

*Scottish Charity No. SC040106*  
*Scottish Company Registration No. SC351910*

**Sustaining Dunbar**  
(a company limited by guarantee)

Directors' Report and Financial Statements  
*Year ended 30 November 2017*

# Sustaining Dunbar

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# Sustaining Dunbar

## Report of the Directors for the year ended 30 November 2017

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The Directors (who are also Trustees for the purposes of charity law) are pleased to present their report together with the financial statements of the company for the year to 30 November 2017.

### Status of Charity and governing document

Sustaining Dunbar (“the Trust”) is a company limited by guarantee (Number SC351910) with the liability of members limited to £1 each. The Trust is controlled by the terms of its Memorandum and Articles of Association and it is a registered Scottish charity (Number SC040106).

### Registered Office

27 High Street  
Dunbar  
East Lothian  
EH42 1EN

### Objectives and aims

The principal objects of the Trust, as stated in the Memorandum and Articles of Association are:

- to advance education and, in particular, to promote opportunities for learning for the benefit of the general public;
- to advance environmental protection and improvement in the community through the provision, maintenance and/or improvement of public open space, other public amenities and other environmental and regeneration projects (but subject to appropriate safeguards to ensure that the public benefits so arising clearly outweigh any private benefit thereby conferred on private landowners);
- to relieve those in need by the promotion of trade and industry within the community for the benefit of the general public;
- to encourage, stimulate and support volunteering, principally in the community; and
- to advance citizenship and/or community development (including the provision of civic responsibility and the promotion of the voluntary sector).

But such that the Trust shall do so following principles of sustainable development.

Sustaining Dunbar is a Community Development Trust and a member of the Transition Network. Its aim is to bring people together to plan and start creating a positive and locally resilient future for the Dunbar and East Linton locality as we move away from reliance on fossil fuels and reduce our carbon and ecological footprints.

### Directors and appointment of Directors

Directors (also Trustees)

Dr E M Wilson	(Chair from 9 January 2017)
E Beattie-Smith	(appointed 17 August 2017)
J Bell	
S Goodwin	(appointed 31 August 2017)
J M McNamara	(appointed 9 January 2017)
Dr P Revell	(appointed 5 June 2017)
B F Grindley	(resigned as Chair and Trustee on 9 January 2017)
J Ormiston	(resigned 3 July 2017)
M Thornton	(resigned 23 March 2017)

Members of the Board of Directors are elected from the membership at the AGM. At each AGM one third of the Directors resign and are eligible for re-election. The Council may at any time decide to appoint a member of the company as a Director to fill a casual vacancy and also appoint a chairman and vice-chairman from among their number. The maximum number of directors shall be ten; out of that number, no more than seven shall be Member Directors and no more than three shall be Co-opted Directors. The minimum number of Directors shall be no less than three, of whom a majority must be member Directors.

# Sustaining Dunbar

## Report of the Directors for the year ended 30 November 2017

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### **Achievements and performance**

Our fifteen year 'Local Resilience Action Plan' (2010-2025) continues to provide a guiding framework for Sustaining Dunbar's activities and priorities.

Our major recent project, the Zero Waste Town initiative came to an end in March 2017. This project worked actively to support local schools, households, businesses and other groups with the aim of connecting local people to the waste they currently produce, to support them to take ownership of it and to start benefitting from it as a resource.

The Zero Waste aims have been endorsed by the Local Area Partnership – Zero Waste Town principles and aspirations now form part of the Local Area Plan. All 6 of our schools now have the infrastructure and systems in place to carry out full recycling. Waste audit findings indicate a 52% decrease in waste going to landfill from our schools. These findings and lessons learned have been shared with all 6 schools and East Lothian Council. Over 200 households, 6 schools and 120 businesses participated in the Go Zero Challenge to reduce waste to landfill. 5 of our schools took up the offer of CPD teacher training in Zero Waste aims and objectives to provide a learning legacy beyond the project end.

Our local reuse of textiles project, including assisting local people suffering clothing poverty, and all diversion of waste from landfill and reuse retail activities were transferred to a new, independent social enterprise (Miixer CIC) in April 2017. This enterprise has further developed the relationship we established with East Lothian Council Waste Services Department to expand these activities across East Lothian ensuring an ongoing legacy from the Zero Waste Town initiative.

We have been unable to take forward previous plans for a waste innovation centre because of a lack of suitable premises. We have instead transferred efforts towards exploring the feasibility of establishing a more general Business Innovation Centre with a view to providing co-working space with the particular intention of nurturing the development of social, community and other enterprises and livelihood opportunities appropriate for a more localised, circular, low-carbon economy. This has included exploring opportunities for community acquisition of land or premises.

In parallel with this we have focused on re-engaging with our members and other local stakeholders through a series of themed events and workshops. This is forming part of a review of projects and achievements to date, and of what other activity is now happening locally, which will inform future priorities for Sustaining Dunbar's work.

We have continued to support the use of our 'OurLocality' web platform providing websites for local organizations and projects, strengthening local links and networks and contributing to our goal of building local resilience.

Our main volunteer run project has been the continuing development of Belhaven Community Garden and orchard in the grounds of NHS Belhaven Hospital. We have continued to support a beekeeping learning-circle which has several active hives around Dunbar and East Linton. We also continued support for Dunbar Fairtrade Town and the Dunbar Grammar school chicken coop co-op although this is now on hold pending completion of building work.

### **Future plans**

We ran a series of themed community engagement events over the winter of 2017/18. These drew in a wide range of participants –new and existing members and other local groups. Following on from this we are developing a plan for future activities for us to prioritise and support, including a regular series of member events.

We will continue to develop proposals, and seek to acquire premises, for a community owned workspace and business innovation centre, with a particular focus on nurturing the development of social, community and other enterprises and livelihood opportunities appropriate for a more localised, circular, low-carbon economy.

# Sustaining Dunbar

Report of the Directors for the year ended 30 November 2017

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## Financial review

### Results for the year

The financial statements for the year are set out in pages 5 to 10. The Statement of Financial Activities on page 5 reflects a deficit of £16,374 (2016: surplus of £39,228). There was a deficit of £803 (2016: surplus £9,061) on the company's general fund activities, a deficit of £516 (2016: £516) on designated assets and a deficit of £15,055 (2016: surplus £28,102) on restricted funds. Total funds amounted to £39,186 (2016: £55,560).

### Reserves

The Directors have examined the charity's requirements for reserves in light of the main risks to the organisation. A policy has been established whereby the unrestricted funds should be sufficient to allow the charity to explore new projects and apply for funding of the same. The Directors have set a target of £20,000 of unrestricted funds to allow the short-term costs of the charity to be met in the event of an unexpected funding shortfall.

The present level of reserves available to the charity of £17,851 falling short of the target. The strategy is to continue to build reserves through planned operating surpluses.

### Statement on risk

The Directors are embarking on a review of the major risks to which the charity is exposed. A risk register will be established and updated at least annually. Where appropriate, systems or procedures will be established to mitigate the risks the charity faces. The Charity has always had significant external risks to funding due to the reliance on grants for projects. This has been managed by the Directors and continues to be a risk but has led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff and volunteers. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

### Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

### Signed on behalf of the Trustees



**Dr Elisabeth Wilson**  
*Trustee/Director*

Date: .....29 April.....2018

# Sustaining Dunbar

## Report of the Independent Examiner to the Trustees *for the year ended 30 November 2017*

I report on the accounts of the charity for the year ended 30 November 2017 which are set out on pages 5 to 10.

### Respective responsibilities of Trustees and examiner

The Charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations (as amended). 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 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 accounts.

### 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 (as amended), and
  - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended)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.



**Jonathan N Innes FCCA**  
Managing Director

Innes & Partners Limited  
Chartered Certified Accountants

Innes House  
18 Shairps Business Park  
Houstoun Road  
Livingston  
EH54 5FD

Date: 9/5/2018

# Sustaining Dunbar

## Statement of Financial Activities (incorporating Income and Expenditure Account)

For the year ended 30 November 2017

	Notes	General fund £	Designated fund £	Restricted funds £	2017 Total £	2016 Total £
<b>Income and endowments from:</b>						
Donations		21	-	6,307	6,328	-
Charitable activities	2	18,364	-	95,458	113,822	218,909
Bank interest		-	-	-	-	21
<b>Total income and endowments</b>		<b>18,385</b>	<b>-</b>	<b>101,765</b>	<b>120,150</b>	<b>218,930</b>
<b>Expenditure on:</b>						
Charitable activities	3	20,646	516	115,362	136,524	179,702
<b>Total expenditure</b>		<b>20,646</b>	<b>516</b>	<b>115,362</b>	<b>136,524</b>	<b>179,702</b>
<b>Net (expenditure)/income</b>		<b>(2,261)</b>	<b>(516)</b>	<b>(13,597)</b>	<b>(16,374)</b>	<b>39,228</b>
Transfers between funds	11,12	1,458	-	(1,458)	-	-
<b>Net movement in funds</b>		<b>(803)</b>	<b>(516)</b>	<b>(15,055)</b>	<b>(16,374)</b>	<b>39,228</b>
Total funds brought forward		18,654	2,065	34,841	55,560	16,332
<b>Total funds carried forward</b>	11,12	<b>17,851</b>	<b>1,549</b>	<b>19,786</b>	<b>39,186</b>	<b>55,560</b>
<b>Represented by:</b>						
<b>Unrestricted funds</b>						
General	11	17,851	-	-	17,851	18,654
Designated		-	1,549	-	1,549	2,065
<b>Restricted funds</b>						
Zero Waste Town	12	-	-	-	-	27,980
Transition Scotland Support		-	-	205	205	220
Belhaven Community Garden		-	-	1,897	1,897	170
Retail Hub		-	-	-	-	6,884
Fair Trade Town		-	-	135	135	203
Chicken Coop		-	-	468	468	609
Strengthening Community		-	-	17,081	17,081	(1,225)
Our Locality*		-	-	-	-	-
Development grant*		-	-	-	-	-
<b>Total funds</b>		<b>17,851</b>	<b>1,549</b>	<b>19,786</b>	<b>39,186</b>	<b>55,560</b>

The notes on pages 7 to 10 form part of these financial statements.

\* Unrestricted, included as restricted in error in 2016.

## Balance sheet

As at 30 November 2017

	Notes	General fund £	Designated fund £	Restricted funds £	Total 2017 £	Total 2016 £
<b>Fixed assets</b>						
Tangible assets	8	-	1,549	-	1,549	2,065
<b>Current assets</b>						
Debtors	9	121	-	158	279	183
Cash at bank and in hand		19,414	-	19,628	39,042	56,402
		<b>19,535</b>	<b>-</b>	<b>19,786</b>	<b>39,321</b>	<b>56,585</b>
<b>Creditors: falling due within one year</b>	10	(1,684)	-	-	(1,684)	(3,090)
<b>Net current assets</b>		<b>17,851</b>	<b>-</b>	<b>19,786</b>	<b>37,637</b>	<b>53,495</b>
<b>Total assets less current liabilities</b>		<b>17,851</b>	<b>1,549</b>	<b>19,786</b>	<b>39,186</b>	<b>55,560</b>
<b>Net assets</b>		<b>17,851</b>	<b>1,549</b>	<b>19,786</b>	<b>39,186</b>	<b>55,560</b>
<b>Represented by:</b>						
General fund	11	17,851	-	-	17,851	18,654
Designated fund	11	-	1,549	-	1,549	2,065
Restricted funds	12	-	-	19,786	19,786	34,841
		<b>17,851</b>	<b>1,549</b>	<b>19,786</b>	<b>39,186</b>	<b>55,560</b>

For the year ending 30 November 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

## Directors' responsibilities;

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of the accounts.

These financial statements have been prepared in accordance with the Charities SORP 2015 (FRS 102) and the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board on 16 April 2018 and signed on their behalf by:



**Dr Elisabeth Wilson**  
Director (Chair)

The notes on pages 7 to 10 form part of these financial statements.



# Sustaining Dunbar

Notes to the Financial Statements for the year ended 30 November 2017

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## 1. Accounting policies

### *Accounting convention*

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP (FRS 102)), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The principal accounting policies adopted in the preparation of the financial statements are set out below.

### *Basis of financial statements*

The financial statements have been prepared on an accruals basis.

### *First time adoption of FRS 102*

The policies adopted under the Charity's previous accounting framework are not materially different to FRS 102 and have not impacted on funds, net income or expenditure.

### *Income and debtors*

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and it is probable that the income will be received, and the amount of income receivable can be measured reliably. Debtors are valued at cost at the period end and adjusted for any amounts considered to be unrecoverable.

### *Expenditure and creditors*

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated between the expense categories of the SoFA on a basis designed to reflect the use of the resource. Creditors are valued at cost at the period end and split between amounts due in less than one period and amounts due in more than one period.

### *Tangible fixed assets*

Fixed assets are included at cost. Depreciation is provided at a rate in order to write off each asset over its estimated useful life.

Plant and machinery	20% straight line
Fixtures, fitting and equipment	20% straight line

### *Taxation*

The Charity is exempt from Corporation Tax on its charitable activities.

### *Statement of Financial Activities*

For the purpose of the Statement of Financial Activities as shown on page 6, funds are defined as follows:

*Unrestricted* funds comprise income received for the objects of the company without further specified purpose and are available as general funds or are placed with designated funds which can be used for purposes in agreement with its charitable objectives.

*Designated* fund represents the value of fixed assets.

*Restricted* funds comprise income which has been received for the objects of the company and specified for a restricted purpose within these objects by the donor.

# Sustaining Dunbar

Notes to the financial statements  
For the year ended 30 November 2017

2. Charitable activities - income	General fund £	Restricted funds £	2017 Total £	2016 Total £
Project grants	2,818	93,289	96,107	185,671
Miscellaneous income	15,546	2,169	17,715	14,338
Management fee	-	-	-	18,900
	<u>18,364</u>	<u>95,458</u>	<u>113,822</u>	<u>218,909</u>

Income from charitable activities in 2016 was £218,909: £33,983 was unrestricted and £104,926 was restricted.

3. Charitable activities - expenditure	Staff costs £	Direct and support costs £	2017 Total £	2016 Total £
Charitable activities	35,527	100,997	136,524	179,702
	<u>35,527</u>	<u>100,997</u>	<u>136,524</u>	<u>179,702</u>
	<i>(note 5)</i>	<i>(note 7)</i>		
<b>Of which:</b>				
Relating to unrestricted funds	-	20,646	20,646	23,949
Relating to designated funds	-	516	516	516
Relating to restricted funds	35,527	79,835	115,362	155,753

## 4. Liability of Members

The company is limited by guarantee, with the liability of each member limited to £1. There were 486 (2016: 502) members at year end.

## 5. Staff costs and numbers

	2017 £	2016 £
Gross salaries	18,665	54,442
Employers NI	1,830	5,491
Seconded staff costs	15,032	-
	<u>35,527</u>	<u>59,933</u>

The average number of employees during the year was 2 (2016:2). There are no employees receiving pay exceeding £60,000. 3 (2016: 3) contract workers were utilised during the year, costs are shown in note 6.

## 6. Transactions with Directors and related parties

No Director received remuneration or expenses from the charity (2016: nil).

There were no transactions with related parties during the year. The Directors have no financial interest in the charity's surplus or assets and received no remuneration for acting in that capacity.

# Sustaining Dunbar

Notes to the financial statements  
For the year ended 30 November 2017

7. Direct and support costs	General fund £	Designated fund £	Restricted funds £	Total 2017 £	Total 2016 £
Project and garden costs	1,547	-	18,624	20,171	14,889
Contractors' fees	5,115	-	21,239	26,354	59,565
Training, development and travel costs	517	-	4,723	5,240	-
Awards and grants to Miixer CIC	-	-	19,181	19,181	-
Miscellaneous expense	1,035	-	3,570	4,605	-
Grant repayment	688	-	4,420	5,108	-
Volunteer action fund	-	-	-	-	1,330
Publicity and events	1,722	-	2,256	3,978	8,882
Insurance	962	-	305	1,267	1,928
Office and consumables	3,310	-	34	3,344	1,294
IT support	2,714	-	33	2,747	4,239
Legal and professional costs	1,575	-	5,450	7,025	25,797
Subscriptions	361	-	-	361	329
Independent Examiner's remuneration	1,100	-	-	1,100	1,000
Depreciation	-	516	-	516	516
	<b>20,646</b>	<b>516</b>	<b>79,835</b>	<b>100,997</b>	<b>119,769</b>

Support costs have not been separately identified as the trustees consider that there is only one charitable activity.

Expenditure on charitable activities in 2016 was £60,204: £15,100 was unrestricted, £516 was designated and £45,104 was restricted.

8. Tangible fixed assets	Plant and machinery £	Fixtures, fittings and equipment £	Total £
<i>Cost</i>			
At 1 December 2016 and 30 November 2017	5,809	6,401	12,210
<i>Depreciation</i>			
At 1 December 2016	5,809	4,336	10,145
Charge for year	-	516	516
At 30 November 2017	<b>5,809</b>	<b>4,852</b>	<b>10,661</b>
<i>Net book value</i>			
At 30 November 2017	<b>-</b>	<b>1,549</b>	<b>1,549</b>
At 30 November 2016	-	2,065	2,065

9. Debtors: amounts falling due within one year	General fund £	Designated fund £	Restricted funds £	Total 2017 £	Total 2016 £
Other debtors	121	-	158	279	183
	<b>121</b>	<b>-</b>	<b>158</b>	<b>279</b>	<b>183</b>
10. Creditors: falling due within one year	General fund £	Designated fund £	Restricted funds £	Total 2017 £	Total 2016 £
Accrued expenses	1,684	-	-	1,684	3,090
	<b>1,684</b>	<b>-</b>	<b>-</b>	<b>1,684</b>	<b>3,090</b>

# Sustaining Dunbar

Notes to the financial statements  
For the year ended 30 November 2017

11. Unrestricted fund	Balance at	Income	Expenditure	Transfers	Balance at
	01.12.16				30.11.17
	£	£	£	£	£
General fund	18,654	18,385	(20,646)	1,458	17,851
Designated fund	2,065	-	(516)	-	1,549
<b>Total unrestricted fund</b>	<b>20,719</b>	<b>18,385</b>	<b>(21,162)</b>	<b>1,458</b>	<b>19,400</b>

*The General fund* represents all income and expenditure relating to the primary focus activities of the charity, other than those for which funding is restricted.

*The Designated fund* represents the value of fixed assets.

12. Restricted funds	Balance at	Income	Expenditure	Transfers	Balance at
	01.12.16				30.11.17
	£	£	£	£	£
Zero Waste Town	27,980	47,119	(73,641)	(1,458)	-
Transition Scotland Support	220	10	(25)	-	205
Belhaven Community Garden	170	4,297	(2,570)	-	1,897
Retail Hub	6,884	6,474	(13,358)	-	-
Fair Trade Town	203	-	(68)	-	135
Chicken Coop	609	115	(256)	-	468
Strengthening Community	(1,225)	43,750	(25,444)	-	17,081
Our Locality*	-	-	-	-	-
Development grant*	-	-	-	-	-
<b>Total restricted funds</b>	<b>34,841</b>	<b>101,765</b>	<b>(115,362)</b>	<b>(1,458)</b>	<b>19,786</b>

\* This fund is unrestricted, it was included as restricted in error in 2016.

## Explanation of funds

*The Zero Waste Town fund* represents funding received from Zero Waste Scotland to allow Dunbar to be Scotland's first 'Zero Waste Town' pilot project with funding of £300,000 over three years. The project had a very delayed start, starting in October 2014 and was completed in March 2017.

*The Transition Scotland Support fund* represents funds held on behalf of community groups across Scotland that are affiliated to the Transition Network.

*The Belhaven Community Garden fund* represents grants received for development of the community garden from Cala Homes and Co-op Local Causes Fund.

*The Retail Hub fund* was set up to receive any income from sales and waste diverted from landfill, salvaged equipment etc. as part of the Zero Waste Town project. A charitable grant was made to Miixer CIC to continue this work and establish a Zero Waste Reuse Hub in Dunbar.

*The Fair Trade Town fund* represents funds raised from donations and East Lothian Council grants and held on behalf of Dunbar Fairtrade Partnership.

*The Chicken Coop fund* represents funding contributed by participating families cooperative and held on behalf of the cooperatively run chicken coop project at Dunbar Grammar School. This project is currently dormant during construction work to extend the school.

*The Strengthening Community fund* represents grants received for work towards making Sustaining Dunbar a more resilient and sustainable community anchor organisation. It is being used to develop plans for a Business Innovation Centre.

*Development Grant fund* represents a small grant received from the Climate Change fund to carry out a community survey to assess support for a proposed Waste Innovation Centre project.