

WILLOWACRE TRUST

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2019

Company registration number: SC073356
Scottish charity registration number: SC015567

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Legal and administrative information

Charity name: Willowacre Trust
Charity registration number: SC015567
Company registration number: SC073356

Trustees

E. Davidson (Chairperson appointed 15/05/18)
A. Devine
L. Donnelly (resigned 14/05/19)
S. Gibb (appointed 14/05/19)
D. Grant
F. Greenlaw
E. Lennie
J. Pitcairn (resigned 04/09/18)
K. Watson

Company Secretary

Jennifer Cairns

Principal and Registered office:

Camlachie House, 40 Barrowfield Drive, Glasgow, G40 3QH

Auditors

Alexander Sloan
180 St Vincent Street
Glasgow
G2 5SG

Bankers

Barclays Bank plc
1st Floor
Aurora House
120 Bothwell Street
Glasgow
G2 7JT

Solicitors

TC Young LLP
7 West George Street
Glasgow
G2 1BA

Directors' Report for the year ended 31 March 2019

The trustees are pleased to present their annual directors' report together with the audited financial statements of the charity for the year ending 31 March 2019 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, 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).

1. Structure, governance and management

The Willowacre Trust is a private company limited by guarantee and is a charity recognised by Her Majesty's Revenue and Customs. Each member has agreed to contribute £1 in the event of the company being wound up. The Trust is exempt from taxation under Section 505 of the Income and Corporation Taxes Act 1988. All Directors are also Trustees.

Trustees who served during the year, and subsequently, are:

L. Donnelly	(resigned 14/05/19)
E. Davidson	
A. Devine	
S. Gibb	(appointed 14/05/19)
D. Grant	
F. Greenlaw	
E. Lennie	
J. Millar	(resigned 15/05/18)
J. Pitcairn	(resigned 04/09/18)
K. Watson	

The Trust is a wholly owned subsidiary of West of Scotland Housing Association Limited (WSHA).

The members retiring by rotation are:-

D. Grant
E. Lennie

Method of Appointment

Members are appointed to the Board of Trustees within the terms of the Trust's Memorandum & Articles of Association (Article 52 refers), whereby up to one third of the members retire by rotation at the Annual General Meeting. WSHA has the authority to nominate four members to the Board of Trustees.

Governance

The Board has a robust governance manual in place. The manual is currently under review to reflect relevant learning from a recent Governance Review carried out by the Parent, West of Scotland Housing Association. As part of the review, the Board has updated the Board Code of Conduct, revised the annual review and development process and agreed an approach to undertake a self-assessment of its governance.

As part of the ongoing governance consideration a formal induction and appraisal system is in place with a view to identifying training requirements. This year, Board Training sessions included Finance, Governance, Health and Safety and the role of the Employer.

Directors' Report for the year ending 31 March 2019 (cont'd)

2. Objectives and activities

Willowacre Trust offers support to families and individuals within Glasgow, North Lanarkshire, South Lanarkshire and Ayrshire enabling them to overcome difficulties and to assist with tenancy sustainment. As the charitable subsidiary of WSHA, Willowacre Trusts overarching aim is to tackle social and economic disadvantage within the communities served by WSHA.

Achievements and performance

The accounts show that the charity has net assets of £413,832 (2018: £343,127).

Income in the year included £142,789 (2018: £77,260) of grants for restricted purposes. These grants were £66,500 from Glasgow City Council's Integrated Grant Fund (2018: £66,500), £8,623 from Community Jobs Fund Scotland (2018: £10,760) and £67,666 from various funders (2018: £Nil).

The surplus for the year was £70,705 (2018: Deficit £53,335). No donations were made to the Trust.

Willowacre Trust operates within the geographical areas served by WSHA which includes six local authority areas and 64 separate communities. Willowacre Trust delivers multiple community and support services or activities. These services range from small scale capital projects to the provision of starter packs which contain essential household items to help disadvantaged tenants to accept or sustain tenancies. The Trust also operates the Barrowfield Community Centre and supports the delivery of community based services in partnership with other third sector organisations. These services include the children's holiday food programme, Sheltered Housing Support, Older People's Services, Money Advice, Energy Advice, Handy Person Services and the Thriving Places initiative.

Willowacre Trust Development

During the year significant work was undertaken to enable the Trust to deliver additional community and support services and projects. Aspects of this work are outlined below.

Opportunities Fund

Willowacre Trust provided assistance to individuals and families who are in need via the Opportunities Fund. The assistance is targeted to WSHA tenant households who are experiencing emotional or mental health issues, severe financial hardship and homelessness. The primary aim of this work is the provision of services or goods which support tenancy sustainment. The Trust has worked to upcycle furniture and other items which are in good condition and makes these available to those in need. To date the Trust has upcycled **100** items for reuse which benefits tenants and reduces items that would otherwise have been sent to landfill.

Starter Packs Project

The Trust provided **85** vulnerable families and individuals with a starter pack for their new home. This service supports new tenants who have been provided with a home via a referral under section 5 or by women's aid or who have experienced significant mental health or other issues. The Trust's starter packs include additional items in an effort to strengthen the dignity and respect of the families and individuals who receive them. The content of the Starter Packs reflect feedback from tenants.

Directors' Report for the year ended 31 March 2018 (cont'd)

Barrowfield Community Centre

Willowacre Trust operates the Barrowfield Community Centre in Glasgow. The Trust employs Community Centre operatives who are responsible for starter packs, food parcels and the upcycling of furniture. Within the Community Centre rented accommodation is available for organisations who deliver key services within the local community. The organisations currently operating from the Community Centre include Robertsons, Mungo Foundation, Glasgow Council on Alcohol, Living Ambitions, Upbeat Theatre, More Hope Foundation, Chris Catering and the local Shop. The Community Centre also hosts a variety of programmes, events, and supports the delivery of youth diversionary activities.

The following table provides details of the centre footfall in the year to March 2019.

Footfall Breakdown	Total Footfall
Activities, Events, Seasonal Activities, Mindfulness, Community Bookings (Birthday Parties, Funerals, Rehearsal Spaces, Partnership Working & Block Bookings)	15,989
TOTAL	15,989

Older People's Services

Willowacre Trust works in partnership with WSHA to deliver support and activity programmes for older people particularly for those living in sheltered housing. These services seek to improve older people's health, wellbeing and address feelings of social isolation.

Willowacre Trust employs three Retirement Assistants who deliver essential services within the Glasgow sheltered housing located in Gourlay Street, Denmilne Gardens and Beil Drive. A fourth Retirement Assistant will be in place next year to cover Bulldale Place. The Retirement Assistants have provided an average of 200 interventions, over 100 activities, as well as emotional and practical support to tenants.

Activities facilitated by the Retirement Assistants include:

- Arts & Crafts
- Assisting with Health issues and crisis
- Daily Cuppa
- Day Trips
- Family Liaison
- Morning calls
- Podiatry

During 2018/19 the Older Person Support Worker continued to engage with older tenants in relation to service development and also to provide support to the Retirement Assistants. Work was undertaken on the Wellbeing for Longer initiative with funding secured for two years. A new weekly lunch club was launched in January 2019.

The Older Person Support Worker, Energy Advice Officer and the Retirement Assistants have also assisted with the roll out of new energy billing systems for our sheltered housing sites.

Food Parcels

The Trust has a partnership with the Trussell Trust and provides food parcels to individuals and families who are experiencing difficulties and financial hardship. In 2018/19 83 families were provided with food parcels. Support is offered across multiple communities and this project seeks to address both the stigma associated with accessing food banks and the issues associated with food poverty. In addition funding was secured to provide 2,500 meals via the children's holiday hunger programme.

Directors' Report for the year ended 31 March 2019 (cont'd)

Handy Person Services

Willowacre Trust delivers a handyperson service on behalf of WSHA. During the year the service received an average of **22** referrals each month with a total of **260** referrals received for the year. **231** jobs were completed with the remaining **29** not progressing due to changes in the tenants' circumstances. The work undertaken included:

- Building Furniture
- Garden tidy Ups
- Hanging curtains or pictures
- Internal and external Decoration

The service is offered to WSHA tenants who are aged 60 plus, are disabled or are a vulnerable family. The service is also provided to individuals or families who find it difficult to undertake certain household tasks and minor odd jobs. Willowacre Trust employs the Handy Person and Handy Person's Assistant. These officers have been carefully selected and have been subject to a disclosure check.

Money and Energy Advice Services

The Trust delivers money and energy advice services on behalf of WSHA.

The Money Advice Service also continues to receive referrals which may require home visits. There were **90** referrals in the year equating to **8** referrals per month. The average saving per tenant amounted to **£701**.

The Energy Advice Service continues to receive referrals which can require home visits. There were **196** referrals in the year averaging **16** referrals per month. The average saving per tenant during the year was **£233**.

Imagination Library

In 2018/19 the Trust celebrated reaching a milestone in terms of issuing over **2,200** books to children under the age of 5 year residing within a WSHA tenancy. This project supports children to reach their potential by supporting their literacy development.

Community Jobs Fund Scotland

The Trust continued to provide employment opportunities for **2** disadvantaged young people with financial support from Community Jobs Fund Scotland. The Trust will continue to participate in this programme by offering disadvantaged young people aged 16-24 years a positive work experience via entering employment placements and to seek funding from the Community Jobs Fund to support this initiative.

Future Development

Willowacre Trust will continue to meet the needs of WSHA tenants and communities. Our services and activities will remain focused on delivering WSHA's Supporting Communities strategy launched in 2018.

In 2019/20, Willowacre Trust will work to increase the levels of support offered to tenants and communities. We will continue seek opportunities to address the needs of those who are most vulnerable and disadvantaged. The Trust will also support the delivery of the Place Standard consultation within local communities and identify key priorities in the form of an action plan.

Services we intend to develop further include:

- 1) Community Assets Development Support Place standard Consultation
- 2) Community Engagement via Thriving Places
- 3) Digital Participation Support
- 4) Health & Wellbeing Support

Directors' Report for the year ended 31 March 2019 (cont'd)

Future Development (cont'd)

- 5) Older People's Services
- 6) Support Community Jobs Fund Posts
- 7) Supporting Work with Foundation Apprenticeships
- 8) Upcycling Project

3. Reserves policy

Level of Reserves

The charity operates a reserves policy which ensures it maintains a minimum level of free reserves sufficient to fund three months gross operating costs of the Barrowfield Community Centre.

Unrestricted Funds

General funds are unrestricted funds, which are available for use at the discretion of the trustees in delivering the charitable objectives of the company and have not been designated for any other purposes. Revenue reserves held at 31 March 2019 in the Statement of Financial Activities are £234,079 (2018: £248,374).

Designated funds

Designated funds comprise unrestricted funds, which have been set aside by the trustees for charitable purpose. In order to deliver the intended support services and activities the Board of Trustees has approved the creation of 'Designated Funds', the aims and objectives of which are set out within note 16.

Revaluation reserve

Gains or losses on the revaluation of fixed assets are taken to the revaluation reserve except when losses would reduce the carrying value to below the initial cost of the asset, in which circumstance losses would be taken to the Statement of Financial Activities.

Restricted funds

Restricted funds comprise of funding received for a specific purposes stipulated by donors and external funders. The aim and use of each of the restricted funds is set out in note 16 to the financial statements. There were no remaining balances on restricted funds at 31 March 2019 (2018: Nil).

4. Other policies

Investment policy

Willowacre Trust maintains a policy of reducing its exposure to investment risk by placing deposits with more than one organisation. Prior to investing funds the trustees consider the relative merits of the investing institution in terms of return and risk. No funds are invested in securities to limit risk exposure.

Risk management

The Board reviewed its Risk Management Policy this year and updated it to reflect the new risk management system. The Trust has a risk register in place and it is monitored on a quarterly basis by the Board.

Directors' Report for the year ended 31 March 2019 (cont'd)

Going concern

Based on the available information, the trustees have a reasonable expectation that the Trust has adequate plans and resources to continue its operations for the foreseeable future. For that reason, the trustees continue to adopt the going concern basis in preparing the accounts.

Disclosure of Information to Auditors

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Auditor

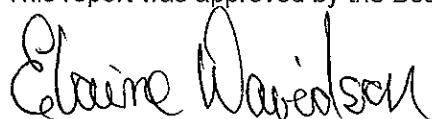
Alexander Sloan, accountants and business advisers, were appointed as auditors of the Trust on 26 September 2017.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Alexander Sloan will therefore continue in office.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small company exemption.

This report was approved by the Board on 13 August 2019



On behalf of the Board of Trustees
Elaine Davidson (Chairperson)
Date: 13 August 2019

Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

The trustees (who are also directors of Willowacre Trust for the purposes of Company law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *the Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period. 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The trustees are responsible for keeping adequate and proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Members and Trustees of Willowacre Trust

Opinion

We have audited the financial statements of Willowacre Trust for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Members and Trustees of Willowacre Trust (continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report, for the financial year for which the financial statements are prepared, is consistent with the financial statements, and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report and take advantage of the small companies exemption in preparing the Strategic Report.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement (set out in the Directors' Report), the Directors (who are also the Trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Independent Auditor's Report to the Members and Trustees of Willowacre Trust (continued)

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body, and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**Alison Devine (Senior Statutory Auditor)
for and on behalf of
Alexander Sloan
Accountants and Business Advisers and
Statutory Auditor**

**180 St. Vincent Street
Glasgow
G2 5SG**

Date: 13 August 2019

Alexander Sloan is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

SC073356

Statement of Financial Activities for the period ending 31 March 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Income from					
Charitable activities	2	253,819	142,789	396,608	353,760
Investment income	3	127,307	-	127,307	118,967
Total income		<u>381,126</u>	<u>142,789</u>	<u>523,915</u>	<u>472,727</u>
Expenditure on					
Charitable activities	5	395,421	142,789	538,210	526,062
Total expenditure		<u>395,421</u>	<u>142,789</u>	<u>538,210</u>	<u>526,062</u>
Other recognised gains					
Gain on revaluation of property		85,000	-	85,000	-
Net movement in funds		70,705	-	70,705	(53,335)
Reconciliation of Funds					
Total funds brought forward		343,127	-	343,127	396,462
Total funds carried forward		<u><u>413,832</u></u>	<u><u>-</u></u>	<u><u>413,832</u></u>	<u><u>343,127</u></u>

The Statement of Financial Activities includes all gains and losses in the year. All income and expenditure derive from continuing operations.

The notes on pages 17 to 24 form an integral part of these financial statements.

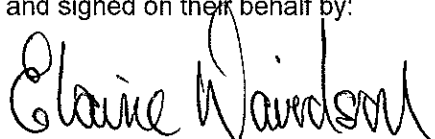
Statement of Financial Position

	Notes	2019 £	2018 £
Fixed assets			
Investment property	12	310,000	225,000
Other fixed assets	12	<u>5,604</u>	<u>5,258</u>
		315,604	230,258
Current assets			
Cash at bank and in hand		137,920	146,356
Debtors	13	<u>40,414</u>	<u>16,085</u>
		178,334	162,441
Creditors			
Amounts falling due within one year	14	<u>(80,106)</u>	<u>(49,572)</u>
Net current assets		98,228	112,869
Total assets less current liabilities		<u>413,832</u>	<u>343,127</u>
		2019 £	2018 £
The funds of the charity			
Unrestricted funds			
General funds	16	234,079	248,374
Designated funds	16	18,600	18,600
Revaluation reserve	16	<u>161,153</u>	<u>76,153</u>
		<u>413,832</u>	<u>343,127</u>

The notes on pages 17 to 24 form an integral part of these financial statements

The financial statements have been prepared in accordance with Part 15 of the Companies Act relating to small companies.

The financial statements were approved by the trustees and authorised for issue on 13 August 2019 and signed on their behalf by:



Elaine Davidson
Trustee

Date: 13 August 2019

Registered charity number SC015567

Statement of Cash Flows

	2019	2018
	£	£
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	(131,939)	(169,652)
Cash flows from investing activities:		
Dividend, interest and rents from investments	127,307	118,967
Purchase of property, plant and equipment	(3,804)	(4,952)
Net cash provided by investing activities	<u>123,503</u>	<u>114,015</u>
Change in cash and cash equivalents in the reporting period	(8,436)	(55,637)
Cash and cash equivalents at the beginning of the reporting period	146,356	201,993
Cash and cash equivalents at the end of the reporting period	<u><u>137,920</u></u>	<u><u>146,356</u></u>

Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2019	2018
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	70,705	(53,335)
Adjustments for:		
Depreciation charges	3,458	2,650
Gains on investments	(85,000)	-
Dividends, interest and rents from investments	(127,307)	(118,967)
(Increase)/decrease in debtors	(24,329)	1,657
Increase/(decrease) in creditors	30,534	(1,657)
Net cash used in operating activities	<u><u>(131,939)</u></u>	<u><u>(169,652)</u></u>

Analysis of cash and cash equivalents

	2019	2018
	£	£
Cash in bank	32,603	41,457
Notice deposits (less than 3 months)	105,318	104,899
Total cash and cash equivalents	<u><u>137,920</u></u>	<u><u>146,356</u></u>

The notes on pages 17 to 24 form an integral part of these financial statements

Notes to the Financial Statements

1. Accounting policies

Basis of preparation and statement of compliance

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their Accounts in accordance with Financial Reporting Standard 102 (effective January 2015), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

The charity meets the definition of a public benefit entity under FRS 102.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trust is a company limited by guarantee and the extent of the guarantee made by each member is £1.

Fund accounting

Funds are classified as either restricted funds or unrestricted funds, defined as follows.

Restricted funds are funds subject to specific requirements as to their use which may be declared by the donor or with their authority or created through legal processes, but still within the wider objects of the charity.

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity. If parts of the unrestricted funds are earmarked at the discretion of the Trustees for a purpose, they are designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the Trustees' discretion to apply the fund.

Income

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement.

Deferred income

Rental income paid by tenants in advance is held as deferred income.

Grants receivable

Income from government and other grants, whether 'capital' or 'revenue' in nature, is recognised when the charity has unconditional entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Unconditional entitlement will be achieved once any performance or other conditions attached to the grants have been met, or fulfilment of those conditions is wholly within the control of the charity.

Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Income from Charitable Activities

Income from charitable activities includes income earned both from the supply of goods or services under contractual arrangements and from performance-related grants which have conditions that specify the provision of particular goods or services to be provided by the charity. Income from charitable activities is recognised as earned (as the related goods or services are provided).

Notes to the Financial Statements (cont'd)

1. Accounting policies (cont'd)

Expenditure on Charitable Activities

Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities. The cost of charitable activities presented in the Statement of Financial Activities includes the costs of both direct service provision and the payments of grant awards if applicable.

Other expenditure

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities and is recognised when it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Governance costs

Governance costs allow the charity to operate and generate information required for public accountability and can include audit costs, legal advice to trustees, costs associated with constitutional and statutory obligations, trustees' meeting costs and preparation of statutory accounts.

The Trust uses staff employed by West of Scotland Housing Association in managing the charity and delivering services and therefore a share of overheads is charged to the charity to cover these costs.

Governance and support costs relating to charitable activities have been apportioned based on the use of resources.

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

Investment properties

In accordance with FRS 102, section 16, investment property values are assessed annually by the trustees and independently valued by chartered surveyors every five years to ascertain the increase, decrease or impairment in the value of investment property. The aggregate surplus or deficit is transferred to the revaluation reserve and no depreciation is provided in respect of freehold or leasehold investment properties with over twenty years remaining.

Fixtures and fittings

Fixtures and fittings are depreciated at 25% per annum on cost. A full year's depreciation is charged on these assets in the year of purchase, but no charge is made in the year of disposal.

Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid after taking account of any discounts due.

Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and Provisions

Creditors and provisions 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the Financial Statements (cont'd)

1. Accounting policies (cont'd)

Judgements and estimates

In preparing the financial statements, the Trustees are required to make estimates and assumptions which affect reported income, expenses, assets, and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Reserves policy

The reserves of Willowacre Trust are unrestricted unless funds have been donated or awarded for a specific purpose, in which case they are classed as restricted, or trustees agree to designate funding for a specific purpose. Restricted funds consist of grants that are awarded by external bodies and the Trust is responsible for ensuring that funds are expended in accordance with the conditions of the grant. Such funds are held as restricted until they are fully utilised. Designated funds are set aside following trustees' approval to be used for specific charitable purposes in accordance with the Trust's objects.

The major repairs reserve is intended to meet the future costs of works required to maintain the Barrowfield Community Centre.

Gains or losses on the revaluation of fixed assets will be taken to the revaluation reserve except when losses would reduce the carrying value to below the initial cost of the asset, in which circumstance losses would be taken to the Statement of Financial Activities.

Corporation tax

Profits are earned from rental income and interest in the course of carrying out the charity's stated charitable purpose and therefore are not liable to corporation tax.

2. Income from charitable activities

	2019	2018
	£	£
<u>Unrestricted funds</u>		
Grants and other income	253,819	276,500
<u>Restricted Funds</u>		
Community Jobs Fund Scotland grants	8,623	10,760
Glasgow City Council Integrated grants	66,500	66,500
BSC Grants	67,666	-
	<u>396,608</u>	<u>353,760</u>

3. Investment income

	2019	2018
	£	£
Rental income	110,425	105,345
Barrowfield Centre bookings income	16,414	13,309
Bank interest	468	313
	<u>127,307</u>	<u>118,967</u>

Notes to the Financial Statements (cont'd)

4. Income by activity

	Community centre	Projects	Other Trust activity	2019	2018
	£	£	£	£	£
Grants	68,500	328,108	-	396,608	353,760
Rental income	78,425	-	32,000	110,425	105,345
Booking income	16,414	-	-	16,414	13,309
Bank Interest	-	-	468	468	313
	<u>163,339</u>	<u>328,108</u>	<u>32,468</u>	<u>523,915</u>	<u>472,727</u>

5. Cost of charitable activities

	2019	2018
	£	£
Charitable projects costs	46,047	17,045
Staff costs	371,933	378,189
Office Repairs and Renewals	11,448	26,442
Other Overheads	108,782	104,386
	<u>538,210</u>	<u>526,062</u>

6. Staff Costs

	2019	2018
	£	£
Wages and salaries	329,130	336,091
Social security costs	25,746	27,210
Pension Costs	17,057	14,888
	<u>371,933</u>	<u>378,189</u>

Staff costs are included in the Statement of Financial Activities as costs of charitable activities.

The average number of staff employed in the period was 15 (2018: 17).

No employees earned emoluments in excess of £60,000 (2018: nil).

No Key Management Personnel received any remuneration during the year (2018: £Nil) as all remuneration paid was processed through the charity's parent entity, West of Scotland Housing Association Limited.

7. Expenditure by activity

	Community centre	Projects	Other Trust activity	2019	2018
	£	£	£	£	£
Staff costs including Agency Staff	76,900	284,321	24,706	385,927	397,680
Project costs	-	43,787	7,584	51,371	3,851
Running costs	9,269	-	21,405	30,674	45,625
Premises costs	61,092	-	628	61,720	69,106
Governance costs	2,968	-	5,550	8,518	9,800
	<u>150,229</u>	<u>328,108</u>	<u>59,873</u>	<u>538,210</u>	<u>526,062</u>

Notes to the Financial Statements (cont'd)

8. Governance costs	2019	2018
	£	£
Audit Fees	3,642	3,012
Trustee training	888	454
Legal fees	<u>3,988</u>	<u>6,334</u>
	<u>8,518</u>	<u>9,800</u>

Governance and support costs relating to charitable activities have been apportioned based on the use of resources.

9. Trustees' emoluments

No trustee or any person connection with them received remuneration, benefits, or reimbursed expenses during the year (2018: £Nil).

10. Net expenditure

	2019	2018
	£	£
Net expenditure is stated after charging:		
Depreciation and other amounts written off tangible assets	3,458	2,650
Auditor's remuneration - statutory audit	<u>3,642</u>	<u>3,012</u>

11. Tax on surplus on ordinary activities

No provision is required in respect of taxation as the company has been approved by HMRC as having charitable status.

12. Tangible fixed assets

	Investment property	Fixtures and fittings	Total
	£	£	£
Cost or valuation at 1 April 2018	225,000	11,629	236,629
Additions	-	3,804	3,804
Revaluation	<u>85,000</u>	<u>-</u>	<u>85,000</u>
At 31 March 2019	<u>310,000</u>	<u>15,433</u>	<u>325,433</u>
Depreciation at 1 April 2018	-	6,371	6,371
Charge for the period	<u>-</u>	<u>3,458</u>	<u>3,458</u>
At 31 March 2019	<u>-</u>	<u>9,829</u>	<u>9,829</u>
Net book value at 31 March 2019	<u>310,000</u>	<u>5,604</u>	<u>315,604</u>
Net book value at 31 March 2018	<u>225,000</u>	<u>5,258</u>	<u>230,258</u>

An independent valuation of the investment property was undertaken in March 2019 by Allied Scotland, RICS qualified chartered surveyors. The investment property was revalued to market value resulting in an increase in the carrying value. The historic cost prior to revaluation is £148,847.

Notes to the Financial Statements (cont'd)

13. Debtors	2019	2018
	£	£
Prepayments and accrued income	14,722	8,494
Trade debtors	25,692	7,591
	<u>40,414</u>	<u>16,085</u>

14. Creditors	2019	2018
	£	£
Amounts owed to parent undertaking	6,904	8,535
Accruals and deferred income	56,894	34,839
Social security and taxes	6,640	6,198
Trade creditors	9,668	-
	<u>80,106</u>	<u>49,572</u>

15. Control relationships

Willowacre Trust is a wholly owned subsidiary of West of Scotland Housing Association Limited, an Industrial and Provident Society. The Association is a registered Scottish charity, No SC0184186. The Association's registered office is Camlachie House, 40 Barrowfield Drive, Glasgow G40 3QH. During the year the Association provided management services to Willowacre Trust for which a charge of £13,210 (2018: £13,164) was raised of which £3,302 (2018: £Nil) was outstanding at the year-end. An amount of £3,602 (2018: £8,535) was due to the association in respect of other goods and services purchased by the association on behalf of the trust.

To support the activities undertaken by Willowacre Trust which deliver services and projects associated with the Supporting Communities strategy to West of Scotland Housing Association tenants and communities, the Association make support funding available on an annual basis. This funding is subject to annual review. In the year ended 31 March 2019 £253,818 was paid (2018 - £272,817) to the Trust.

The Association also leases premises to Willowacre Trust for a nominal rent of £1 (2018: £1).

Control may be exercised by the parent through the appointment or removal of directors.

Notes to the Financial Statements (cont'd)

16. Funds

	1 April 2018	Incoming Resources	Outgoing Resources	31 March 2019
	£	£	£	£
Unrestricted Funds	248,374	381,126	(395,421)	234,079
Designated Funds				
Major repairs reserve	18,600	-	-	18,600
Revaluation reserve	76,153	-	-	161,153
Restricted Funds				
Community Jobs Fund Scotland Grants	-	8,623	(8,623)	-
Glasgow City Council Integrated Grants	-	66,500	(66,500)	-
BSC Grants	-	67,666	(67,666)	-
Total	<u>343,127</u>	<u>523,915</u>	<u>(538,210)</u>	<u>413,832</u>

At the 31 March 2019, the following were held as designated funds.

	2019 £	2018 £
Major Repairs Reserve	<u>18,600</u>	<u>18,600</u>

Restricted Funds

The Community Jobs Fund aims to create employment opportunities for young people in Scotland's third sector. Willowacre Trust uses the grant income from the Community Jobs Fund to fund the cost of employing young people. During the year, there were two young people employed by the Trust under this scheme.

Glasgow City Council's Integrated Grant Fund provided an annual sum of £66,500 (2018: £66,500) to fund the cost of running the Barrowfield Community Centre.

Funding was received as part of Glasgow's Children's Holiday Hunger programme. This project has the sole purpose of supporting children who are experiencing food poverty during the school holiday periods. Funding was also received for the Wellbeing for Longer Fund to offer a programme focusing on activities which support older people's physical and mental wellbeing.

Additional funding was also received during the year to deliver a number of tenant support projects. These were; Cash for Kids Christmas gifts for vulnerable families, digital participation funding to provide digital support services to improve digital skills, fuel poverty funding support fuel top ups and winter packs for tenants experiencing fuel poverty and Employer incentive funding to support the continuation of work placement for a vulnerable young person.

Notes to the Financial Statements (cont'd)

17. Analysis of net assets between funds

	Unrestricted Funds	Designated Funds	Total Funds
	£	£	£
Fixed assets	297,004	18,600	315,604
Current assets	178,334	-	178,334
Current liabilities	(80,106)	-	(80,106)
Closing balance at 31 March 2019	<u>395,232</u>	<u>18,600</u>	<u>413,832</u>

18. Prior year Statement of Financial Activities

	Notes	Unrestricted Funds	Restricted Funds	Total Funds 2018
		£	£	£
Income from				
Charitable activities	2	276,500	77,260	353,760
Investment income	3	118,967	-	118,967
Total income		<u>395,467</u>	<u>77,260</u>	<u>472,727</u>
Expenditure on				
Charitable activities	5	448,802	77,260	526,062
Total expenditure		<u>448,802</u>	<u>77,260</u>	<u>526,062</u>
Net movement in funds		(53,335)	-	(53,335)
Reconciliation of Funds				
Total funds brought forward		396,462	-	396,462
Total funds carried forward		<u>343,127</u>	<u>-</u>	<u>343,127</u>