

People's Postcode Trust

**Trustees' report and accounts for the
year ended 31 December 2012**

**Company number: SC356549
Scottish charity number: SC040387**



People's Postcode Trust

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People's Postcode Trust

Reference and administrative details

Trustees	Joanne Bucci (resigned 26 January 2012) Annemiek Hoogenboom (resigned 26 January 2012) Stephen Naysmith Juliet Simpson (resigned 24 June 2012) Lawson Muncaster Michael Pratt (appointed 26 January 2012) Eva Sturving (appointed 26 January 2012)
Auditors	Henderson Loggie 34 Melville Street Edinburgh EH3 7HA
Bankers	The Royal Bank of Scotland 2 Bernard Street Leith Edinburgh EH6 6PU
Solicitors	Tods Murray Edinburgh Quay 133 Fountainbridge Edinburgh EH3 9AG
Gambling licence numbers	Non remote: 000-018971-N-0302359-007 Remote: 000-018971-R-0302358-007
Charity number	SC040387
Company number	SC356549
Executive Manager	Clara Govier

People's Postcode Trust

Trustees' report

The Trustees (who are also directors of the charitable company for the purposes of company law) have pleasure in presenting their report and the financial statements of the charity for the year to 31 December 2012. The information on page 1 forms part of this report.

Structure, governance and management

Governance

PPT is governed by a Board of Directors in accordance with its Memorandum and Articles of Association. New Directors are elected at quarterly meetings and a Director shall hold office for a maximum period of four years from the date of appointment and shall then retire. Such person shall not again be appointed as a Director unless the Directors resolve that there are exceptional circumstances in that such individual possesses specific or unique skills and expertise, experience or ability of significant value to the Company. In such circumstances, a retiring Director may, if willing to act, be re-appointed by the Directors for a second and final term of a maximum of four years and shall at the end of that second term retire altogether so that no Director shall hold office as Director for more than eight years in total.

No person shall be appointed or re-appointed a Director at any general meeting unless:-

- he is recommended by the Directors; or
- not less than fourteen or more than thirty five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or re-appointment together with notice executed by that person of his willingness to be appointed or reappointed.
- Not less than seven nor more than twenty eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person who is recommended by the Directors for appointment or re-appointment as a Director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment or re-appointment as a Director. The notice shall give the particulars of that person which would, if he were so appointed or re-appointed, be required to be included in the Company's register of Directors.
- The Company may by Ordinary Resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director.
- The Directors may appoint a person who is willing to be a Director, either to fill a vacancy or as an additional Director, provided the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the Articles as the maximum number of Directors.

Unless otherwise determined by ordinary resolution, the number of Directors shall not be subject to any maximum, but shall not be less than three. The Board of Directors shall at all times comprise a majority of non-remunerated Directors.

Director's induction & training

Directors receive an induction handbook covering all relevant policies, procedures and any other relevant information. They also have the opportunity for training and continued professional development where required.

People's Postcode Trust

Trustees' report (*continued*)

Structure, governance and management (continued)

Directors' Responsibilities

The Directors are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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; and,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are 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.

Risk management

People's Postcode Trust keeps under review the adequacy of the systems and procedures now in place and those implemented throughout the period. We use a Sage accounting system to keep records and RBS Bankline system to make payments. A full review of the major risks to which the charity is exposed is planned for the coming year and systems and procedures will be adapted accordingly.

Management

The business of the People's Postcode Trust is managed by the Directors who exercise all the powers of the Company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the Directors. The Directors ultimately decide the procedures for selection of projects and the amounts of grants involved. Directors meet quarterly. These are chaired and fully minuted to discuss and decide the following:

- Management of the Trust's Society Lottery, including social responsibility and current management by the Trust's External Lottery Manager
- Applications received
- Outcomes of completed projects
- Progress of current funding
- New funding streams/programmes
- Visit by one or more Directors to selection of People's Postcode Trust funded projects

People's Postcode Trust

Trustees' report *(continued)*

Structure, governance and management (continued)

- Any other business

Staff Structure

The Board of Directors appointed an Executive Manager of the People's Postcode Trust to oversee the day to day administration of the Trust. The Executive Manager is responsible for strategy advice and the day-to-day operations of People's Postcode Trust. The Manager appointed the Grants officer to undertake day to day activities including the following:

- Screening of all funding proposals, preparing a list with 3 categories of projects: proposed for funding, not-decided, and rejected - based on approved funding criteria
- Assessing complete applications and providing short summaries for the Directors to make decisions
- Creation of quarterly summary reports detailing all of the above. It is the responsibility of the Manager and the Chairperson to approve the list of projects proposed for funding which request funding below £5,000.
- Management of quarterly Director meetings including consultation of Directors where desirable or needed
- Management of marketing/communication on behalf of the Trust including websites, newsletters, publicity etc

The Directors also appointed a Trust Accountant to take responsibility for the financial management for People's Postcode Trust including the following:

- Monthly financial updates including income position, breakdown of costs, and awards made
- Management of holding account which will receive payments direct from the People's Postcode Lottery
- Making payments to recipient projects
- Creation of People's Postcode Trust annual accounts

As part of services provided as outlined in the Service Level Agreement that exists between the Trust and Postcode Lottery Limited, staff mentioned above are employed by Postcode Lottery Ltd.

Objectives and activities

People's Postcode Trust is solely funded by the proceeds of its society lottery and awards grants to good causes and charities.

People's Postcode Trust supports projects which fit one or more of the following purposes:

- To prevent poverty
- To advance citizenship or community development
- To promote, maintain, improve and advance health
- To advance public participation in sport
- To promote, improve and advance human rights, conflict resolution or reconciliation
- To promote and advance environmental protection or improvement

People's Postcode Trust

Trustees' report (*continued*)

Objectives and activities (continued)

The Trust has four main funding streams:

- ***Small Grants Programme***
6-month project funding ranging from £500 up to £10,000. Decisions are made on a quarterly basis. Registered charities can apply for up to £10,000. Community groups not formally registered as a charity can apply for up to £2,000.
- ***Dream Fund***
Once a year applicants in Scotland can apply for the Dream Fund awarding three pots of up to £100,000 across the following categories: encouraging active living, increasing volunteering and tackling climate change. This year £100,000 was received each from Postcode Culture Trust and Postcode Green Trust as contribution to the Dream Fund. This was to support projects that fitted in with their objectives.
- ***Earmarked Programme***
Working with charities, players of the Trust's Lottery can select the charity to which they would like to award funding to from their ticket proceeds. The charity's activities must fit within the Trust's objects and be undertaken in Great Britain.
- ***Vote that Counts***
From a number of pre-selected charities, the public is invited to vote for one charity to win funding awards. The programme is designed to provide public greater engagement in the funding programme and also raise the profile of the Trust and the shortlisted charities. The campaign is supported through a media partner and has a strong social media basis.

People's Postcode Trust agrees to:

- redistribute a minimum of 85% of the 20% remaining of the Activities for Generating Funds;
- operate a quick and efficient application process;
- accept applications which have a strong appeal to people and can demonstrate their public benefit to players of our Lottery; and
- communicate and promote the projects the Trust has supported.

People's Postcode Trust operates its own society lottery which is regulated by the Gambling Commission under certificate 000-018971-N-0302359-007 and 000-018971-R-302358-007. The Trust engages Postcode Lottery Ltd (PLL), trading as People's Postcode Lottery, as its External Lottery Manager. In 2012, PLL operated 19 draws on behalf of PPT.

The Trust has the following policies in support of its society lottery licence conditions which are available in full on the Trust's website: postcodetrust.org.uk. The Trust works closely with its External Lottery Manager to ensure these policies are acted on in relation to its Lottery.

- Social Responsibility Policy
- Self Exclusion Policy

People's Postcode Trust

Trustees' report *(continued)*

Objectives and activities *(continued)*

Grant making policies

People's Postcode Trust provides funding opportunities to small organisations, community groups and charities in Scotland, England and Wales, through grants ranging from £500 - £100,000. People's Postcode Trust aims to distribute funds according to areas where the ratio of players of PPL at at their highest concentration.

Achievements and performance

People's Postcode Trust funded a total of 254 projects across Great Britain in 2012.

2012 Small Grants Projects

The following are examples of projects that People's Postcode Trust has funded via the Small Grants Programme in 2012:

Lenzie Youth Club – Advancement of Participation in Sport

Lenzie Youth Club are a Glasgow based sporting youth club with 265 members who recruit from local schools. They offer football, table tennis and swimming as well as international exchange visits and an annual sports festival. Lenzie Youth Club is an SFA Quality Mark Club and has won the Scottish Youth FA Cup competitions on three occasions: 1987, 1997 and 2007. They were granted £1,800 and used their award to purchase new club strips, which they intend to use for sporting activities as well as fundraising.

Little Steps – Advancement of Community Development

Based in Edinburgh, Little Steps aim to advance education, the provision of recreational facilities, relief of those in need by reason of age, ill health, disability, financial hardship or other disadvantage. They provide recreational activities for children up to the age of five by providing play facilities and educational activities to promote children's social, emotional, physical, creative and intellectual development. Little Steps were granted £4,700 and used their award to expand their services to the community by purchasing play equipment, storage tools and resources.

Good Companions – Prevention of Poverty

Good Companions is a disabled group with members ranging from 21-70 years old from Bolton. Members are supported to go out into the community, learn life-skills, build confidence and be as independent as possible. Carers and families are given a break for 10-12 hours at a time while members undertake activities such as bingo, bowling, shows, day trips, picnics, fundraising, pictures, allotments, swimming, training holidays, and training & education. Good Companions were granted £9,500 and used their award to provide cookery classes at the allotment where the group grows food. They also have geese, ducks and chickens which provide eggs. The group can now offer classes involving cooking sessions with the food/eggs from the allotment.

People's Postcode Trust

Trustees' report *(continued)*

Achievements and performance (continued)

Woodlands Community Development Trust – Advancement of Environmental Improvement

Woodlands Community Development Trust is a charitable trust working for the regeneration of the Woodlands area of Glasgow, Scotland. It was established in 1985 by a cross-section of local residents with the support of Glasgow City Council, and is a member organisation managed by volunteers. The Trust was charged with the responsibility of promoting regeneration projects, in particular in the East Woodlands area, and was gifted a number of vacant sites to do this. The Trust has redeveloped all but one of these sites and has built well over 200 new houses, providing good quality housing for a large section of the resident population as well as attracting new residents. The Trust were granted £1,896 and used their award to fund their Food for All Seasons project that will enable people to try new activities by encouraging local people who had not previously thought about growing their own food to take part in gardening workshops. The project allowed people to learn new skills in both gardening and cooking, as well as help people to play a more active role in their community by providing new volunteer opportunities in the garden.

Fresh Open Youth Group – Advancement of Participation in Sport

Based in Cumbria, Fresh Open Youth Group is part of St.Thomas' Community Connections, which began in 2007 to provide social welfare facilities for the residents of Kendal. The charity is committed to all who have need by reason of their youth, age, infirmity, disability, social and economic circumstances. They support a range of help projects such as the Fresh Open Youth Group, weekly shopping bus for disadvantaged residents, separate mums and toddlers groups, women's support group, annual holiday club for children, a mental health support group and a senior citizens group. They were granted £1,249 and used their award to run a sports activity programme involving football, basketball, volleyball and hockey.

Dream Fund

The Dream Fund was launched in October 2011, giving collaborative charitable projects a chance to secure funding to pursue their 'dream' project. With over 70 applications, People's Postcode Trust announced the Dream Fund winners at the Annual Charity Gala in January.

Dream Fund 2012 projects

Climate Change - received £93,300

WWF Scotland and Fife Diet joined forces to tackle climate change by creating the Seed Truck – a highly visible mobile unit that offers dynamic and practical workshops focused on food and climate change. It has inspired practical action on growing local food and changing lifestyles in communities all across Scotland

Pinkston Paddlesports Centre – received £100,000

Waterways Trust Scotland, working with Glasgow Watersports and British Waterways Scotland, are creating a unique outdoor watersports centre in the heart of North Glasgow. Based on the Forth and Clyde Canal at Port Dundas, it will provide facilities for all types of canoeing, including a white water course, and other water activities.

Football Memories – received £75,852

Alzheimer Scotland and The Scottish Football Association Museum Trust worked together to create a reminiscence project for football fans with dementia across Scotland, training volunteers to use historical football nostalgia to stimulate memories. The project has been hugely successful.

People's Postcode Trust

Trustees' report *(continued)*

Achievements and performance (continued)

Vote that Counts

The initial Vote that Counts campaign was run in Scotland from October-December 2011 in partnership with The Sunday Mail. In 2012 we partnered with AMRA, offering the chance for a local charity to win £15,000. The public voted via www.votethatcounts.org and the charity with the most votes won. The campaign has a strong social media element, and also allows the charities to benefit from sustained media coverage in their area.

In Wales, we worked with 12 charities and Ty Gobaith Children's Hospice scooped the top prize. Later on the year we worked with six charities in North-East England, with a local Guide Dogs group scooping the top £15,000.

The campaign raised the profile of People's Postcode Trust and also promoted the lottery, from which its funds are generated.

2013 Calendar

As part of the Trust's commitment to promoting the projects funded as a result of its lottery players, the Trust produced a 2013 calendar celebrating the wonderful children's projects funded across Great Britain.

The calendar was sent to the Trust's players and demonstrated the difference their support is making to communities.

Financial review

All the funds received from the proceeds of the People's Postcode Lottery relating to People's Postcode Trust have been included in the accounts. This amounted to £8.7m (2011: £9.3m). Of this and included in Cost of Generating Funds, up to 45%: £3.8m (2011: £4.2m) is given out as prizes and around 35%: £3.1m (2011: £3.3m) is retained by our External Lottery Manager which is People's Postcode Lottery. The remaining 20%: £1.74m (2011: £1.86m) is managed by People's Postcode Trust.

People's Postcode Trust promoted 19 draws throughout 2012 (2011: 23 draws) which generated £1.74m revenue (2011: £1.86m). £476k of other income was also received as well as £236k received for specific projects such as Green Challenge and Oceans Project.

£264k of other costs were included in Cost of Generating Funds (2011: £183k). £2.8m (2011: £2.6m) was allocated to charitable activities in the year with £2.61m (2011: £2.54m) being given out directly to charitable causes. £14k was included in Governance costs (2011: £17k).

Grants under £10,000 are distributed on a quarterly basis and all applications must satisfy one of the six requirements. Suitable applications are considered by the Board of Directors.

At the year end £10k was committed for the charity gala which took place in January 2013. This will be paid across during 2013.

People's Postcode Trust

Trustees' report *(continued)*

Reserves Policy

Due to the nature of the income generated by the Trust, the Directors are acutely aware that there is a requirement to ensure that any reserves are able to support any unexpected drops in income due to the fluctuation of tickets numbers or number of draws promoted. This approach is based on an understanding of our sole income stream, the risk profile and the degree of commitment to expenditure.

However, as custodians of our players' Lottery proceeds, whilst ensuring that current funding obligations and operation costs are fulfilled, the Directors are in agreement that wherever possible income generated should be awarded fully within the given financial year. This is provided that due diligence and assessment is applied to any future supported charity or good cause and that income levels in the following year are sustainable to support an on-going grant-funder relationship with any new beneficiary if appropriate.

Plans for future periods

People's Postcode Trust expects to build on its success across 2013.

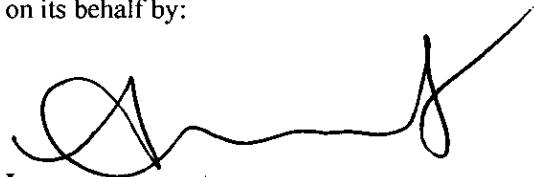
We believe that the Charity has a sound financial basis upon which to build for the future, despite a sharp increase in the number of applications for grants. We aim to provide more grants and diversify the awards programme throughout 2013.

Approval of the Trustees' report

The report was prepared in accordance with the special provisions of the Companies Act relating to small companies.

So far as each of the Directors at the date of this report is aware, there is no relevant audit information of which the charity's auditors are unaware. Each Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

The financial statements on pages 12 to 19 were approved by the trustees on 25 June 2013 and signed on its behalf by:



Lawson Muncaster
Trustee

People's Postcode Trust

Independent auditors' report to the trustees and members of People's Postcode Trust

We have audited the financial statements of People's Postcode Trust for the year to 31 December 2012 which comprise 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 April 2008) (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 charity'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. Our audit work has been undertaken so that we might state to the members and the charity's 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 charity, its 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 auditors

As explained more fully in the Directors' responsibilities statement (set out on page 3), 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 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 (APB's) Ethical Standards for auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 December 2012 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 applicable to smaller entities; and
- have been prepared in accordance 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).

People's Postcode Trust

Independent auditors' report to the trustees and members of Postcode Green Trust *(continued)*

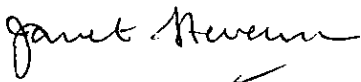
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year 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 or 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 in preparing the Trustees' Report.



Janet Stevenson (Senior Statutory Auditor)

For and on behalf of Henderson Loggie Statutory Auditors

Henderson Loggie is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

34 Melville Street
Edinburgh
EH3 7HA
United Kingdom

25 JUNE 2013

People's Postcode Trust

Statement of financial activities for the year ended 31 December 2012

		2012 Unrestricted £	2012 Restricted £	2012 Total £	Restated 2011 Total £
	Note				
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	475,669	235,921	711,590	1,394,345
Activities for generating funds	2	8,684,822	4,600	8,689,422	9,320,774
Total incoming resources		9,160,491	240,521	9,401,012	10,715,119
Resources expended					
<i>Cost of generating funds</i>	3	7,215,916	-	7,215,916	7,639,612
<i>Charitable activities</i>	4	2,470,791	309,442	2,780,233	2,636,380
<i>Governance costs</i>	5	13,746	-	13,746	16,859
Total resources expended		9,700,453	309,442	10,009,895	10,292,851
Net (outgoing)/incoming resources before transfers		(539,962)	(68,921)	(608,883)	422,268
Gross transfers between funds		(9,175)	9,175	-	-
Net movement in funds		(549,137)	(59,746)	(608,883)	422,268
Fund balance brought forward at 1 January 2012		668,275	93,366	761,641	339,373
Fund balance carried forward at 31 December 2012		119,138	33,620	152,758	761,641

All of the above results were derived from continuing activities.

People's Postcode Trust

Balance sheet at 31 December 2012

	<i>Note</i>	2012 £	2011 £
Current assets			
Debtors	7	224,633	-
Bank		873,092	945,104
		1,097,725	945,104
Creditors			
Amounts falling due within one year	8	(944,967)	(183,463)
Net current assets		152,758	761,641
Accumulated funds			
Unrestricted funds	10	119,138	668,275
Restricted funds	10,11	33,620	93,366
Total funds		152,758	761,641

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. Approved by the Board and authorised for issue on 25 June 2013.



Lawson Muncaster
Trustee

People's Postcode Trust

Notes to the accounts

1 Accounting policies

A summary of principal accounting policies, all of which have been applied consistently throughout the year and the preceding year is set out below.

Basis of accounting

The accounts have been prepared on a going concern basis in accordance with applicable accounting standards and under the historical cost convention. They are in accordance with the charity's constitution, Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006, the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (revised 2005), and in accordance with Financial Reporting Standard for Smaller Entities (effective April 2008). Comparatives have been restated to incorporate the gross proceeds from the lotteries.

Going concern

These accounts have been prepared on the going concern basis which assumes that the charity will continue its operations.

Incoming resources

Voluntary income includes donations, legacies and similar incoming resources which are included in the year in which they are receivable, which is when the charity becomes entitled to the resource. Incoming resources include gross proceeds from the sale of Lottery tickets before deduction of up to 45% of proceeds for prizes and 35% for operations costs.

Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the statement of financial activities.

Grants payable

Grants awarded are recognised in full in the year in which they are approved. Small grants and Dream Fund grants are not noted individually.

Costs of generating funds

The cost of generating funds consist of direct expenditure.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the funder.

The transfer of funds from unrestricted general funds to restricted funds represents the shortfall in restricted income required to fund the project.

People's Postcode Trust

Notes to the accounts (continued)

2 Analysis of incoming resources

	£	£
Voluntary income		
Oceans project	19,793	131,993
Green challenge	16,128	21,373
Dream fund	200,000	-
Earth hour	-	1,240,979
Other	475,669	-
	<u>711,590</u>	<u>1,394,345</u>

Activities for generating funds

	£		Restated £	
Total proceeds	8,689,422	100	9,320,774	100
Prizes	(3,825,909)	(44)	(4,194,348)	(45)
Operational cost	(3,125,629)	(36)	(3,262,271)	(35)
	<u>1,737,884</u>	<u>20</u>	<u>1,864,155</u>	<u>20</u>

3 Cost of generating funds

	2012 £	Restated 2011 £
Prizes	3,825,909	4,194,348
Operational costs	3,125,629	3,262,271
Advertising	33,984	300
PR	404	-
Merchandise	4,242	966
Photography	10,055	5,622
Marketing	186,971	165,464
Charity gala	22,810	10,074
Entertainment	1,272	-
Charity lunch	430	567
Hire of tent	4,210	-
	<u>7,215,916</u>	<u>7,639,612</u>

People's Postcode Trust

Notes to the accounts (continued)

4 Charitable activities

	2012	2011
	£	£
Grants		
Charitable expenditure - various	1,448,112	2,123,686
Charitable expenditure - earmarked	9,530	1,178
Charitable expenditure - dreamfund	727,792	295,993
Oceans Project	96,031	60,000
Vote that Counts	43,148	60,000
Green Challenge	26,781	-
Ellen MacArthur Cancer Trust	30,000	-
Royal Botanical Gardens Edinburgh	40,000	-
Edinburgh & Lothian Green Space Trust	40,000	-
Liverpool FC	150,000	-
Outreach Work	650	-
	<u>2,612,044</u>	<u>2,540,857</u>
Support costs		
Wages and salaries	76,875	59,929
Recruitment	-	1,500
Travel and subsistence	15,995	1,887
Rent	15,793	6,163
Heat and light	919	539
Telephone and fax	2,016	3,398
Rates	4,035	2,162
Postage and carriage	729	194
Printing	2,466	1,953
Subscriptions	701	110
Stationery	617	2,165
Equipment hire	5,890	-
Maintenance	1,952	1,698
Web development	39,496	13,000
Bank charges	705	869
Exchange difference	-	(44)
	<u>168,189</u>	<u>95,523</u>
	<u><u>2,780,233</u></u>	<u><u>2,636,380</u></u>

256 projects were funded by the grants made (2011: 265). Additionally, 4 Dreamfund awards were made in 2012 (2011: 4). No grants were made to individuals.

People's Postcode Trust

Notes to the accounts *(continued)*

5 Governance costs

	2012 £	2011 £
Legal and professional fees	4,864	8,259
Audit fees	8,882	8,600
	<u>13,746</u>	<u>16,859</u>

6 Staff costs

No trustees received remuneration during the year or the previous year.

No trustees received reimbursement of expenses (2011 - 0).

There were no employees in the current or the previous year with emoluments greater than £60,000.

7 Debtors

	2012 £	2011 £
Other debtors	100,000	-
Prepayments and accrued income	124,633	-
	<u>224,633</u>	<u>-</u>

8 Creditors

	2012 £	2011 £
Amounts falling due within one year:		
Trade creditors	143,640	10,735
Other creditors	791,941	60,000
Accruals and deferred income	9,386	112,728
	<u>944,967</u>	<u>183,463</u>

People's Postcode Trust

Notes to the accounts (continued)

9 Analysis of net assets between funds

	Net current assets £	Total £
Unrestricted funds	119,138	119,138
Restricted funds	33,620	33,620
	<u>152,758</u>	<u>152,758</u>

10 Accumulated funds

	Unrestricted £	Restricted £	Total £
Balance brought forward	668,275	93,366	761,641
Deficit for the year	(539,962)	(68,921)	(608,883)
Transfers	(9,175)	9,175	-
Balance carried forward	<u>119,138</u>	<u>33,620</u>	<u>152,758</u>

11 Restricted funds

	Opening balance £	Incoming resources £	Outgoing resources £	Transfers £	Closing balance £
Projects Oceans	71,993	19,793	(96,031)	4,245	-
Green Challenge	21,373	16,128	(26,781)	-	10,720
Dream Fund (Postcode Green Trust)	-	100,000	(85,979)	-	14,021
Dream Fund (Postcode Culture Trust)	-	100,000	(91,121)	-	8,879
Earmarked Funds	-	4,600	(9,530)	4,930	-
	<u>93,366</u>	<u>240,521</u>	<u>(309,442)</u>	<u>9,175</u>	<u>33,620</u>

People's Postcode Trust

Notes to the accounts *(continued)*

11 Restricted funds (continued)

Project Dreams	This fund represents funding received with the goal to increase awareness about the challenges our oceans are facing and to support the work of organisations that focus on protection of the oceans and sustainable seafood solutions.
Green Challenge	This fund represents funding received for promotional activities surrounding the green challenge competition, which is a competition which encourages would-be entrepreneurs to submit creative and innovative ideas for reducing greenhouse gas emissions.
Dreamfund (Post code Green Trust)	This fund represents funding received from the Postcode Green Trust which is their contribution towards the Dreamfund for a theme relating to its charitable objectives.
Dreamfund (Postcode Culture Trust)	This fund represents funding received from the Postcode Culture Trust which is their contribution towards the Dreamfund for a theme relating to its charitable objectives.
Earmarked funds	Players of the Trust's Lottery can select the charity which they would like to award funding to from their ticket proceeds. The charities activities must fit within the Trust's objects and be undertaken in Great Britain.

12 Related party transactions

During the year there were no related party transactions which occurred.

13 Ultimate controlling party

The charity is constituted by Memorandum and Articles of Association and is governed by its elected trustees.