

Company No. SC465268  
Charity No. SC044698

FIFE COLLEGE FOUNDATION  
ANNUAL REPORT and FINANCIAL STATEMENTS  
For the year ended 31 March 2016

C  
T

**FIFE COLLEGE FOUNDATION**

**ANNUAL REPORT and FINANCIAL STATEMENTS**

**For the year ending 31 March 2016**

<b>Content</b>	<b>Page</b>
Chairman's Foreword	1
Trustees' Report	2 – 5
Auditor's Report	6 – 7
Statement of Financial Activities and Income and Expenditure	8
Balance Sheet	9
Notes to the Financial Statements	10 - 12

The Fife College Foundation is a company limited by guarantee (SC465268) and a registered charity (SC044598)

C  
T

## FIFE COLLEGE FOUNDATION

### CHAIRMAN'S FOREWARD

For the year ending 31 March 2016

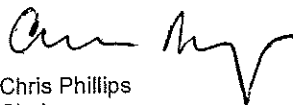
The Fife College Foundation ("the Foundation") was established on 5 December 2013.

The Foundation has been created to support the charitable activities of Fife College, namely

'to advance the charitable purposes of Fife College to include the advancement of education by making grants and providing financial support for projects and activities being carried out by and supported by Fife College.'

In the period to March 2016, the Foundation considered a detailed application for grant funding in relation to Fife College's Levenmouth Project. This involves the construction of a new 2,500m<sup>2</sup> College building adjacent to the new Levenmouth High School. At a meeting in September 2015, the Trustees agreed to provide £250,000 towards the project.

With a sound financial base in place, the Foundation look forward to supporting the work of Fife College and projects and activities supported by it in the upcoming financial period.



Chris Phillips  
Chairman

## **FIFE COLLEGE FOUNDATION**

### **'TRUSTEES' REPORT**

#### **For the year ended 31 March 2016**

The Trustees, who are the Directors of the Foundation for the purposes of Company Law, present their report along with the audited financial statements of the charity for the year ended 31 March 2016, and confirm compliance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014.

#### **Reference and administrative details:**

<b>Registered Office</b>	Fife College Foundation Princes Exchange 1 Earl Grey Street Edinburgh EH3 9EE
<b>Trustees</b>	The Trustees who served during the year and since the year end are given below:
<b>Chairman</b>	J Christian C Phillips
<b>Trustees</b>	David Neilson Elizabeth A Porter Ian M D Winn John N Macleod
<b>Secretary</b>	Turcan Connell Company Secretaries Limited Princes Exchange 1 Early Grey Street Edinburgh EH3 9EE
<b>Auditors</b>	Chiene + Tait LLP Chartered Accountants and Statutory Auditor 61 Dublin Street Edinburgh EH3 6NL
<b>Bankers</b>	Royal Bank of Scotland 52-54 East Port Dunfermline KY12 7HB

## **FIFE COLLEGE FOUNDATION**

### **TRUSTEES' REPORT (continued)**

**For the year ended 31 March 2016**

#### **OBJECTIVES AND ACTIVITIES**

The objectives of the Foundation are to advance the charitable purposes of Fife College to include the advancement of education by making grants and providing financial support for projects and activities being carried out by and supported by Fife College.

The Board agreed at the outset that it would not directly employ members of staff. Instead business and professional services would be provided by external parties. Turcan Connell was appointed as the administrators for the Foundation, which includes legal services.

#### **Achievements and performance**

In the period to March 2016, the Foundation have approved a grant of £250,000 towards Fife College's Levenmouth Project. Income continues to accumulate in order to establish core reserves from which additional grants can be made in the future.

#### **Financial review**

Total income of £7,803 has been received during the period. This represents accrued interest on the term deposit with Clydesdale Bank.

A grant to Fife College of £250,000 has been approved by the Board in the year but has yet to be paid and is therefore shown as a creditor at the year-end.

Expenses incurred are mainly related to governance costs and total £15,181 for the period.

#### ***Grant making policy***

Grants in support of the above objectives will be reviewed and if appropriate approved and monitored at the Foundation's Board meetings.

The Foundation has an approved Grants Policy and related standard terms and conditions. A standard form is completed for each new grant application. This form captures the type of information needed by the Trustees to assess the suitability of the application. The Board meets formally to assess each application. It may on occasion delegate further scrutiny of an application to a Board committee.

#### ***Reserves policy***

During the initial period the reserves have been accumulated to a level which will allow for the grant making process to commence. The Trustees review the level of funds at each Board meeting together with known and likely future demands on those funds and are satisfied that the present balance of unrestricted funds is sufficient to meet the obligations of the Foundation as they fall due and to meet the charitable objectives.

Total reserves of £1,688,282 were held as at 31 March 2016 all of which were unrestricted.

#### ***Risk management***

The Trustees have reviewed the major strategic, business and operational risks which the charity faces as recorded and assessed in the Foundation's written risk register. The Trustees consider the main risks to be around financial loss due to poor/mismanagement of funds. The Trustees confirm that systems are in place to enable regular reports to be produced and necessary steps taken to lessen these risks.

#### ***Plans for the future***

In the upcoming financial year it is anticipated that the Foundation will continue to operate its activities including the payment of grants.

## **FIFE COLLEGE FOUNDATION**

### **TRUSTEES' REPORT: (continued)**

**For the year ended 31 March 2016**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### ***Constitution and objects***

The Foundation was incorporated as a company limited by guarantee on 5 December 2013 and is recognised as a Scottish Charity (No. SC044598). As a company limited by guarantee the Foundation is governed by its Memorandum of Association.

##### ***Organisation***

The Foundation is a fully independent body which is governed by a Board of Trustees numbering at any time not less than five and not more than seven. The Trustees serve for an initial term of four years, at which point they are eligible for reappointment for a further period of four years. The Board meets three to four times a year according to the level of business to be conducted. All Trustees are fully briefed on the objectives of the Foundation and their role and legal duties as Trustees.

##### ***Key management personnel and remuneration policy***

The Trustees consider the Board of Trustees as comprising the key management personnel of the Foundation in charge of directing and controlling the Foundation and running and operating the Foundation on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration nor expenses in the year.

The Foundation had no employees in the year.

##### ***Trustees' responsibilities in relation to the financial statements***

The Trustees (who are also directors of the Foundation 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 Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the net income and expenditure, of the charitable company for the period. In preparing the financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRSSE);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that 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 the Charities Accounts (Scotland) Regulations 2006 (as amended). The applicable law also sets out the Trustees' responsibilities for the preparation and content of the Trustees' Report.

The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**FIFE COLLEGE FOUNDATION**

**TRUSTEES' REPORT (continued)**

**For the year ended 31 March 2016**

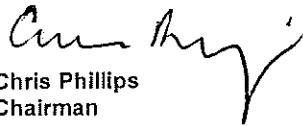
In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Small Company Provisions**

This report has been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Approved by the Trustees and signed on their behalf by:



Chris Phillips  
Chairman

15 December 2016

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF  
FIFE COLLEGE FOUNDATION**



We have audited the financial statements of Fife College Foundation for the year ended 31 March 2016 which comprises the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's Trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and its Trustees those matters we are required to state to them in an auditor's 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 its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of Trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 4, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

**Opinion on financial statements**

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 2016, and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to Smaller Entities); 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).



INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF  
FIFE COLLEGE FOUNDATION

C  
T

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

*Malcolm A Beveridge*

Malcolm Beveridge BA CA (Senior Statutory Auditor)  
CHIENE + TAIT LLP  
Chartered Accountants and Statutory Auditor  
61 Dublin Street  
Edinburgh, EH3 6NL

20 DECEMBER 2016

Chiene + Tait LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**FIFE COLLEGE FOUNDATION**

**STATEMENT of FINANCIAL ACTIVITIES and of INCOME & EXPENDITURE**

**For the year ended 31 March 2016**

	Notes	Restricted Funds £	Un- restricted Funds £	2016 Total £	2015 Total £
<b>Income and endowments from:</b>					
Donations and legacies		-	-	-	1,962,000
Investments		-	7,803	7,803	-
<b>Total Income</b>	<b>3</b>	<b>-</b>	<b>7,803</b>	<b>7,803</b>	<b>1,962,000</b>
<b>Expenditure on:</b>					
Charitable activities		-	265,181	265,181	16,340
<b>Total Expenditure</b>	<b>3</b>	<b>-</b>	<b>265,181</b>	<b>265,181</b>	<b>16,340</b>
<b>Net movement in funds for the year</b>		<b>-</b>	<b>(257,378)</b>	<b>(257,378)</b>	<b>1,945,660</b>
<b>Reconciliation of funds:</b>					
Fund balances brought forward at 1 April		-	1,945,660	1,945,660	-
<b>Fund balances carried forward at 31 March 2016</b>		<b>-</b>	<b>1,688,282</b>	<b>1,688,282</b>	<b>1,945,660</b>
		=====	=====	=====	=====

All incoming resources derive from activities in furtherance of the Foundation's objectives, all gains and losses for the year are included in the Statement of Financial Activities, and all activities are classed as continuing.

The notes on pages 10 to 12 form part of these financial statements.

# FIFE COLLEGE FOUNDATION

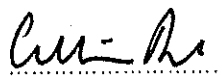
## BALANCE SHEET

At 31 March 2016

	Note	2016 £	2015 £
<b>Current Assets</b>			
Debtors	4	7,803	-
Cash at bank and in hand		1,936,155	1,961,933
<b>Total current assets</b>		<b>1,943,958</b>	<b>1,961,933</b>
<b>Current Liabilities</b>			
Creditors - amounts falling due within one year	5	255,676	16,273
<b>Net current assets</b>		<b>1,688,282</b>	<b>1,945,660</b>
<b>Net assets</b>		<b>1,688,282</b>	<b>1,945,660</b>
<b>The funds of the charity:</b>			
Restricted funds		-	-
Unrestricted funds	6	1,688,282	1,945,660
<b>Total charity funds</b>		<b>1,688,282</b>	<b>1,945,660</b>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Trustees on 15 December 2016 and signed on their behalf by

  
 .....Chairman  
 Chris Phillips  
 Company No. SC465288

The notes on pages 10 to 12 form part of these financial statements

## **FIFE COLLEGE FOUNDATION**

### **NOTES to the FINANCIAL STATEMENTS**

#### **For the year ended 31 March 2016**

##### **1. Company information**

Fife College Foundation is a company limited by guarantee incorporated and domiciled in Scotland with registered company number SC465268. The registered office is Princes Exchange, 1 Earl Grey Street, Edinburgh, EH3 9EE. The financial statements have been presented in Pounds Sterling as this is the functional and presentational currency of the company.

##### **2. Accounting Policies**

###### **Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16th July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) (FRSSE), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

###### **Going concern**

The financial statements have been prepared on a going concern basis. The Trustees have assessed the charitable company's ability to continue as a going concern and have reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

###### **Donations, legacies and similar income**

Donations, legacies and similar income is included in the year in which it is receivable, which is when the charity becomes entitled to the income, it is probable that it will be received and the amount can be measured reliably.

###### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Foundation to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measure reliably. All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. The Foundation is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Governance costs are those incurred in connection with the management of the Foundation's assets, organisational administration and compliance with statutory requirements.

###### **Grants payable**

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the charity. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the charity.

###### **Funds**

Unrestricted general funds are the funds which can be used in accordance with the charitable objects at the discretion of the Trustees. Restricted funds are the funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

###### **Taxation**

The Charity is a registered charity and as such is entitled to certain tax exemptions on income and gains from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these gains and surpluses are applied solely for charitable purposes.

# FIFE COLLEGE FOUNDATION

## NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2016

### 2. Accounting Policies (continued)

#### Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net 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 short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### Creditors

Creditors are recognised where the charitable company 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

#### Financial instruments

The company 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.

3. Notes to the Statement of Financial Activities	Restricted Funds £	Un-restricted Funds £	2016 Total £	2015 Total £
<b>Analysis of Income</b>				
Donations from Fife College	-	-	-	1,962,000
Interest	-	7,803	7,803	-
<b>Total Income</b>	-	7,803	7,803	1,962,000
	=====	=====	=====	=====
<b>Analysis of Expenditure</b>				
Grants – Fife College	-	250,000	250,000	-
<i>Governance costs</i>				
Legal and secretarial expenses	-	13,200	13,200	14,400
Audit fee	-	1,500	1,500	1,440
Insurance	-	403	403	427
Bank charges	-	78	78	73
<b>Total Expenditure</b>	-	265,181	265,181	16,340
	=====	=====	=====	=====
<b>4. Debtors</b>			<b>2016 £</b>	<b>2015 £</b>
Accrued interest			7,803	-
			7,803	-
			=====	=====
<b>5. Creditors</b>			<b>2016 £</b>	<b>2015 £</b>
Accruals			255,676	16,273
			255,676	16,273
			=====	=====

**FIFE COLLEGE FOUNDATION**

**NOTES to the FINANCIAL STATEMENTS (continued)**

**For the year ended 31 March 2016**

<b>6. Unrestricted Funds</b>	<b>Brought Forward £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfer £</b>	<b>Carried Forward £</b>
General unrestricted funds	1,945,660 =====	7,803 =====	(265,181) =====	- =====	1,688,282 =====

Unrestricted funds will be used at the direction of the Trustees for the general support of all charitable activities.

**7. Related Party Transactions and Trustee Remuneration**

No Trustee received any remuneration or reimbursement of expenses during the period.

A Trustee Indemnity Insurance policy is in place. Premiums paid during the year amounted to £403 (2015: £427).