

Charity Registration No. SC047568 (Scotland)

**GROWING MATTERS**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**



**GREAVES  
WEST & AYRE**  
CHARTERED ACCOUNTANTS

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# GROWING MATTERS

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustees**

Sir D Kinloch  
Mrs D L Walker  
Lady M J Kinloch  
Mrs J A H Tainsh  
Ms Diana Simcock

**Charity number (Scotland)**

SC047568

**Principal address**

Gilmerton House  
Athelstaneford  
North Berwick  
East Lothian  
UK  
EH39 5LQ

**Independent examiner**

E Millar CA  
Greaves West & Ayre inc. N C Campbell & Co  
8 St. Ann's Place  
Haddington  
East Lothian  
EH41 4BS

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# GROWING MATTERS

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# GROWING MATTERS

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 JULY 2019

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The trustees present their report and financial statements for the year ended 31 July 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

#### Objectives and activities

The Charity's objectives for which it was setup are:

- Increase learning and knowledge through the facilitating of vocational horticultural courses and the sharing of traditional skills appropriate to working in a walled garden;
- Helping to maintain and protect physical and mental health by encouraging volunteering, particularly amongst those groups vulnerable to poor mental health following work related stress and depreciation; and
- Advance community involvement through the promotion of volunteering for mental and physical health and to learn new transferable skill.

The trustees have paid due regard to guidance issued by the Office of the Scottish Charity Regulator in deciding what activities the Charity should undertake.

#### Achievements and performance

The trustees and staff continue to strive to create further interest in the garden and its facilities. The garden continues to provide educational facilities to many groups and visitors and is a unique facility in the area.

#### Financial review

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

#### Risk review

The trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### Structure, governance and management

The Charity is set up under a constitution dated July 2017.

The trustees who served during the year and up to the date of signature of the financial statements were:

Sir D Kinloch

Mrs D L Walker

Lady M J Kinloch

Mrs J A H Tainsh

Ms Diana Simcock



# GROWING MATTERS

## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2019

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### **Risk management**

The principal risks facing the Charity are a lack of funds. All reserves are regularly monitored by the Trustees to ensure that sufficient funds are held to cover likely eventualities.

### **Public Benefit**

In considering the operation, achievements and performance and finances of the Charity, the Trustees are satisfied that public benefit has been provided in accordance with the Charities and Trustees Investment (Scotland) Act 2005 and guidance provided by the Office of the Scottish Charity Regulator.

### **Plans for future periods**

The Charity will continue its fundraising work and performances over the coming twelve months.

### **Statement of trustees' responsibilities**

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. 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.

The trustees' report was approved by the Board of Trustees.



**Sir D Kinloch**

Trustee

Dated: 16 April 2020

# GROWING MATTERS

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF GROWING MATTERS

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I report on the financial statements of the Charity for the year ended 31 July 2019, which are set out on pages 4 to 11.

### 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 Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's 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 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 statement

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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 audit opinion on the view given by the financial statements.

### Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
  - (ii) 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
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



E Millar CA

Greaves West & Ayre inc. N C Campbell & Co  
8 St. Ann's Place  
Haddington  
East Lothian  
EH41 4BS

Dated: 16 April 2020

## GROWING MATTERS

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2019

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
<b><u>Income from:</u></b>					
Donations and legacies	3	814	-	814	42,127
<b><u>Expenditure on:</u></b>					
Charitable activities	4	4,165	-	4,165	31,586
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		(3,351)	-	(3,351)	10,541
Fund balances at 1 August 2018		6,166	4,374	10,540	-
<b>Fund balances at 31 July 2019</b>		<u>2,815</u>	<u>4,374</u>	<u>7,189</u>	<u>10,541</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# GROWING MATTERS

## BALANCE SHEET

AS AT 31 JULY 2019

	Notes	2019 £	£	2018 £	£
<b>Current assets</b>					
Cash at bank and in hand		8,089		11,116	
<b>Creditors: amounts falling due within one year</b>	<b>9</b>	<u>(900)</u>		<u>(575)</u>	
Net current assets			<u>7,189</u>		<u>10,541</u>
<b>Income funds</b>					
Restricted funds	<b>10</b>		4,374		4,375
Unrestricted funds			<u>2,815</u>		<u>6,166</u>
			<u>7,189</u>		<u>10,541</u>

The financial statements were approved by the Trustees on 16 April 2020



Sir D Kinloch  
Trustee



# GROWING MATTERS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 JULY 2019

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#### 1 Accounting policies

##### Charity information

Growing Matters (the Charity) is a Scottish Charitable Incorporated Organisation registered with the Office of the Scottish Charity Regulator (OSCR), number SC047568. The registered office is Gilmerton House, Athelstaneford, North Berwick, East Lothian, EH39 5LQ.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Grants are recognised when the Charity has an entitlement to the funds and any conditions linked to the grants have been met.

#### 1.5 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

# GROWING MATTERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

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### 1 Accounting policies

(Continued)

#### 1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

#### 1.8 Taxation

Growing Matters is recognised as a charity for the purposes of applicable taxation legislation and is therefore not subject to taxation on its charitable activities.

# GROWING MATTERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

### 2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2019 £	2019 £	2019 £	2018 £
Donations and gifts	814	-	814	6,327
Grants receivable	-	-	-	35,800
	814	-	814	42,127
For the year ended 31 July 2018	14,131	27,996		42,127



# GROWING MATTERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2019

### 4 Charitable activities

	2019 £	2018 £
Staff costs - Restricted	-	19,704
Garden equipment	353	2,478
Plants	566	1,426
Garden equipment - Restricted	-	1,497
Travel - Restricted	-	178
Professional fees - Restricted	-	2,242
Contractor	354	-
	<u>1,273</u>	<u>27,525</u>
Share of support costs (see note 5)	2,892	4,061
	<u>4,165</u>	<u>31,586</u>
<b>Analysis by fund</b>		
Unrestricted funds	<u>4,165</u>	
<b>For the year ended 31 July 2018</b>		
Unrestricted funds		7,965
Restricted funds		23,621
		<u>31,586</u>

### 5 Support costs

	2019 £	2018 £
Insurance	-	281
Postage and stationery	27	298
Bank charges	104	75
Training	347	530
Professional fees	-	1,670
Subscriptions	52	42
Miscellaneous	147	479
Fuel	-	111
Marketing	990	-
Accountancy	1,225	575
	<u>2,892</u>	<u>4,061</u>
Analysed between		
Charitable activities	<u>2,892</u>	<u>4,061</u>



## GROWING MATTERS

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

#### 6 Trustees

No trustee received any remuneration or benefits from the Charity during the year.

#### 7 Employees

##### Number of employees

The average monthly number of employees during the year was:

2019 Number	2018 Number
-	1

##### Employment costs

2019 £	2018 £
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Wages and salaries	-	19,704
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There were no employees whose annual remuneration was £60,000 or more.

#### 8 Financial instruments

2019 £	2018 £
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##### Carrying amount of financial liabilities

Measured at amortised cost

900	575
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#### 9 Creditors: amounts falling due within one year

2019 £	2018 £
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Other creditors	900	575
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# GROWING MATTERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2019

### 10 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 August 2018 £	Movement in funds Incoming resources £	Balance at 31 July 2019 £
Architectural Heritage - Erection of sheds	758	-	758
Lottery Fund - Salary	296	-	296
Hugh Fraser Foundation - Salary	3,000	-	3,000
Sc Comm Cle-Larne - Travel	320	-	320
	<u>4,374</u>	<u>-</u>	<u>4,374</u>

### 11 Analysis of net assets between funds

	Unrestricted Fund 2019 £	Restricted Fund 2019 £	Total 2019 £	Total 2018 £
Fund balances at 31 July 2019 are represented by:				
Current assets/(liabilities)	2,815	4,374	7,189	10,541
	<u>2,815</u>	<u>4,374</u>	<u>7,189</u>	<u>10,541</u>

### 12 Related party transactions

There were no disclosable related party transactions during the year (2018 - none).

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019 £	2018 £
Aggregate compensation	-	19,704

# GROWING MATTERS

## DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2019

	£	2019 £	£	2018 £
<b>Donations and legacies</b>				
Donations and gifts	814		4,331	
Other general grants	-		9,800	
Donations and gifts - Restricted	-		1,996	
Other general grants - Restricted	-		26,000	
<b>Total incoming resources</b>		<b>814</b>		<b>42,127</b>
<b><u>Resources expended</u></b>				
<b>Charitable activities</b>				
Garden equipment	353		2,478	
Plants	566		1,426	
Contractor	354		-	
Share of support costs	2,892		4,061	
Wages and salaries - Restricted	-		19,704	
Garden equipment - Restricted	-		1,497	
Travel - Restricted	-		178	
Professional fees - Restricted	-		2,242	
		<b>(4,165)</b>		<b>(31,586)</b>
<b>(Deficit)/Surplus for the Year</b>		<b>(3,351)</b>		<b>10,541</b>