



Thomas Telford Trust

THE THOMAS TELFORD TRUST
(A Charitable Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2011

Registered Number SC157178

CHARITY NUMBER: SC023569

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1 OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS: James Galloway – Chair (Resigned 14.06.11)
Brian Hay
Christine Richard (Resigned 17.05.11)
Mike Cowley (Appointed 26.10.11)
Gordon Lee (Appointed 14.06.11)
Jenny Rees (Appointed 14.06.11)

SECRETARY: Jim Godfrey (Appointed 19.11.10)

REGISTERED OFFICE: Edinburgh's Telford College
350 West Granton Road
Edinburgh
EH5 1QE

COMPANY NUMBER: SC157178

REGISTERED CHARITY NUMBER: SC023569

BANKERS: Lloyds TSB Scotland plc
210 Boswall Parkway
Pilton
EDINBURGH
EH5 2LX

INDEPENDENT EXAMINER: Henderson Loggie
Chartered Accountants
34 Melville Street
EDINBURGH
EH3 7HA

2 DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 July 2011. This report is prepared in accordance with the recommendations of Statement of Recommended Practice – *Accounting and Reporting by Charities (SORP 2005)* and the Companies Act 2006.

CONSTITUTION

The Thomas Telford Trust (the "Company") is a charitable company limited by guarantee and accordingly has no share capital. In the event of the winding up of the Company, the liability of each member is limited to £1.

RECRUITMENT AND APPOINTMENT OF BOARD OF DIRECTORS

The directors of the Company are also charity trustees for the purposes of charity law. The directors are elected under the terms of the Memorandum and Articles of Association. The directors are responsible for the management of the Company.

TRUSTEE INDUCTION AND TRAINING

The Trustees are familiar with the work of the Charity and charity regulations. Given the simplistic nature of the Charity's activities the Trustees do not consider that any specialised training is required.

OBJECTIVES

The principal objective of the Company is to provide sponsorship for students and student bodies.

ACHIEVEMENTS AND PERFORMANCE

The Company granted 26 bursaries during the year totalling £18,575. The Company returned a deficit for the year of £15,561 (2010: deficit £4,930).

FINANCIAL REVIEW

A donation of £4,500 was received from the Edinburgh Playhouse Trust to augment the restricted funds and was applied to assist students studying dance, performing arts or theatre and costume at Edinburgh's Telford College. This is the final instalment on the agreed donation from the Edinburgh Playhouse Trust.

Restricted funds are used to support students and this year such expenditure amounted to £18,575. The deficit totalled £15,561 (2010: deficit £4,930) and the funds carried forward amount to £150,234 of which £62,628 was in restricted funds.

PLANS FOR THE FUTURE

The Directors of the company continue to be committed to raising the profile of the Trust. It will continue to promote itself with the aim of securing additional grant income. This will enable the Trust to increase the number of grants to students.

GRANT MAKING POLICY

The Trust provides additional funding to students who may be facing extreme financial challenges. The remit of the Trust has been extended to offer support which will enhance the student experience, such as study trips, which are linked to course outcomes. To be eligible for a grant, students must have 80% attendance and make an application via the Student Services department. Following receipt the application is considered by a panel of members and a decision is reached.

RESERVES POLICY

As the Trust's expenditure relates directly to the award of grants and governance, the directors do not feel that it is necessary to establish a formal reserves policy.

RISK MANAGEMENT

The directors have assessed the major risks to which the Company is exposed and systems have been established to mitigate these risks.

TAXATION

The Company is a charity and is recognised as such by the Inland Revenue for taxation purposes. As a result there is no liability to taxation on any of its income.

DIRECTORS' INTERESTS

The Company is limited by guarantee and accordingly none of the directors hold any shares in the Company.

DIRECTORS' RESPONSIBILITIES

The directors (who are also the trustees of the Thomas Telford Trust for the purposes of charity law) are responsible for preparing the directors' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors 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 those financial statements, the directors 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 United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The directors 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 directors are responsible for the maintenance and integrity of the corporate and financial information included in 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 charity's directors consider that, under the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006, there is no requirement for an audit and therefore have instructed an independent examination of the financial statements. So far as each director is aware there is no relevant information of which the independent examiner is unaware. Each director has taken the appropriate steps as a director to make themselves aware of such information and to establish that the independent examiner is aware of it.

Henderson Loggie were appointed independent examiners for the year ended 31 July 2011.

SMALL COMPANY PROVISIONS

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

ON BEHALF OF THE BOARD



Jim Godfrey
Company Secretary
13 December 2011

3 INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS AND MEMBERS OF THE THOMAS TELFORD TRUST

I report on the financial statements of the Trust for the year ended 31 July 2011 which are set out on pages 8 to 13.

Respective responsibilities of directors and examiner

The directors (who are the trustees of the company for the purposes of charity law) are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees 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 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 Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the Trust and a comparison of the financial statements with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the directors 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.

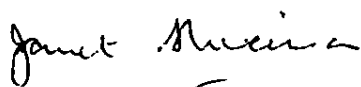
Independent examiner's statement

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 and 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.



Janet M Stevenson FCA
Henderson Loggie,
Chartered Accountants
34 Melville Street, Edinburgh EH3 7HA

13 December 2011

THE THOMAS TELFORD TRUST**4 INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF FINANCIAL ACTIVITIES****For Year Ended 31 July 2011**

	Notes	Unrestricted Funds	Restricted Funds	Year ended 31 July 2011	Year ended 31 July 2010
		£	£	£	£
Incoming Resources for generating funds:					
Activities for generating funds:					
Other donations		0	4,500	4,500	4,500
Bank interest		391	0	391	421
Total Incoming Resources		391	4,500	4,891	4,921
Resources Expended					
Activities in furtherance of the charity's objectives					
Governance Costs		1,877	0	1,877	2,176
Total Resources Expended		1,877	18,575	20,452	9,851
Net (outgoing) incoming resources before transfers	2	(1,486)	(14,075)	(15,561)	(4,930)
Gross transfers between funds		0	0	0	0
Net movement in funds		(1,486)	(14,075)	(15,561)	(4,930)
Fund Balances brought forward at 1 August		89,092	76,703	165,795	170,725
Fund Balances carried forward at 31 July		87,606	62,628	150,234	165,795

All the activities of the Company relate to continuing activities.
The notes on pages 10 to 13 form part of these financial statements.


5 BALANCE SHEET**As at 31 July 2011**

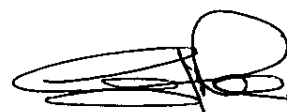
	Notes	As at 31 July 2011 £	As at 31 July 2010 £
CURRENT ASSETS			
Debtors	3	9,053	4,559
Cash at Bank and in Hand		147,235	165,442
		<u>156,288</u>	<u>170,001</u>
CURRENT LIABILITIES			
Creditors	4	6,054	4,206
NET ASSETS		<u>150,234</u>	<u>165,795</u>
RESERVES			
Unrestricted Funds	6	87,606	89,092
Restricted Funds	6	62,628	76,703
		<u>150,234</u>	<u>165,795</u>

For the financial year ended 31 July 2011 the company was entitled to exemption from audit under section 477 of the Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for 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 profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Small Entities (effective April 2008) and were approved by the Board of Directors on 13 December 2011 and signed on its behalf by:

Director


JENNY REES
Director


GORDON LEE

The notes on pages 10 to 13 form part of these financial statements.

6 NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 July 2011

1 ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost accounting rules and in accordance with applicable accounting standards in the United Kingdom, the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Companies Act 2006.

The Company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No.1 on the grounds that it is entitled to exemptions available in Part 15 of the Companies Act 2006 for small companies.

VAT

The Company is not registered for VAT and accordingly expenditure includes VAT where appropriate.

Analysis of Expenditure

Where possible, expenditure has been charged direct to charitable expenditure or governance costs. Where this is not possible the expenditure has been allocated on the basis of time spent by staff on each activity.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination or audit fees and costs linked to the strategic management of the charity.

Incoming Resources

Incoming resources are recognised when the Company has legal entitlement, the amount is quantifiable and there is reasonable certainty of receipt.

Funds

Unrestricted funds are donations or other incoming resources receivable or generated for the objects of the charity without further specific purposes and are available as general funds.

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

NOTES TO THE FINANCIAL STATEMENTS (contd)**Year Ended 31 July 2011****2 NET MOVEMENT IN FUNDS**

	Year ended 31 July 2011 £	Year ended 31 July 2010 £
Net movement in funds is stated after charging:		
Auditor's Remuneration (2009/10)	0	2,174
Independent Examiner's Remuneration (2010/11)	<u>1,850</u>	<u>0</u>
	<u>1,850</u>	<u>2,174</u>

3 DEBTORS

	As at 31 July 2011 £	As at 31 July 2010 £
Amounts due from Edinburgh's Telford College	9,000	0
Accrued Income	53	4,559
	<u>9,053</u>	<u>4,559</u>

4 CREDITORS

	As at 31 July 2011 £	As at 31 July 2010 £
Amounts due to Edinburgh's Telford College	4,204	2,032
Accruals	1,850	2,174
	<u>6,054</u>	<u>4,206</u>

5 SHARE CAPITAL

The Company is limited by guarantees of £1 per member and has no share capital. At 31 July 2011 there was 1 member (2010 – 1).

NOTES TO THE FINANCIAL STATEMENTS (contd)**Year Ended 31 July 2011****6 RESERVES**

	Unrestricted Fund £	Restricted Fund £	Total 2011 £	Total 2010 £
At 1 August 2010	89,092	76,703	165,795	170,725
Incoming resources during the year	391	4,500	4,891	4,921
Resources expended during the year	(1,877)	(18,575)	(20,452)	(9,851)
At 31 July 2011	87,606	62,628	150,234	165,795

The nature of the individual funds forming the total Restricted Fund is as follows and their movements during the year are:

	Balance at 1 August 2010 £	Income £	Expenditure £	Balance at 31 July 2011 £
Principal R G McLeod	25,904	0	0	25,904
Edinburgh Playhouse	8,580	4,500	350	12,730
Thomas Telford	42,219	0	18,225	23,994
	76,703	4,500	18,575	62,628

£25,000 of the Principal R. G. McLeod Fund must be retained as capital and any income generated is used to fund bursaries for students studying at the College.

Edinburgh Playhouse Trust Fund is used to assist students studying dance, performing arts and/or theatre costume at Edinburgh's Telford College.

Other smaller funds have been included within the Thomas Telford Fund.

7 DIRECTORS' REMUNERATION

None of the Board Members received remuneration or reimbursement of expenses during the year.

NOTES TO THE FINANCIAL STATEMENTS (contd)**Year Ended 31 July 2011****8 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds	Restricted Funds	Total 2011	Total 2010
	£	£	£	£
Debtors	53	9,000	9,053	4,559
Cash at Bank	93,607	53,628	147,235	165,442
Creditors	(6,054)	0	(6,054)	(4,206)
	87,606	62,628	150,234	165,795

9 ULTIMATE PARENT UNDERTAKING

In the opinion of the directors, the ultimate parent undertaking at 31 July 2011 is Edinburgh's Telford College, 350 West Granton Road, Edinburgh EH5 1QE

10 RELATED PARTY TRANSACTIONS

During the year the Company paid £9,075 (2010 - £3,855) of business relating to tuition fees to Edinburgh's Telford College, an institution which has the power to appoint and remove Directors of the Company. In the opinion of the Directors, such transactions were carried out at arms' length.

At 31 July 2011, a balance of £9,000 was due from Edinburgh's Telford College and is included in debtors (Note 3). In addition £4,204 is due to Edinburgh's Telford College and is included within creditors (Note 4) (2010 – a balance of £2,032 was due to Edinburgh's Telford College and is included in creditors (Note 4)). The net amount due from Edinburgh's Telford College was received on 22 August 2011.