C604 HSE

Company Registration Number: SC299474

Charity Registration Number SC037311

HEART OF MIDLOTHIAN EDUCATION AND COMMUNITY TRUST
(A Company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

PERIOD ENDED 31 MARCH 2007



HEART OF MIDLOTHIAN EDUCATION AND COMMUNITY TRUST

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PERIOD ENDED 31 MARCH 2007

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HEART OF MIDLOTHIAN EDUCATION AND COMMUNITY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS

PERIOD ENDED 31 MARCH 2007

Charity Registration Number.
SC037311

Company Registration Number
SC299474

Directors and Trustees (all appointed 30 March 2006)
Robert Campbell Ogilvie (Chairman)
Michael Anthony Fitchett
David Alexander Henderson
Roy Jobson
Gary MacKay
Alasdair Russell
David Jack Southern

Company Secretary
Brodies Secretarial Services Limited (appointed 23 March 2006)
Registered Office.
Tynecastle Stadium
Gorgie Road
Edinburgh
Midlothian
EH11 2NL

Bankers
Bank of Scotland
The Mound
Edinburgh
EH1 1YZ

Accountant
Brodies LLP
15 Atholl Crescent
Edinburgh
EH3 8HA

The day to day running of the Trust is delegated to Alan White, Community Development Manager of Heart of Midlothian Football Club plc

HEART OF MIDLOTHIAN EDUCATION AND COMMUNITY TRUST

REPORT OF THE BOARD OF TRUSTEES

PERIOD ENDED 31 MARCH 2007

The Board of Trustees submit their report and the financial statements of the company from the date of incorporation, 23 March 2006 to 31 March 2007

Structure, Governance and Management
The company is a registered charity, limited by guarantee The company was established under a Memorandum of Association which established the objects and powers of the charity company and is governed under its Articles of Association In the event of the company being wound up members are required to contribute an amount not exceeding £10 The directors of the charity are also charity trustees for the purposes of charity law The Board of Trustees must consist of 1 or more Trustees New Trustees are suggested by the board members Their suitability is considered by the board and if appropriate, appointment is then made Any briefing of future trustees is the responsibility of the board

Risk Management Statement
The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to mitigate our exposure to the major risks

Principal Activities and Objectives

The objects of the charity are as follows

a) The advancement of public participation in sport in Scotland through the promotion, alone or in conjunction with others, of football and other sporting activities and acting as advisors in relation to the development of football and other sporting activities
b) The advancement of health in Scotland by the promotion alone or in conjunction with others, of the benefits of sport, fitness and well being and the provision of assistance and research in relation to sports related and healthy lifestyle matters
c) The advancement of community development in Scotland by promoting, alone or in conjunction with others, participation in football clubs and other sports and promoting good behaviour and social activities to children and young adults
d) The advancement of education in the community in Scotland by promoting, alone or in conjunction with others, football and other sports, good behaviour, literacy and social activities to children and young adults

The charity looks to achieve its objects through initiatives and partnerships This year the charity has provided football coaching sessions for children through partnership with Coerver Coaching The sessions are aimed at the 5 14 age range whether participating for the first time or as regular performers The Charity aims to create an interest in football and develop their skills in a fun and friendly football education environment
The Breakfast Club initiative benefits young people by improving attendance at school, punctuality, concentration and academic performance In addition social and communications skills are advanced In partnership with the Heart of Midlothian Football Club the charity will use players as role models The initiative will expand the current breakfast club network
In partnership with City of Edinburgh Council the charity is aiming to deliver a program of activities and events which tackle the problem of anti social behaviour The program aims to develop an understanding of acceptable and unacceptable conduct in our communities
The charity is currently developing a literacy and numeracy programme which motivates children, youths and adults in order to give them the opportunity to develop academic and life skills to their full potential

HEART OF MIDLOTHIAN EDUCATION AND COMMUNITY TRUST

REPORT OF THE BOARD OF TRUSTEES (CONTINUED)

PERIOD ENDED 31 MARCH 2007

Achievements and Performance

The partnership with Coerver coaching has been running a number of term time and holiday coaching sessions In the four months the project has been running to 31st March 2007 there were 3,656 participants and a further 6,125 took part in sessions during promotional visits to primary schools
The Breakfast club concept is close to realisation with funding in place to fund a co ordinator for three years and pledges of support from a celebrity chef and local news agency have been given Alan White is putting together a detailed plan of how the program will operate and is producing proposals for potential local sponsors for their local Primary School
Progress with the anti social behaviour program (in conjunction with City of Edinburgh council) is satisfactory Program content is now complete and pupil/teacher worksheets are now in progress A £2,000 grant has been obtained for a pilot project at two Primary Schools in the capital and funding for a full program is being sourced
The literacy and numeracy program is being delivered through a collaborative project called Support Employment involving Job Centre Plus, Careers Scotland, Work Net and Jewel & Esk Valley College During the year the charity gave 15 individuals the opportunity to learn important soft skills such as communication, team work, administration This project was aimed at those not in education or employment In addition an experienced learning provider has submitted a business plan to establish a Learn Direct Study Centre in the Media Suite at Tynecastle Stadium Funding for the purchase of IT equipment has been identified and the charity aims to launch this project in the 2007/08 football season

Review of Financial Position

The Trust is reliant on income from donations and activities, the income from which was £34,721 in the three months to 31st March 2007 The reserves stand at £16,696 at 31st March 2007

Reserves Policy

The charity retains the general reserve to provide sufficient resources to enable the charity to continue to fund its activities The level of reserves is monitored and reviewed by the trustees each year

Plans for Future Periods

The charity is currently concluding timetables for the provision of a study support centre based at Heart of Midlothian Football Club The study centre will deliver a range of programs to users from schools, colleges and NEET groups (young people aged 16 18 not in education, employment or training) Funding has been secured for the provision of laptops and a partner for the provision of training courses has been identified

A new Breakfast Club Co ordinator has been appointed by the trust to move forward an initiative targeting healthy lifestyles A lead sponsor has been found for the project and the co ordinators role is encouraging local businesses to fund breakfast clubs in local primary schools in the City of Edinburgh

The Grassroots Coaching Program will be further developed this year, focusing on the development of a Goalkeeping Development Centre, increase in holiday course provision and increased participation through soccer centres and after school clubs This will be achieved through improved promotion and awareness by strengthening links with Active Schools Co ordinators and promotion through school and community newspapers

HEART OF MIDLOTHIAN EDUCATION AND COMMUNITY TRUST

REPORT OF THE BOARD OF TRUSTEES (CONTINUED)

PERIOD ENDED 31 MARCH 2007

Statement of Directors Responsibilities

The Articles of Association require the Directors to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Company and of the surplus or deficit of the Company for that period In preparing those Financial Statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements,
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Financial Statements comply with the Company's Act 1985 They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The Directors confirm that the Financial Statements comply with the above requirements

Approved by the Board of Trustees and signed on its behalf

Brodies Secretarial Services Limited
Company Secretary

7 November 2007

HEART OF MIDLOTHIAN EDUCATION AND COMMUNITY TRUST

INDEPENDENT EXAMINERS REPORT ON THE ACCOUNTS

PERIOD ENDED 31 MARCH 2007

I report to the trustees of Hearts of Midlothian Trust on the accounts for the period ended 31 March 2007 set out on pages 7 to 10

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 trustees consider that the audit requirement of Regulation 10(1)(d) 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 independent examiner's statement

My examination is 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 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 accounts

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 respects the requirements

- to keep accounting records in accordance with Section 41(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 comply with Regulation 9 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

Lorna Buchan
Chartered Accountant
On behalf of Brodies LLP
15 Atholl Crescent
Edinburgh
EH3 8HA

7 November 2007

HEART OF MIDLOTHIAN EDUCATION AND COMMUNITY TRUST

Statement of Financial Activities (including Income and Expenditure Account)

For the period ended 31 March 2007

	Notes		2007
		£	£
INCOMING RESOURCES			
Incoming resources from generated funds			29,063
Voluntary income			32,490
Investment income			131
TOTAL INCOMING RESOURCES			61,684
RESOURCES EXPENDED			
Costs of generating funds			
Costs of generating voluntary income		148	
Charitable activities		43,078	
Governance costs		1,762	
TOTAL RESOURCES EXPENDED			44,988
NET INCOMING/OUTGOING RESOURCES			16,696
RECONCILIATION OF FUNDS			
Total funds brought forward			
Total funds carried forward			16,696

The statement of financial activities includes all gains and losses in the year All incoming resources and resources expended derive from continuing activities

The notes on page 9 and 10 form part of the financial statements

HEART OF MIDLOTHIAN EDUCATION AND COMMUNITY TRUST

Balance Sheet

as at 31 March 2007

	Notes	2007
		£
Current Assets		
Bank and cash		24,483
		24,483
Creditors· Amounts falling due within one year		
Creditors and accruals	4	7,787
Net Current Assets		16,696
Represented by		
Unrestricted Funds		16,696

For the period ended 31 March 2007 the company was entitled to exemption from audit under Section 249A(1) Companies Act 1985, and no notice has been deposited under Section 249B(2) The Directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 and preparing Accounts which give a true and fair view of the state of affairs of the company as at the end of the year and of its profit or loss for the financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985, so far as applicable to the company

The Accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Statement for Smaller Entities (2005)

Approved by the Board of Trustees and signed on its behalf

Robert Campbell Ogilvie (Chairman)

7 November 2007

The notes on page 9 and 10 form part of the financial statements

HEART OF MIDLOTHIAN EDUCATION AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 MARCH 2007

1 Accounting policies

Basis of preparation
The financial statements have been prepared under the historical cost convention (except that investments are shown at market value) in accordance with Accounting and Reporting by Charities the Statement of Recommended Practice (SORP 2005), the Financial Reporting Standard for Smaller Entities (FRSSE) 2005 and with the Charities Accounts (Scotland) Regulations 2006

Incoming Resources
All of the income relates to the principal activity and is therefore deemed to be unrestricted Income is accounted for in the period in which the charity is entitled to receipt

Resources Expended
Expenditure is included on an accruals basis and includes VAT where appropriate Where possible expenditure has been charged direct to charitable expenditure or governance costs Where this is not possible the expenditure has been allocated on the basis of time spent by staff on each activity Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity

Tangible fixed assets
All assets costing more than £1,000 are capitalised and valued at historic cost

Depreciation
Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that assets as follows

Equipment	25% reducing balance p a

2 Analysis of staff costs

	2007 £
Salaries and wages	25,390
Social security costs	1,573
Other pension costs	
	26,963

No employee received emoluments of more than £60,000

The average number of employees during the year, calculated on the basis of full time equivalents was as follows

	2007
Administration and support	1

The services of the employee are included in the accounts as a donation from Heat of Midlothian Football Club as he was seconded to the Trust during the year

3 Related party transactions and trustees' remuneration

None of the Trustees received remuneration for their services during the period

HEART OF MIDLOTHIAN EDUCATION AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 MARCH 2007

4 Creditors · Amounts falling due within 1 year

	2007
	£
Trade creditors	6,025
Accruals	1,762
	7,787