

Scottish Flood Forum

Trustees' Report and Financial Statements for the year ended 31 March
2018

Scottish Charity number SC043783

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2018

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 2018

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 2018. 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 2018

Report of the Trustees (continued)

ACHIEVEMENTS AND PERFORMANCE

During the financial year 2017/18, the Scottish Flood Forum ('SFF') continued to provide on-the-ground recovery support to a number of communities and individuals impacted by the severe flooding in Aberdeenshire over the winter of 2015/16 as a number of people continued to be out of their homes and struggling with re-instatement. A number of new (seven) community flood resilience groups arose out of the 2015/16 floods; these remain active, supported by the SFF. Households and businesses affected by a number of local flood events including Ballater, Bearsden, Kilsyth and the Isle of Skye also received flood recovery support from the SFF during the year.

In addition, the SFF worked with a number of local authorities (including Clackmannanshire, Highland and Fife Councils) 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 on communities and individuals. The SFF worked in these communities to raise awareness of the risk and of the measures that could be put in place to protect homes and communities. It also supported the Scottish Environment Protection Agency ('SEPA') in promoting its new Flood Warning Scheme in Airth by providing a drop-in Centre to give advice on what action a householder could take to prepare for flooding in the event of a warning. Perth and Kinross Council, Clackmannanshire and Argyll and Bute Councils were also supported at a number of community engagement events.

The SFF supported some 32 existing community flood resilience groups. Support ranged from basic engagement, through to developing and trialing 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. Three networking events were also held, enabling a number of groups to meet together and learn from each other's experience and to hear from other organisations including SEPA, natural flood management specialists and others. A quarterly newsletter is circulated to nearly one thousand recipients.

The SFF successfully undertook, with partners, a pilot project, using a low-tech early flood alerting tool, enabling communities to be aware of rising water levels and plan and take action in good time.

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.

The SFF website was redeveloped and refreshed to give greater functionality and easier navigation, with advice and information on flood risk-related matters updated and refreshed. Direct support to individuals and organisations was also provided through responses to individual enquiries made through the SFF information line or by email.

The SFF also:- supported the Scottish Government's National Centre for Resilience; continued to sit 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 Resilient Communities conference; and participated in meetings with, and groups established by, among others, the Scottish Government, SEPA and local authorities. Success in other funding bids was also achieved, with Scottish & Southern Energy Networks ('SSEN') grant funding for a resilience vehicle for use in flooded and flood risk communities.

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2018

Report of the Trustees (continued)

Number of new community flood resilience groups established	11
Number of existing community flood resilience groups actively supported	32
Number of individual property level protection surveys completed	211
Property Level Protection exhibitions	10
Number of Recovery surgeries held	63
Number of SFF newsletters circulated	3
Number of enquiries received and actioned via SFF inquiry line or website	624

FINANCIAL REVIEW

The charity generated a surplus for the year of £3,619 (2017 deficit of £3,760) and held total reserves amounting to £59,185 at the year end. This figure compares with a 2017 figure of £55,566 which included 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 between 3 and 6 months operating costs. This currently results in a required minimum reserve of £36,000. Current free reserves amount to £59,114 around £23,000 above the minimum amount, although within the range agreed by the trustees, due to donations received in the last quarter of 2015/16.

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 2018

Report of the Trustees (continued)

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees:

Philip Wright (Chair)
Alan Werritty (Secretary)
Stewart Prodger
David Gowans
Ralph Thorp
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

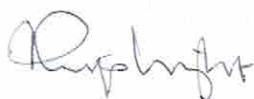
Independent Examiner:

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: 2nd August 2018

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2018

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 2018

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 2018 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 Regulations have not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

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

Date:

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2018

Statement of financial activities

		Un- restricted funds 2018	Restricted funds 2018	Total 2018	Total 2017
Income from:	Note	£	£	£	£
Donations and legacies	1	3,858	3,322	7,180	13,035
Charitable activities	2	140,000	19,300	159,300	145,259
Investments		-	-	-	30
Total income		143,858	22,622	166,480	158,324
Expenditure on:					
Raising funds		-	-	-	8,010
Charitable activities	3	138,198	24,663	162,861	154,074
Total Expenditure		138,198	24,663	162,861	162,084
Net income/(expenditure)		5,660	(2,041)	3,619	(3,760)
Transfers between funds		(225)	225	-	-
Net movement in funds for year		5,435	(1,816)	3,619	(3,760)
Reconciliation of funds					
Total funds brought forward		53,679	1,887	55,566	59,326
Total funds carried forward		59,114	71	59,185	55,566

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.
Transfers relate to an overspend on restricted funds.

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2018


Balance sheet

	Notes	2018	2017
		£	£
Current Assets			
Debtors	6	1,217	1,227
Cash at bank and in hand		101,586	89,891
		<u>102,803</u>	<u>91,118</u>
Current Liabilities			
Creditors: amounts falling due within one year	7	(43,618)	(35,552)
		<u>59,185</u>	<u>55,566</u>
Net current assets		<u>59,185</u>	<u>55,566</u>
Net assets		<u>59,185</u>	<u>55,566</u>
The funds of the Charity:			
Restricted Funds	8	71	1,887
Unrestricted Funds	8	59,114	53,679
Total charity funds		<u>59,185</u>	<u>55,566</u>

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: 2nd August 2018



Scottish Flood Forum
Financial Statements
for the year ended 31 March 2018

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 2019 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 2018

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.

Pensions

The charity contributes into a Group Personal Pension Plan for employees. This pension plan is defined contribution in nature and as required under FRS102 the annual cost is recognised as incurred and included in the Statement of Financial Activities.

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2018

Notes to the financial statements

1. Income from donations and legacies

	2018	2017
	£	£
Restricted grant from Foundation Scotland	3,322	6,643
Donations	3,058	5,592
Gifts in kind	800	800
	7,180	13,035
Total income from donations and legacies	7,180	13,035

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

2. Income from charitable activities

	2018	2017
	£	£
Restricted grants:		
Grant – Scottish Government NCR project funding	4,300	9,454
Grant – Scottish Government support for PhD project	-	4,000
Grant – Scottish Environment Protection Agency	15,000	-
Other	-	54
	19,300	13,508
Un-restricted income:		
Grant – Scottish Government – community flood resilience funding	140,000	131,751
	140,000	131,751
Total income from Charitable Activities	159,300	145,259

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2018

Notes to the financial statements (continued)

3. Analysis of expenditure

	Un- restricted £	Restricted £	2018 Total £	2017 Total £
Raising funds:				
Fundraising consultants fees and expenses	-	-	-	8,010
Charitable activities:				
Salaries & Wages	75,046	9,857	84,903	87,987
Equipment	8	2,200	2,208	-
Travel & Subsistence	29,675	1,674	31,349	33,706
Staff development & recruitment	589	-	589	3,325
Publications & printing	1,663	-	1,663	55
Storage	3,321	-	3,321	2,997
Website	9,361	-	9,361	1,636
Running costs	4,951	378	5,329	5,610
Membership	456	-	456	315
Consultancy	-	7,494	7,494	4,224
Legal & professional fees	3,550	-	3,550	926
Accountancy fees	1,350	-	1,350	1,283
Trustee meeting expenses	1,688	-	1,688	2,410
Management support fee	9,600	-	9,600	9,600
Contribution to overheads from projects	(3,060)	3,060	-	-
	138,198	24,663	162,861	154,074
Total expenditure	138,198	24,663	162,861	162,084

4. Accountancy fees include:

	2018 £	2017 £
Independent examiners fees -		
Independent examination	750	750
Accountancy services	-	270

5. Analysis of staff costs, trustee remuneration and expenses

	2018 £	2017 £
Salaries	79,523	83,383
National Insurance	4,585	4,604
Pension	795	-
Total	84,903	87,987

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2018

Notes to the financial statements (continued)

Staff Numbers

	Number	Number
Average number of full-time equivalent excluding Trustees	<u>2.6</u>	<u>2.8</u>

No employees had employee benefits in excess of £60,000 (2017: 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 and subsistence of £800.90 were reimbursed to 3 Trustees during the year (2017: £1,510, 5 Trustees).

6. Debtors

	2018	2017
	£	£
Prepayments	<u>1,217</u>	<u>1,227</u>
	1,217	1,227

7. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	8,494	4,555
Taxation and social security	1,850	1,925
Other creditors	324	-
Deferred income	32,200	28,322
Accruals	750	750
	<u>43,618</u>	<u>35,552</u>

Deferred income:

	2018	2017
	£	£
Balance brought forward	28,322	11,454
Transferred to statement of financial activities	(28,322)	(11,454)
Deferred in year	<u>32,200</u>	<u>28,322</u>
Balance at end of year	<u>32,200</u>	<u>28,322</u>

Deferred income relates to income received in advance of project activities and includes £20,000 for the purchase of a vehicle.

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2018

Notes to the financial statements (continued)

8. Funds

	Balance at beginning of year £	Income £	Expenditure £	Transfers £	Balance at end of year £
Restricted funds					
Scottish Government – NCR project funding	-	4,300	(4,229)	-	71
Scottish Environment Protection Agency	-	15,000	(15,225)	225	-
Foundation Scotland Grant	1,887	3,322	(5,209)	-	-
	<u>1,887</u>	<u>22,622</u>	<u>(24,663)</u>	<u>225</u>	<u>71</u>
Unrestricted funds					
General fund	53,679	143,858	(138,198)	(225)	59,114
Total	<u>55,566</u>	<u>166,480</u>	<u>(162,860)</u>	<u>-</u>	<u>59,185</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 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	1,217	-	1,217
Cash at bank and in hand	101,515	71	101,586
Creditors	(43,618)	-	(43,618)
Funds	<u>59,114</u>	<u>71</u>	<u>59,185</u>

10. Controlling Interests

The charity is controlled by the Trustees.

Scottish Flood Forum
Financial Statements
for the year ended 31 March 2018

Notes to the financial statements (continued)

11. Related party transactions

The following transaction with a related party took place during the year: (2017: None)

Charismore Limited – provision of consultancy services relating to Strategic Plan, £2,700. The sole director of Charismore Limited is the husband of the Director of the Charity; the transaction was approved by the board of Trustees.

12. Comparative Statement of Financial Activity for 2017

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