	27,872	3,600	574	32,097	-
Support costs	-	574	-	(574)	-	-
Governance costs	-	3,600	(3,600)	-	-	2,789
<b>Total expenditure 2016</b>	<b>51</b>	<b>32,046</b>	<b>-</b>	<b>-</b>	<b>32,097</b>	<b>2,789</b>
<b>Total expenditure 2015</b>	<b>-</b>	<b>2,789</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Of the total expenditure, £4,225 was unrestricted (2015: £2,789) and £27,872 was restricted (2015: £nil).

## 38 Degrees Trust

### Notes to the financial statements

For the year ended 30 September 2016

#### 5 Grant making

	Grants to institutions £	2016 £	2015 £
Cost			
Cumbria Community Foundation	22,000	22,000	-
Hawick Flood Group	5,872	5,872	-
	<u>27,872</u>	<u>27,872</u>	<u>-</u>

#### 6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2016 £	2015 £
Auditors' remuneration (excluding VAT):		
Audit	<u>3,000</u>	<u>-</u>

#### 7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2015: £nil). No charity trustee received payment for professional or other services supplied to the charity (2015: £nil).

No payments were made to or on behalf of trustees in respect of attendance at meetings of the trustees (2015: £nil).

The trust has no staff and therefore no payments were made to key management personnel (2015: £nil).

## 38 Degrees Trust

### Notes to the financial statements

For the year ended 30 September 2016

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#### 8 Related party transactions

There are no related party transactions to disclose for 2016 (2015: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

#### 9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

#### 10 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	60	-
Accruals	3,840	-
	<u>3,900</u>	<u>-</u>

**11 Movements in funds**

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
<b>Restricted funds:</b>					
Winter flood appeal	–	31,494	(27,872)	–	3,622
<b>Total restricted funds</b>	<b>–</b>	<b>31,494</b>	<b>(27,872)</b>	<b>–</b>	<b>3,622</b>
<b>Unrestricted funds:</b>					
General funds	11,415	2,946	(4,174)	–	10,187
<b>Total unrestricted funds</b>	<b>11,415</b>	<b>2,946</b>	<b>(4,174)</b>	<b>–</b>	<b>10,187</b>
<b>Total funds including pension fund</b>	<b>11,415</b>	<b>34,440</b>	<b>(32,046)</b>	<b>–</b>	<b>13,809</b>

**Purposes of restricted funds**

Winter flood appeal – these are the remaining funds from the appeal which will be disbursed in the following period.

**12 Legal status of the charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**13 Prior year adjustment**

It was identified that a material level of income received in the prior year had not been recognised in the 2014/15 accounts. Therefore a prior year adjustment has been made.

	Unrestricted 31 March 2015 £	Restricted 31 March 2015 £	Total £
<b>Reserves position</b>			
Funds previously reported	10,288	-	10,288
Adjustments on transition			
Income for the year not recognised	1,127	-	1,127
Funds restated on transition	11,415	-	11,415
	Unrestricted 31 March 2015 £	Restricted 31 March 2015 £	Total £
<b>Impact on income and expenditure</b>			
Net income / (expenditure) as previously reported	(1,328)	-	(1,328)
Adjustments on transition			
Income for the year not recognised	1,127	-	1,127
Net income / (expenditure) as restated	(201)	-	(201)