

Scottish Charity: SCO36069
Company Number: SC275793

HAZEL'S FOOTPRINTS TRUST
(A COMPANY LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS
for the year ended 5 April 2019

HAZEL'S FOOTPRINTS TRUST

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HAZEL'S FOOTPRINTS TRUST

Reference and administrative information

Constitution

Hazel's Footprints Trust is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. Charity number: SC036069. Company number: SC275793.

Board of Trustees

Bill Scott Aiton
Joan Scott Aiton
Joanna Scott Aiton
Lucy Costain
Rachel Hill
Ben Newman
Ruth Sutherland
Balfour Thomson, CA

Company Secretary and Registered Office

Joan Scott Aiton
Legerwood House
Earlston
Berwickshire TD4 6AS

Independent Examiner

Emma Marshall, CA
Geoghegans
Chartered Accountants
6 St Colme Street
Edinburgh EH3 6AD

Bankers

Bank of Scotland, Newtown St Boswells
CAF Bank, Kent

Investment Managers

McInroy & Wood
Haddington EH41 3SF

HAZEL'S FOOTPRINTS TRUST

Report of the Board of Trustees

The Trustees present their report together with the financial statements of the charity for the year ended 5 April 2019.

Objectives and Activities

The objects of the charity are:

- (a) to provide financial assistance to people embarking on a period of voluntary work overseas in the educational, charity or community sectors;
- (b) to provide an annual donation to the Otjikondo Village School Foundation, Namibia (English registered charity 1050178) in support of the school's educational and community programmes and on-going capital projects;
- (c) such other purposes as are recognised by law to be exclusively charitable within the meaning of Section 505 of the Income and Corporation Taxes Act 1988 or any Act amending or replacing the same and which relate to the foregoing purposes.

Achievements and Performance

The number of footprinters given grants was one reflecting both a reduction in the number of applications and a decision by the trustees to allocate more funds to third aim applications of which there were five major projects.

Financial Review

The financial statements show a net income for the year of £27,894 before gains and losses on investments (2018: expenditure of £7,410). Taking into account gains on the revaluation of investments of £22,406 (2018: losses of £38,583) the net movement in funds for the year is £50,300 (2018: £45,995). This year also had the benefit of a share of the surplus from the Folkestone Fling amounting to £10,243.

There were two major factors which had a bearing on the results. The first being a £29,238 increase in the value of donations, and the second being a partial loss of our Broadband connection over a period of months. This resulted in a substantial reduction in the number of third aim and footprinter applications. The trustees hope that in going forward these will be third aim projects which are both worthy of support and sustainable but it does take time to fully investigate applications.

Reserves Policy

Unrestricted reserves at the year end were £549,750 (2018: £499,450) of which £490,359 (2018: £467,953) is held as fixed asset investments to generate sufficient annual income to finance the core objectives of the trust. Any additional fundraising will be used on an annual basis to finance further projects. Net current assets of £59,391 (2018: £31,497) reflect the 'free' reserves at the year end.

Investment Policy

The Trustees have utilised the services of McInroy & Wood to manage all the investment funds of the charity with a view to achieving a balanced growth of capital and income with emphasis on income generation. The investment returns are considered satisfactory in the present financial climate.

Future Activities

The Trustees have agreed a plan for the forthcoming year to meet the objectives of the trust. Various fundraising activities have been proposed which will enable additional projects to be financed.

HAZEL'S FOOTPRINTS TRUST

Report of the Board of Trustees (Continued)

Structure, Governance and Management

The charity is a company limited by guarantee and is constituted by its Memorandum and Articles of Association. A Board of Trustees, consisting currently of eight members, who meet as required, administers the charity.

All trustees (who are also directors of the company for the purposes of company law) are appointed in accordance with the Memorandum and Articles of Association. The maximum number of directors is twelve.

The current Trustees have a comprehensive understanding of the workings of the charity. They take professional advice as required.

The trustees' duties include the stewardship of the charity, public accountability and ensuring an appropriate strategy for the charity in the years ahead.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and Statement of Recommended Practice – Accounting and Reporting by Charities (SORP) FRS 102.

Trustees' Responsibilities Statement

The trustees (who are also directors of the Hazel's Footprint Trust for the purposes of company law) 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).

Company law requires the Board of 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the Board of Trustees is required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities SORP 2015 (FRS 102);
- ◆ 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 assume that the charity will continue in operation.

The Board of Trustees is responsible for keeping adequate accounting records which 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Board of Trustees is 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.

HAZEL'S FOOTPRINTS TRUST

Report of the Board of Trustees (Continued)

Trustees' Responsibilities Statement (Continued)

Trustees

The Trustees who served during the year and up to the date of this report are set out on page 1.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (2015 – FRS 102) and the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the Board of Trustees on 17 November 2019 and signed on its behalf by:

Joan Scott Aiton

Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HAZEL'S FOOTPRINTS TRUST

I report on the financial statements for the year ended 5 April 2019 set out on pages 6 to 12.

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for the purpose of Company Law) are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 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

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;
 - 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
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Emma Marshall, CA
Independent Examiner

17 November 2019

Geoghegans
6 St Colme Street
Edinburgh
EH3 6AD

HAZEL'S FOOTPRINTS TRUST

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) for the year ended 5 April 2019

	Notes	2019 Unrestricted £	2018 Unrestricted £
Income from:			
Donations		45,121	15,883
Other trading activities:			
The Folkestone Fling		10,243	-
Sale of merchandise		20	-
Investments		<u>10,782</u>	<u>13,953</u>
Total income		<u>66,166</u>	<u>29,836</u>
Expenditure on:			
Raising funds:			
Fundraising costs		75	75
Investment management costs		1,283	1,209
Charitable activities		<u>36,914</u>	<u>35,962</u>
Total expenditure	3	<u>38,272</u>	<u>37,246</u>
Net income/(expenditure) before gains/(losses) on investments		27,894	(7,410)
Net gains/(losses) on investments	6	<u>22,406</u>	<u>(38,583)</u>
Net income/(expenditure) and net movement in funds		50,300	(45,993)
Funds brought forward		<u>499,450</u>	<u>545,443</u>
Funds carried forward		<u>549,750</u>	<u>499,450</u>

All incoming resources and resources expended derive from continuing activities.

HAZEL'S FOOTPRINTS TRUST

BALANCE SHEET as at 5 April 2019

	Notes	2019 £	2018 £
Fixed asset investments	6	<u>490,359</u>	<u>467,953</u>
Current assets			
Cash at bank		56,531	30,352
Debtors	7	<u>2,860</u>	<u>1,145</u>
		59,391	31,497
Creditors: amounts falling due within one year		<u>-</u>	<u>-</u>
Net current assets		<u>59,391</u>	<u>31,497</u>
Net Assets		<u>549,750</u>	<u>499,450</u>
Funds			
Unrestricted		<u>549,750</u>	<u>499,450</u>

For the year ended 5 April 2019, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved and authorised for issue by the Board of Trustees on 17 November 2019 and signed on its behalf by:

Joan Scott Aiton

Trustee

Company number: SC 275793

HAZEL'S FOOTPRINTS TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 5 April 2019

1. Accounting policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(a) Basis of accounting

The financial statements have been prepared in accordance with the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities and Trustee Investment (Scotland) Act 2005, the Statement of Recommended Practice: 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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

These financial statements have been prepared on the going concern basis which assumes that the charity will continue its operations. There are no material uncertainties that exist or material changes in the way the charity operates and the Trustees consider it appropriate to prepare financial statements on a going concern basis.

Hazel's Footprints Trust meets the definition of a public benefit entity under FRS102. The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

(b) Income

Income is included in the Statement of Financial Activities (SOFA) when the charity is entitled to the income, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income.

Donations, legacies and similar incoming resources are included in the period in which they are receivable, which is when the charity becomes entitled to the resource.

Donated services and goods are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these financial statements.

Other trading income includes income raised in fundraising, which are recognised when fundraising events have taken place and the charity is therefore entitled to the income.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity. This is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividends has been declared and notification has been received of the dividend due.

HAZEL'S FOOTPRINTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 5 April 2019

1. Accounting policies (continued)

(c) Expenditure

All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and its stated gross of irrecoverable VAT. All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Expenditure is categorised under the following activity headings:

- Costs of raising funds comprise the costs associated with attracting voluntary income and the costs for fundraising purposes.
- 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. Support costs relate to the administrative costs of running the charity and include governance costs.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the Independent Examiner's fee and costs linked to the strategic management of the charity.

(d) Grants policy

Grants payable are payments made to third parties in the furtherance of the activities of the charitable company. Grants are accounted for where the trustees have either agreed to pay the grant without condition, the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the charity.

(e) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(f) Debtors

Debtors are measured at their recoverable amount and included when reasonable certainty exists over their receipt.

HAZEL'S FOOTPRINTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 5 April 2019

1. Accounting policies (continued)

(g) Cash at bank

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

(h) Creditors

Creditors are recognised when 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 reliably.

(i) Fund accounting

Unrestricted general funds

These are funds which can be used in accordance with the charitable objects at the discretion of the Board of Trustees.

2 Legal status of the charity

The charitable company is limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

HAZEL'S FOOTPRINTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 5 April 2019

3	Total expenditure	Basis of allocation	Raising funds £	Educational & Community Projects £	Governance £	2019 Total £	2018 Total £
Costs directly allocated to activities							
	Grants/donations (Note 4)	Direct	-	35,401	-	35,401	34,449
	Independent examiner's fee	Direct	-	-	1,500	1,500	1,500
	Companies House	Direct	-	-	13	13	13
	Bank charges	Direct	75	-	-	75	75
	Investment management	Direct	1,283	-	-	1,283	1,209
			<u>1,358</u>	<u>35,401</u>	<u>1,513</u>	<u>38,272</u>	<u>37,246</u>
	2018		<u>1,284</u>	<u>34,449</u>	<u>1,513</u>	<u>37,246</u>	

The Trustees received no remuneration or reimbursement of expenses in either the current or previous years.

4	Grants/donations awarded	2019 £	2018 £
	Footprinters (1 individual, 2018: 3 individuals)	800	2,400
	Otjikondo School	10,281	10,299
	Third aim projects	<u>24,320</u>	<u>21,750</u>
		<u>35,401</u>	<u>34,449</u>
	Third aim projects:		
	• Educate for Life, India	4,320	
	• Made with Hope, Tanzania	8,900	
	• Project Riandu	2,500	
	• African Promise for Ngambenyi school	5,000	
	• Open Way, Ethiopia	<u>3,600</u>	
		<u>24,320</u>	

5 Taxation

As a charity, Hazel's Footprints Trust is exempt from tax on income and gains falling to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

HAZEL'S FOOTPRINTS TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 5 April 2019

6 Investments	2019	2018
	£	£
Market value at 5 April 2018	467,953	536,536
Disposal proceeds	-	(30,000)
Net gains/(losses) on revaluation and sale	<u>22,406</u>	<u>(38,583)</u>
Market value at 5 April 2019	<u>490,359</u>	<u>467,953</u>
Historical cost at 5 April 2019	<u>340,765</u>	<u>340,765</u>
Investments held at 5 April 2019 which are over 5% of the portfolio value:		
	£	£
UK investments held - MW Income Fund – Personal Class units	<u>490,359</u>	<u>467,953</u>
7 Debtors	2019	2018
	£	£
Income tax recoverable	<u>2,860</u>	<u>1,145</u>
8 Funds held on behalf of others	2019	2018
	£	£
Funds held on behalf of others	<u>-</u>	<u>-</u>

During the year, the charity received £3,201 (2018: £5,089) from external funders to support the Otjikondo School project. These funds were remitted to the school along with the charity's own award of £10,281 (2018: £10,299), during the year resulting in a £Nil balance held at 5 April 2019.

9 Related party transactions

Two trustees made donations to the charity amounting to £1,450 in the year.