

POLLOKSHIELDS BURGH HALL
TRUST LIMITED
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 1997

COMPANY NUMBER 131411



POLLOKSHIELDS BURGH HALL TRUST LIMITED
(A Company Limited by Guarantee)

NOTICE OF MEETING

Notice is hereby given that the fifth Annual General Meeting of the Members of the Company will be held within the Registered Office of the Company, 127 Fergus Drive, on ..23/01/98 at for the purpose of transacting the following business:

- 1 To receive and adopt the report of the directors and financial statements for the year ended 31 July 1997 and the report of the auditors thereon.
- 2 To re-elect E C Riach as a director of the company.
- 3 To confirm the appointment of R J Wilson & Co and re-appoint R J Wilson & Co as auditors and to authorise the directors to fix their remuneration.
- 4 To transact any other business of an Annual General Meeting.
- 5 To waive the statutory 21 days notice.

By Order of the Board



Secretary

Glasgow

POLLOKSHIELDS BURGH HALL TRUST LIMITED
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 1997

Company Registration Number: 131411

Registered Office: 127 Fergus Drive
Glasgow
G20 6BY

Directors: J R Steele (Chairman)
E C Riach (Secretary)
G L K Smith
W C Bremner

Secretary: E C Riach

Bankers: Clydesdale Bank PLC

Solicitors: Biggart Baillie

Accountants: Grant Thornton
Chartered Accountants
Registered auditors

Auditors: R J Wilson & Co
Chartered Accountants
Registered Auditors

Scottish Charity Number: SC 002793

POLLOKSHIELDS BURGH HALL TRUST LIMITED
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 1997

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POLLOKSHIELDS BURGH HALL TRUST LIMITED
(A Company Limited by Guarantee)

REPORT OF THE DIRECTORS

The Directors present their report together with financial statements for the year ended 31 July 1997.

Principal activities

The company is principally engaged in the operation and renovation of Pollokshields Burgh Hall.

Review

The halls, built on land gifted by Sir John Stirling Maxwell of Pollok, were sold by Strathclyde Regional Council in 1986 to the Trust transferring the legal title in 1991. The Halls and the derelict Lodge House restoration started during the year ended 31 July 1996 following generous grants from Historic Scotland, Heritage Lottery Fund, Glasgow City Council and Glasgow Development Agency. The Lodge House has been refurbished as 2 flats which were completed and available for renting in November 1996. The refurbishment opening ceremony for the Halls took place on 21 February 1997.

Directors

The Directors in office at the end of the year are listed below. All served on the Board throughout the year.

Mr E C Riach retires by rotation and being eligible offers himself for re-election.

J R Steele (Chairman)
E C Riach
G L K Smith
W C Bremner

Pollokshields Burgh Hall Trust

The Trustees, who are also the Directors of the company, act under a Deed of Trust by Adam Inglis Armstrong & Others dated 15 October 1986. The Trust is administered from the registered office of the company, 127 Fergus Drive, Glasgow, though the Trust does not have any funds whatsoever. The Trustees are, however, entitled to appoint any person to be a Director of the company or to remove from office any Director and to appoint another person to be a director in his/her place.

POLLOKSHIELDS BURGH HALL TRUST LIMITED
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REPORT OF THE DIRECTORS (CONTINUED)

Directors' responsibilities for the financial statements

Company law requires 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 profit or loss 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;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- 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 maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

R J Wilson & Co offer themselves for reappointment as auditors in accordance with Section 385 of the Companies Act 1985.

Small company exemptions

The Directors have taken advantage of the exemptions conferred by Part II of Schedule 8 to the Companies Act 1985.

On Behalf of the Board



Secretary
23 January 1998

POLLOKSHIELDS BURGH HALL TRUST LIMITED
(A Company Limited by Guarantee)

REPORT OF THE AUDITORS TO THE MEMBERS OF

POLLOKSHIELDS BURGH HALL TRUST LIMITED

FOR THE YEAR TO 31 JULY 1997

We have audited the accounts on pages 4 to 10 which have been prepared under the historical cost convention and accounting policies set out on page 4.

Respective responsibilities of directors and the auditor

As described on page 2 the directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.


Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 July 1997 and of the loss for the year then ended and comply with the provisions of the Companies Act 1985 applicable to Small Companies and Charities Limited by Guarantee.



CHARTERED ACCOUNTANTS
REGISTERED AUDITORS
95 DOUGLAS STREET
GLASGOW
G2 4EU

23 January 1998

PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 1985, applicable accounting standards, and the guidelines laid down in the Statement of Recommended Practice - Accounting by Charities.

The principal accounting policies of the company are set out below.

Depreciation

Depreciation has been charged during the year ended 31 July 1997 as the renovations have been completed and is calculated to write down the cost less estimated residual value of all tangible fixed assets other than freehold land over their expected useful lives in equal annual instalments.

The periods generally applicable are:

| | | |
|-----------------------|---|----------|
| Capital works | - | 25 years |
| Fixtures and fittings | - | 10 years |

Grants and donations

Grants and donations received during the year specifically for capital items are credited on the date received to deferred income and released to revenue over the expected lives of the assets to which they relate.

POLLOKSHIELDS BURGH HALL TRUST LIMITED
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PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JULY 1997

| | Note | 1997 £ | 1996 £ |
|---------------------------------------|------|-----------------|----------------|
| Income - continuing operations | | | |
| Hall rental income | | 9,004 | 5,711 |
| Lodge rental income | | 9,375 | - |
| Donations | | 748 | - |
| Interest (gross) | | 1,138 | 1,094 |
| Other income | | 1,609 | 70 |
| Released from deferred income | 5 | 35,608 | - |
| | | <u>57,482</u> | <u>6,875</u> |
| Expenditure | | | |
| Direct charitable expenditure: | | | |
| Equipment | | 1,694 | - |
| Heat, light and power | | 1,662 | 1,490 |
| Repairs and maintenance | | 746 | 611 |
| Insurance | | 5,297 | 1,924 |
| Cleaning | | 984 | 1,051 |
| Rates | | 891 | 250 |
| Wages - Caretaker | | 2,623 | - |
| Security | | 65 | - |
| | | <u>13,962</u> | <u>5,326</u> |
| Other expenditure: | | | |
| Flat rental management fees etc | | 1,810 | - |
| Accountancy fees | | 11,000 | 3,500 |
| Auditor | | 465 | 450 |
| Legal fees | | 1,349 | - |
| Stationery and postage | | 178 | 384 |
| Advertising | | 160 | 180 |
| Telephone | | 474 | 422 |
| Sundry expenses | | 390 | 405 |
| Opening day expenses | | 1,633 | - |
| Bank charges | | 1,079 | - |
| Bank interest | | 1,940 | - |
| Depreciation | | 40,111 | - |
| | | <u>60,589</u> | <u>5,341</u> |
| | | <u>74,551</u> | <u>10,667</u> |
| Loss for the financial year | | <u>(17,069)</u> | <u>(3,792)</u> |

Recognised Gains and Losses

There are no recognised gains or losses other than those of the Income and Expenditure above.



The accompanying accounting policies and notes form an integral part of these financial statements.

POLLOKSHIELDS BURGH HALL TRUST LIMITED
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BALANCE SHEET AT 31 JULY 1997

| | Note | £ | 1997 £ | £ | 1996 £ |
|--|------|---------|-----------|---------|-----------|
| Fixed assets | | | | | |
| Tangible assets | 2 | | 953,443 | | 317,985 |
| Current assets | | | | | |
| Debtors | 3 | 9,278 | | 4,513 | |
| Cash at bank and in hand | | 14,071 | | 57,137 | |
| | | | | | |
| | | 23,349 | | 61,650 | |
| Creditors: amounts falling due within one year | 4 | 135,024 | | 137,157 | |
| | | | | | |
| Net current (liabilities)/assets | | | (111,675) | | (75,507) |
| Total assets less current liabilities | | | 841,768 | | 242,478 |
| Deferred income | 5 | | 854,583 | | 238,224 |
| | | | | | |
| Net (liabilities)/ assets | | | (12,815) | | 4,254 |
| | | | ===== | | ===== |
| Represented by: | | | | | |
| Unrestricted funds | | | | | |
| General funds | 1 | | (12,815) | | 4,254 |
| | | | ===== | | ===== |

The financial statements were approved by the Board of Directors on 23 January 1998.

 Director
 Director

The accompanying accounting policies and notes form an integral part of these financial statements.

POLLOKSHIELDS BURGH HALL TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 1997

1 Summary statement of financial activities

| | 1997 | 1996 |
|---|----------------|----------------|
| | General | General |
| | Funds | Funds |
| | £ | £ |
| Incoming resources | | |
| Rental income | 18,379 | 5,711 |
| Donations | 748 | - |
| Bank interest | 1,138 | 1,094 |
| Miscellaneous income | 1,609 | 70 |
| Released from deferred income | 35,608 | - |
| | <hr/> | <hr/> |
| | 57,482 | 6,875 |
| | <hr/> | <hr/> |
| Resources expended | | |
| Direct charitable expenditure | 13,962 | 5,326 |
| Management and administration | 60,589 | 5,341 |
| | <hr/> | <hr/> |
| | 74,551 | 10,667 |
| | <hr/> | <hr/> |
| Net (outgoing)/incoming resources | (17,069) | (3,792) |
| Fund balance brought forward at 31 July 1996 | 4,254 | 8,046 |
| | <hr/> | <hr/> |
| Fund balance carried forward at 31 July 1997 | (12,815) | 4,254 |
| | <hr/> | <hr/> |

The summary statement of financial activities does not take into account the grants or donations received during the year specifically for capital items or the expenditure on those capital items. The grants or donations received specifically for capital items are credited on the date received to deferred income and released to revenue over the expected lives of the assets to which they relate.

POLLOKSHIELDS BURGH HALL TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 1997

2 Tangible fixed assets

| | Land & Buildings £ | Capital Works £ | Fixtures & Fittings £ | Total £ |
|---------------------------------|--------------------------|-----------------------|-----------------------------|------------|
| Cost | | | | |
| At 1 August 1996 | 1 | 317,984 | - | 317,985 |
| Additions | - | 669,428 | 6,141 | 675,569 |
| | | | | |
| At 31 July 1997 | 1 | 987,412 | 6,141 | 993,554 |
| | | | | |
| Depreciation Charge for year | - | 39,497 | 614 | 40,111 |
| | | | | |
| Net book value 31 July 1997 | 1 | 947,915 | 5,527 | 953,443 |
| | | | | |
| 31 July 1996 | 1 | 317,984 | - | 317,985 |

Note:

- i The Company acquired the feu of the Burgh Hall and Lodge by virtue of a Feu Disposition in their favour in 1991. Within the Feu Disposition the Local Authority retained an element of control over the property. In the event that the use of the Burgh Hall as a facility for the general community use or benefit is abandoned or ceases permanently the Local Authority are entitled to require a reconveyance of the Hall and Lodge for the price of £1.
- ii The Company derives rental income from the property as shown in the profit and loss account. No revaluation has been undertaken to ascertain the market value of the property as the directors consider that due to the nature of the Charity the resultant figures would be of little benefit and the cost of any revaluation would not further the purposes of the Charity.

3 Debtors: amounts falling due within one year

| | 1997 £ | 1996 £ |
|--------------------------------|-----------|-----------|
| Other debtors | 5,100 | 1,255 |
| Prepayments and accrued income | 4,178 | 3,258 |
| | | |
| | 9,278 | 4,513 |
| | ===== | ===== |

POLLOKSHIELDS BURGH HALL TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 1997

4 Creditors: amounts falling due within one year

| | 1997 | 1996 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Bank overdraft | 64,946 | - |
| Other creditors | 58,045 | 135,664 |
| Accruals and deferred income | 12,033 | 1,493 |
| | <u>135,024</u> | <u>137,157</u> |
| | <u>=====</u> | <u>=====</u> |

Note: The Trust has obtained limited facilities in order to meet its immediate requirements. The overdraft is secured by a floating charge and a standard security over the property.

5 Deferred income

| | 1997 | 1996 |
|-----------------------------------|----------------|----------------|
| | £ | £ |
| At 1 August 1996 | 238,224 | - |
| Grants received during year | 651,967 | 238,224 |
| | <u>890,191</u> | <u>238,224</u> |
| Released to profit & loss account | 35,608 | - |
| | <u>854,583</u> | <u>238,224</u> |
| | <u>=====</u> | <u>=====</u> |

6 Taxation

The Trust has Charitable status and is exempt from taxation. Donations and Legacies to the Trust may attract taxation relief for the donor.

7 Capital commitments

| | 1997 | 1996 |
|---|--------------|--------------|
| | £ | £ |
| Contracted for but not provided in these financial statements | - | 684,497 |
| | <u>=====</u> | <u>=====</u> |

8 Contingent liabilities

There were no contingent liabilities at 31 July 1997 or 31 July 1996.

POLLOKSHIELDS BURGH HALL TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 1997

9 Members liability

Each member undertakes to contribute an amount not exceeding £1 in the event of the company being wound up.

At 31 July 1997 the number of members was 4.

10 Subsequent events

The Trustees of the National Heritage Memorial Fund have approved a grant of £404,300 which will be utilised to fund the Basement Capital Works.