

Scottish Flood Forum

Trustees' Report and Financial Statements for the year ended 31 March
2017

Scottish Charity number SC043783

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2017

Index

	Page
Report of the Trustees	3-6
Statement of Trustees' responsibilities	7
Report of the independent examiner	8
Statement of financial activities	9
Balance sheet	10
Principal Accounting Policies	11-12
Notes to the financial statements	13-17

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2017

Report of the Trustees

The trustees of the Scottish Flood Forum (“the charity”) are pleased to present their report together with the financial statements for the year ended 31 March 2017. The financial statements comply with the Charities Accounts (Scotland) Regulations 2006 (as amended), 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 (FRS102)(effective 1 January 2015) and its Constitution.

OBJECTIVES AND ACTIVITIES

The object of the Charity, as set out in its Constitution, is to improve understanding and to raise awareness of the risks and consequences of flooding to communities throughout Scotland and to facilitate effective support to them after a flood. It is established for charitable purpose only and in particular, the objects are:

1. the advancement of education;
2. the advancement of health;
3. the advancement of community development; and
4. the advancement of environmental protection or improvement.

The charity’s prime function is the provision of flood information, education and raising awareness amongst individuals and communities at risk of being flooded. It also liaises with the statutory agencies charged with managing flood risk.

The key activities undertaken in order to achieve the above are:

- Support the development and training of Community Flood Resilience Groups.
- In liaison with the local authority, provide support to communities affected by flooding through:
 - Setting up and manning recovery surgeries;
 - offering advice and support on, among other things:- insurance issues; builders; and drying out a property;
 - advice on debt issues;
 - providing a reassuring presence throughout the recovery process.
- Provide mediation support between individuals and responsible authorities.
- Maintain a clear, informative website and documents providing advice before, during and after flooding.
- Provide advice, information and support on measures that can be installed to protect properties from flooding.

These activities provide public benefit by enabling communities which have suffered flooding to recover more quickly by providing consistent, long term support in the flooded community; and by increasing the resilience of individuals and communities at risk of flooding, enabling them to support one another before, during and after a flood event.

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2017

Report of the Trustees (continued)

ACHIEVEMENTS AND PERFORMANCE

During the financial year 2016/17, the Scottish Flood Forum continued to provide substantial on-the-ground recovery support to a large number of communities and individuals impacted by the severe flooding in Dumfries and Galloway and Aberdeenshire over the winter of 2015/16. This included the holding of a significant number of recovery surgeries and resilience workshops to offer support and advice to those flooded and still out of their homes many months after the flooding occurred. Arising from the flooding, the first steps were taken to form a number of new (seven) community flood resilience groups, with the Scottish Flood Forum supporting them as they develop into more mature groups.

In addition, the Scottish Flood Forum worked with a number of other local authorities (including Aberdeen City, Dundee and Fife) to promote the development of new community flood resilience groups in areas that had recently experienced flooding. These groups act as a focal point for the community by facilitating support and advice on how to lessen the impacts of future flooding and how to better liaise and support individuals during emergency events, thus lessening the potential adverse physical and emotional impacts of flooding on communities and individuals. The Scottish Flood Forum worked in these communities to raise awareness of the measures that could be put in place to protect homes and communities. It also supported SEPA in promoting its new Flood Warning Scheme in Newton Stewart and provided a drop-in centre to give advice on what action a householder could take to prepare for flooding should a warning occur. Perth and Kinross Council was also supported at a number of community engagement events.

The Scottish Flood Forum supported some 25 existing community flood resilience groups. Support ranged from basic engagement, through to developing community resilience plans, assisting in the preparation of funding bids for equipment and considering how best to engage with the local authority. As part of this support a number of good practice case studies were created in partnership with the groups, with the intention that these act as a catalyst for other groups. A networking event was also held, enabling a number of groups to meet together and learn from each other's experience.

Where requested, individual properties were surveyed to identify what protection measures could be installed to lessen the ingress of flood water, and advice and support given; property level protection (plp) measures were exhibited to communities at a number of events throughout the year.

A website was maintained with up-to-date advice and information provided on flood risk-related matters. Direct support to individuals and organisations was also provided through responses to individual enquiries made through the SFF information line or by email.

The Scottish Flood Forum also supported the Scottish Government's National Centre for Resilience; sat on the steering groups of a research study looking at the long term emotional impact of flooding and of a project looking at flood resilient homes; spoke at a number of events, including the national flooding conference and participated in meetings with, and groups established by, among others, the Scottish Government, SEPA and local authorities.

Number of new community flood resilience groups established	7
Number of existing community flood resilience groups actively supported	25
Number of individual property level protection surveys completed	854
Property Level Protection exhibitions	82
Number of Recovery surgeries held	382
Number of SFF newsletters sent	4
Number of enquiries received and actioned	723

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2017

Report of the Trustees (continued)

FINANCIAL REVIEW

The charity generated a deficit for the year of £3,760 (2016 surplus of £25,894) and held total reserves amounting to £55,566 at the year end. This figure compares with a 2016 figure of £59,326 which includes a donation from the National Flood Forum of £25,260 relating to funds carried forward from 2012/13.

Reserves policy

In accordance with OSCR guidelines, the Trustees have an agreed policy of holding a minimum of 3 months operating costs. This currently results in a required minimum reserve of £36,000. Current free reserves amount to £53,679 around £18,000 above this minimum amount due to donations received in the last quarter of 2015/16. Plans to reduce these reserves by spending the donations upon charitable activities during 2017/18 are in place.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Scottish Flood Forum was registered on 13 February 2013 as a Scottish Charitable Incorporated Organisation (SCIO) and is governed by its Constitution. It is a registered Scottish Charity, number SC043783.

Appointment of Trustees, induction & training

New trustees are appointed by invitation to join the Board based on candidates having the necessary skills and experience to contribute to the Charity's activities and to be able to discharge their obligations as Trustees. At each AGM, all of the Charity's Trustees are required to retire from office, but will be deemed to have been re-elected (at the AGM) unless certain conditions set out in the Charity's Constitution are activated.

All new trustees are provided with guidance on the role and statutory responsibilities of a trustee and given the opportunity to avail themselves of relevant training.

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2017

Report of the Trustees (continued)

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees:

Philip Wright (Chair)
Alan Werritty (Secretary)
Stewart Prodger
David Hogg (resigned January 2017)
David Gowans
Ralph Thorp
Brian Percival (resigned January 2017)
John Brown
Gail Walker
Andy Johnson (appointed April 2017)
James McLeod (appointed April 2017)

Scottish Charity Number: SC043783

Registered Office:

Scottish Flood Forum
Caledonian Exchange
19A Canning Street
Edinburgh
EH3 8HE

Independent Examiner:

Karen Hanlan, ACA
Karen Hanlan Independent Examiner Ltd
Hollyoaks
3 School Lane
Lea Marston
B76 0BW

Bankers:

The Co-operative Bank plc
PO Box 250
Skelmersdale
WN8 6WT

Approved by the Board and signed on its behalf by:

Philip Wright
Chair & Trustee

Date: 6 July 2017

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2017

Statement of Trustees' responsibilities

The Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the surplus or deficit incurred by the charity for that year. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to exist.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the charity and to enable them to ensure that the financial statements comply with 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- the charity is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained and financial information used within the charity or for publication is reliable;
- the charity complies with relevant laws and regulations.

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2017

Independent Examiner's Report to the Trustees of the Scottish Flood Forum

I report on the financial statements of the charity for the year ended 31 March 2017 which are set out on pages 9 to 17.

Respective responsibilities of Trustees and examiner

The charity's trustees 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 2006 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 report

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the 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 opinion on the view given by the accounts.

Independent examiner's statement

In connection with 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
 - to prepare accounts which accord with the accounting records and comply with regulation 8 of the 2006 Accounts Regulationshave 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.

Karen Hanlan, ACA, ACIE
Karen Hanlan Independent Examiner Ltd
Hollyoaks, 3 School Lane, Lea Marston, B76 0BW

Date: 6 July 2017

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2017

Statement of financial activities

		Un- restricted funds 2017	Restricted funds 2017	Total 2017	Total 2016
Income from:	Note	£	£	£	£
Donations and legacies	1	6,392	6,643	13,035	21,375
Charitable activities	2	131,751	13,508	145,259	138,921
Investments		30	-	30	37
Total income		138,173	20,151	158,324	160,333
Expenditure on:					
Raising funds		8,010	-	8,010	-
Charitable activities	3	133,193	20,881	154,074	134,439
Total Expenditure		141,203	20,881	162,084	134,349
Net (expenditure)/income and movement in funds for year		(3,030)	(730)	(3,760)	25,894
Reconciliation of funds					
Total funds brought forward		56,709	2,617	59,326	33,432
Total funds carried forward		53,679	1,887	55,566	59,326

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2017

Balance sheet

	Notes	2017	2016
		£	£
Current Assets			
Debtors	6	1,227	6,876
Cash at bank and in hand		89,891	83,610
		91,118	90,486
Current Liabilities			
Creditors: amounts falling due within one year	7	(35,552)	(31,160)
		55,566	59,326
Net assets		55,566	59,326
The funds of the Charity:			
Restricted Funds	8	1,887	2,617
Unrestricted Funds	8	53,679	56,709
Total charity funds		55,566	59,326

The accompanying accounting policies and notes form part of these financial statements.

Approved by the Trustees and signed on their behalf by:
Philip Wright, Chair & trustee

Date: 6 July 2017

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2017

Principal accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the Charities Accounts (Scotland) Regulations 2006 (as amended), 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 (FRS102) (effective 1 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and its Constitution.

The Scottish Flood Forum meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern statement

The financial statements have been prepared on a going concern basis which assumes that the Charity will continue to operate. The validity of this assumption is dependent upon the continuance of support from the Charity's key funder (The Scottish Government) and to the progress made by the Charity in pursuing a viable budget including the obtaining of further grants and other funds. Given the Scottish Government has confirmed its grant support through to 31 March 2018 and the provision of additional funding through donations, the Charity's current business plan shows that the Charity will be able to operate effectively for the foreseeable future. Based on this understanding, the trustees believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments which would result from the basis of preparation being inappropriate.

Funds

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the Charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations and grants subject to conditions imposed by the provider or by specific terms of the appeal under which the funds were raised. The restrictive conditions are binding upon the Charity.

Income

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

Income relating to future periods, as a result of donor imposed conditions specifying the time period, has been treated as deferred income.

Income dependent on certain conditions, amounting to more than mere administrative requirements, is recognised when the conditions have been fulfilled.

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2017

Principal accounting policies (continued)

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP FRS 102, general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain the services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Interest receivable

Bank interest is shown on the basis of amounts receivable in the year.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis.

Tangible fixed assets

Fixed asset purchases above £500 are capitalised.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and short term deposits repayable on or within a three month notice period.

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.

Creditors

Creditors 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.

Taxation

As a registered charity no provision is considered necessary for taxation.

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2017

Notes to the financial statements

1. Income from donations and legacies

	2017	2016
	£	£
Restricted grant from Foundation Scotland	6,643	-
Donations	5,592	20,975
Gifts in kind	800	400
	13,035	21,375

Gifts in Kind relate to the use of meetings rooms provided free of charge for Trustee Board meetings.

2. Income from charitable activities

	2017	2016
	£	£
Restricted grants:		
Grant –Scottish Government NCR project funding	9,454	6,093
Grant – Scottish Government support for PhD project	4,000	-
Other	54	-
	13,508	6,093
Un-restricted income:		
Grant –Scottish Government – community flood resilience funding	131,751	127,228
Services to NFF	-	5,600
	131,751	132,828
Total income from Charitable Activities	145,259	138,921

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2017

Notes to the financial statements (continued)

3. Analysis of expenditure

	Un- restricted £	Restricted £	2017 Total £	2016 Total £
Raising funds:				
Fundraising consultants fees and expenses	8,010	-	8,010	-
Charitable activities:				
Salaries & Wages	73,759	14,228	87,987	76,567
Travel & Subsistence	32,144	1,561	33,706	28,135
Staff development & recruitment	3,325	-	3,325	2,301
Publications & printing	55	-	55	1,291
Storage	2,997	-	2,997	1,851
Website	1,636	-	1,636	3,255
Running costs	4,711	900	5,610	5,771
Membership	315	-	315	347
Consultancy	32	4,192	4,224	-
Legal & professional fees	926	-	926	1,805
Accountancy fees	1,284	-	1,284	1,530
Trustee meeting expenses	2,410	-	2,410	1,552
Management support fee	9,600	-	9,600	9,600
Other	-	-	-	434
	133,193	20,881	154,074	134,439
Total expenditure	141,203	20,881	162,084	134,439

4. Accountancy fees include:

	2017 £	2016 £
Independent examiners fees -		
Independent examination	750	750
Accountancy services	270	-

5. Analysis of staff costs, trustee remuneration and expenses

	2017 £	2016 £
Salaries	83,383	71,609
National Insurance	4,604	4,958
Total	87,987	76,567

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2017

Notes to the financial statements (continued)

Staff Numbers

	Number	Number
Average number of full-time equivalent excluding Trustees	<u>2.8</u>	<u>2</u>

No employees had employee benefits in excess of £60,000 (2016: nil).

The charity's trustees were not paid or received any benefits from employment with the charity in the year. Trustee expenses relating to travel of £1,510 were reimbursed to five Trustees during the year (2016: £584, 3 Trustees).

6. Debtors

	2017	2016
	£	£
Trade debtors	-	5,600
Prepayments	1,227	1,276
	<u>1,227</u>	<u>6,876</u>

7. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	4,555	14,903
Taxation and social security	1,925	4,053
Deferred income	28,322	11,454
Accruals	750	750
	<u>35,552</u>	<u>31,160</u>

Deferred income:

	2017	2016
	£	£
Balance brought forward	11,454	-
Transferred to statement of financial activities	(11,454)	-
Deferred in year	28,322	11,454
	<u>28,322</u>	<u>11,454</u>
Balance at end of year	<u>28,322</u>	<u>11,454</u>

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2017

Notes to the financial statements (continued)

8. Funds

	Balance at beginning of year £	Income £	Expendit ure £	Balance at end of year £
Restricted funds				
Scottish Government – NCR project funding	2,617	9,454	(12,071)	-
Scottish Government – PhD Research project	-	4,000	(4,000)	-
Scottish Government – Other	-	54	(54)	-
Foundation Scotland Grant	-	6,643	(4,756)	1,887
	<u>2,617</u>	<u>20,151</u>	<u>(20,881)</u>	<u>1,887</u>
Unrestricted funds				
General fund	56,709	138,173	(141,203)	53,679
Total	<u>59,326</u>	<u>158,324</u>	<u>(162,084)</u>	<u>55,566</u>

The NCR grant from Scottish Government was for the scoping and development of a proposal toolkit for local authority emergency responders to help support engagement with communities before, during and after a flood event.

The PhD research project funding is to enable the SFF to sit on the steering group of a PhD examining the nature and role of social capital for community resilience and to support the field work elements of the project.

The Foundation Scotland grant was to support the SFF in recruiting a fixed term administrative assistant post during the heavy “recovery” workload that followed the extreme flooding in Aberdeenshire in 2015/16 and to support the additional travel and staff costs associated with this work.

9. Analysis of net assets between funds

	Un- restricted £	Restricted £	Total £
Debtors	1,227	-	1,227
Cash at bank and in hand	88,004	1,887	89,891
Creditors	(35,552)	-	(35,552)
Funds	<u>53,679</u>	<u>1,887</u>	<u>55,566</u>

10. Controlling Interests

The charity is controlled by the Trustees.

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2017

Notes to the financial statements (continued)

11. Related party transactions

There were no transactions with related parties that require disclose in the financial statements (2016: None)

12. Comparative Statement of Financial Activity for 2016

	Un- restricted funds	Restricted funds	Total
Income from:	£	£	£
Donations and legacies	21,375	-	21,375
Charitable activities	132,828	6,093	138,921
Investments	37	-	37
Total income	154,240	6,093	160,333
Expenditure on:			
Raising funds	-	-	-
Charitable activities	130,963	3,476	134,439
Total Expenditure	130,963	3,476	134,439
Net movement in funds for year	23,277	2,617	25,894
Reconciliation of funds			
Total funds brought forward	33,432	-	33,432
Total funds carried forward	56,709	2,617	59,326