

REGISTERED COMPANY NUMBER: SC412818 (Scotland)  
REGISTERED CHARITY NUMBER: SC043299

Report of the Trustees and  
Unaudited Financial Statements for the Year Ended 31 March 2018  
for

Duncan Mackinnon Music And Arts  
Trust Limited

Susan Cove Accountancy Limited  
Chartered Accountant

Ty Hapus  
Clerklands  
Melrose  
Borders  
TD6 9JR



**Duncan Mackinnon Music And Arts  
Trust Limited**

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for the Year Ended 31 March 2018**

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**Duncan Mackinnon Music And Arts  
Trust Limited**

**Report of the Trustees  
for the Year Ended 31 March 2018**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2018. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

SC412818 (Scotland)

**Registered Charity number**

SC043299

**Registered office**

MAC Arts  
Bridge Street  
Galashiels  
Borders  
TD1 1SP

**Trustees**

D Angus

Sound Engineer/consultant - resigned 4.12.17

D Coyle

Sound Technician

D Little

Sound Engineer

L Reid

A Turpie

Legal Advisor

I Coltman

Civil Servant

**Company Secretary**

I Coltman

**Independent examiner**

Susan D Cove

Susan Cove Accountancy Limited

Chartered Accountant

Ty Hapus

Clerklands

Melrose

Borders

TD6 9JR

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**Recruitment and appointment of new trustees**

Trustees are appointed from the local community, mainly by personal introduction.

**Duncan Mackinnon Music And Arts  
Trust Limited**

**Report of the Trustees  
for the Year Ended 31 March 2018**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

Overall management is carried out by a Board of Trustees which meets regularly throughout the year.

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The company's principal objectives are to:

- advance music and the arts within the Scottish Borders for the Community and the general public by providing and operating a performance, rehearsal and administrative facility;
- advance community development by the management of community land and associated assets for the benefit of the Community and the public in general following principles of sustainable development, where sustainable development means development which meets the needs of the present without compromising the ability of future generations to meet their own needs;
- provide recreational facilities, and/or organise recreational activities, which will be available to members of the public at large with the object of improving the conditions of life of the Community and following principles of sustainable development, by operating community owned facilities;
- advance the cultural knowledge of the Community through the education of its members;
- advance heritage for the public by refurbishing and returning to economic use a listed historical building;
- advance community development and rural regeneration for the benefit of the community and its members by the promotion of trade and industry; and
- advance citizenship for the community and its membership by promoting, establishing and operating other schemes of a charitable nature.

**Significant activities**

The Trustees received continuing support from the Scottish Government's Strengthening Communities Programme for capital, support and staffing costs. The Trustee also received a grant from the Hayward Sanderson Trust for capital improvements. The Trustees were unsuccessful in an application to the Big Lottery's Growing Community Assets fund for capital funding. Income from grants has allowed charitable activities to increase from the previous year and for ongoing internal and external building maintenance of the building. The variety and frequency of events has increased and the charity offers volunteering opportunities to members of the community.

Approved by order of the board of trustees on 11 December 2018 and signed on its behalf by:



I Coltman - Secretary

**Independent Examiner's Report to the Trustees of  
Duncan Mackinnon Music And Arts  
Trust Limited**

I report on the accounts for the year ended 31 March 2018 set out on pages five to eleven.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's 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 accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

**Basis of the independent examiner's report**

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as 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 accounts.

**Independent examiner's statement**

In connection with 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; and
  - to prepare accounts which accord with the accounting records and to 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 accounts to be reached.



Susan D Cove  
Susan Cove Accountancy Limited  
Chartered Accountant  
Ty Hapus  
Clerklands  
Melrose  
Borders  
TD6 9JR

11 December 2018

**Duncan Mackinnon Music And Arts  
Trust Limited**

**Statement of Financial Activities  
for the Year Ended 31 March 2018**

	Unrestricte d fund	Restricted fund	31.3.18 Total funds	31.3.17 Total funds
Notes	£	£	£	£
<b>INCOMING RESOURCES</b>				
<b>Incoming resources from generated funds</b>				
Voluntary income	-	33,000	33,000	25,409
<b>Incoming resources from charitable activities</b>				
Hire and performance	<u>40,113</u>	<u>-</u>	<u>40,113</u>	<u>36,102</u>
<b>Total incoming resources</b>	40,113	33,000	73,113	61,511
 <b>RESOURCES EXPENDED</b>				
<b>Charitable activities</b>				
Hire and performance	27,384	2,499	29,883	31,672
Governance costs	883	26,979	27,862	20,355
<b>Other resources expended</b>	<u>5,675</u>	<u>-</u>	<u>5,675</u>	<u>4,548</u>
<b>Total resources expended</b>	<u>33,942</u>	<u>29,478</u>	<u>63,420</u>	<u>56,575</u>
 <b>NET INCOMING RESOURCES BEFORE TRANSFERS</b>				
	6,171	3,522	9,693	4,936
<b>Gross transfers between funds</b>	7 <u>(948)</u>	<u>948</u>	<u>-</u>	<u>-</u>
<b>Net incoming/(outgoing) resources</b>	5,223	4,470	9,693	4,936
 <b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	<u>1,675</u>	<u>7,150</u>	<u>8,825</u>	<u>3,889</u>
 <b>TOTAL FUNDS CARRIED FORWARD</b>	 <u>6,898</u>	 <u>11,620</u>	 <u>18,518</u>	 <u>8,825</u>

The notes form part of these financial statements

**Duncan Mackinnon Music And Arts  
Trust Limited**

**Balance Sheet  
At 31 March 2018**

	No tes	Unrestrict ed fund £	Restricted fund £	31.3.18 Total funds £	31.3.17 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	4	-	6,618	6,618	7,150
<b>CURRENT ASSETS</b>					
Stocks		498	-	498	-
Debtors	5	1,032	-	1,032	1,117
Cash at bank and in hand		<u>7,861</u>	<u>6,043</u>	<u>13,904</u>	<u>3,051</u>
		9,391	6,043	15,434	4,168
<b>CREDITORS</b>					
Amounts falling due within one year	6	(2,493)	(1,041)	(3,534)	(2,493)
		<u>6,898</u>	<u>5,002</u>	<u>11,900</u>	<u>1,675</u>
<b>NET CURRENT ASSETS</b>					
		<u>6,898</u>	<u>11,620</u>	<u>18,518</u>	<u>8,825</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>6,898</u>	<u>11,620</u>	<u>18,518</u>	<u>8,825</u>
<b>NET ASSETS</b>					
		<u>6,898</u>	<u>11,620</u>	<u>18,518</u>	<u>8,825</u>
<b>FUNDS</b>					
Unrestricted funds	7			6,898	1,675
Restricted funds				<u>11,620</u>	<u>7,150</u>
<b>TOTAL FUNDS</b>					
				<u>18,518</u>	<u>8,825</u>

The notes form part of these financial statements

**Duncan Mackinnon Music And Arts  
Trust Limited**

**Balance Sheet - continued  
At 31 March 2018**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees on 11 December 2018 and were signed on its behalf by:

  
L Reid -Trustee

The notes form part of these financial statements



**Duncan Mackinnon Music And Arts  
Trust Limited**

**Notes to the Financial Statements  
for the Year Ended 31 March 2018**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

**Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Duncan Mackinnon Music And Arts  
Trust Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2018**

**2. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting):

	31.3.18	31.3.17
	£	£
Depreciation - owned assets	<u>2,499</u>	<u>2,106</u>

**3. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2018 nor for the year ended 31 March 2017.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2018 nor for the year ended 31 March 2017.

**4. TANGIBLE FIXED ASSETS**

		Plant and machinery etc £
<b>COST</b>		
At 1 April 2017		10,529
Additions		<u>1,967</u>
At 31 March 2018		<u>12,496</u>
 <b>DEPRECIATION</b>		
At 1 April 2017		3,379
Charge for year		<u>2,499</u>
At 31 March 2018		<u>5,878</u>
 <b>NET BOOK VALUE</b>		
At 31 March 2018		<u>6,618</u>
At 31 March 2017		<u>7,150</u>

**5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.18	31.3.17
	£	£
Other debtors	<u>1,032</u>	<u>1,117</u>

**Duncan Mackinnon Music And Arts  
Trust Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2018**

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.18	31.3.17
	£	£
Other creditors	<u>3,534</u>	<u>2,493</u>

**7. MOVEMENT IN FUNDS**

	At 1.4.17	Net movement in funds	Transfers between funds	At 31.3.18
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	1,675	6,171	(948)	6,898
<b>Restricted funds</b>				
Restricted fund	7,150	3,522	948	11,620
	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>8,825</u>	<u>9,693</u>	<u>-</u>	<u>18,518</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	40,113	(33,942)	6,171
<b>Restricted funds</b>			
Restricted fund	33,000	(29,478)	3,522
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>73,113</u>	<u>(63,420)</u>	<u>9,693</u>

**Duncan Mackinnon Music And Arts  
Trust Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2018**

**7. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.4.16 £	Net movement in funds £	Transfers between funds £	At 31.3.17 £
<b>Unrestricted Funds</b>				
General fund	(1,203)	1,478	1,400	1,675
<b>Restricted Funds</b>				
Restricted fund	5,092	3,458	(1,400)	7,150
<b>TOTAL FUNDS</b>	<u>3,889</u>	<u>4,936</u>	<u>-</u>	<u>8,825</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	36,511	(35,033)	1,478
<b>Restricted funds</b>			
Restricted fund	25,000	(21,542)	3,458
<b>TOTAL FUNDS</b>	<u>61,511</u>	<u>(56,575)</u>	<u>4,936</u>

**Duncan Mackinnon Music And Arts  
Trust Limited**

**Detailed Statement of Financial Activities  
for the Year Ended 31 March 2018**

	31.3.18	31.3.17
	£	£
<b>INCOMING RESOURCES</b>		
<b>Voluntary income</b>		
Donations	33,000	25,409
<b>Incoming resources from charitable activities</b>		
Hire income	10,885	10,296
Performance and ancillary income	<u>29,228</u>	<u>25,806</u>
	<u>40,113</u>	<u>36,102</u>
<b>Total incoming resources</b>	73,113	61,511
<b>RESOURCES EXPENDED</b>		
<b>Charitable activities</b>		
Marketing	-	373
Equipment	-	1,068
Performance fees	8,025	9,426
Bar costs	8,607	6,978
Licencing	884	1,699
Plant and machinery	<u>2,499</u>	<u>2,106</u>
	20,015	21,650
<b>Governance costs</b>		
Independent examiner's fees	720	769
Consultancy fees	26,979	19,586
Other fees	<u>163</u>	<u>-</u>
	27,862	20,355
<b>Support costs</b>		
<b>Management</b>		
Insurance	1,677	1,598
Light and heat	5,896	8,521
Telephone	653	708
Postage and stationery	284	131
Repairs and maintenance	5,443	1,794
Travel	183	204
Carried forward	14,136	12,956

This page does not form part of the statutory financial statements

**Duncan Mackinnon Music And Arts  
Trust Limited**

**Detailed Statement of Financial Activities  
for the Year Ended 31 March 2018**

	31.3.18	31.3.17
	£	£
<b>Management</b>		
Brought forward	14,136	12,956
Catering and hospitality	<u>1,291</u>	<u>1,501</u>
	15,427	14,457
<b>Finance</b>		
Bank charges	<u>116</u>	<u>113</u>
<b>Total resources expended</b>	63,420	56,575
	<u>          </u>	<u>          </u>
<b>Net income</b>	<u><u>9,693</u></u>	<u><u>4,936</u></u>

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