

Charity Number SC003442

Industrial & Provident Society Number 2066R(S)

FRIENDS OF THE EARTH (SCOTLAND) LIMITED

REPORT AND ACCOUNTS

For the Year Ended 31st December 2012

**FRIENDS OF THE EARTH (SCOTLAND) LIMITED**

**Accounts for the Year Ended 31st December 2012**

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## FRIENDS OF THE EARTH (SCOTLAND) LIMITED

### Legal and Administrative Information

#### Members of the Board

The Members who served during the year were as follows: -

#### **Board Members**

Chairperson	Chris Revie	Retired 23 June 2012
Chairperson	Matthew Crighton	Appointed 23 June 2012
Secretary	Grant Thoms	Retired 14 November 2012
Treasurer	Elaine Macadie	
Chief Executive	Stan Blackley	Resigned 8 May 2012
Director	Richard Dixon	Appointed 21 January 2013
Staff Representative	Vicki Bradley	Resigned 18 January 2013
	Frances McCartney	
	Hugh Womersley	Retired 23 June 2012
	Gavin Strang	Retired 23 June 2012
	Colin Howden	
	Andrew Llarnwarne	
	Eurig Scandrett	
	Simon Lee	
	Barry Dalglish	Appointed 23 June 2012 and resigned 6 September 2012
	Teresa Martinez	Appointed 23 June 2012
	James Orr	Appointed 23 June 2012
	Christine Wilson	Appointed 23 June 2012 and resigned 6 September 2012
	Daya Feldwick	Appointed 23 June 2012
Auditors	Thomson Cooper Castle Court Carnegie Campus Dunfermline Fife, KY11 8PB	
Bankers	Bank of Scotland Plc 13 Newkirkgate Edinburgh, EH6 6AD	
Solicitors	Mowat, Dean & Co W S 45 Queen Charlotte Street Edinburgh, EH6 7HT	
Registered Office	Thorn House 5 Rose Street Edinburgh, EH2 2PR	
Industrial & Provident Society Number	2066R(S)	
Charity Registration Number	SC003442	

## **FRIENDS OF THE EARTH (SCOTLAND) LIMITED**

### **Report of the Board for the Year Ended 31st December 2012**

The Board present their Report, together with the accounts for the year ended 31st December 2012.

#### **Statement**

The first half of 2012 was a difficult time for the society. The Chief Executive left the post on 8 May 2012. The Board asked the Campaigns and Communications Manager, Davina Shiell, to take on the role of Acting Operational Director. At that time it became clear that the restructuring of 2011 had not been radical enough to put the society on a sound financial footing; and that the assumptions about grant and trust income in the 2012 budget were over-optimistic. At the AGM in June the members received an explanation of the situation, the Board answered questions about how it had arisen and some motions concerning the departure of the Chief Executive and the decisions of the Board were considered.

In the second half of the year the board and staff worked on restructuring the organisation and also on a new strategy; while continuing the usual business of the society. By the end of the year both of these processes were close to successful completion, a new Director had been appointed and a budget for 2013 in which the core staff are funded from unrestricted income was in place. With a new Director, a new staff structure and a new strategy the society is well-placed to start growing in terms of members, income and influence. It will continue to work to keep environmental justice and climate change high on the agenda, in particular in the growing debate around Scotland's constitutional future.

#### **Structure, Governance and Management**

##### **Governing Document**

Friends of the Earth Scotland operates under Rules registered under the Industrial and Provident Societies Act 1965 to 2002. Authority is vested in a Board elected by Members of the society at an Annual General Meeting. The Board delegates appropriate authority for operational, policy and management matters to an Executive Committee and to the Directors.

##### **Recruitment and Appointment of Directors**

Board members are recruited from the ranks of the society through an open nomination procedure in advance of each Annual General Meeting. Board members serve a three year term before having to stand for re-election, and may normally serve only two consecutive terms. In line with the rules of the Society the Board may co-opt members, up to one quarter of its numbers, on an annual term. The Board members serving during 2012 are listed on Page 1 of the accounts.

##### **Risk Management**

The society maintains a risk register, which was revised in February and September of 2012. In February the risks of expenditure outstripping income and the depletion of reserves were identified as high and medium respectively; the dependence on project funding was recorded as very high. In addition the dangers of staff turnover and inadequate knowledge capture were considered to be high.

The thorough restructuring undertaken by the society after the AGM in 2012 was designed to address these risks and the revision of the risk register in September reflected that the immediate financial risks had been averted although failure to balance the budget remained a danger in particular when taking into account the costs of the restructuring. It drew attention to risks in relation to membership income and administration which have been taken into account in the new strategy; and in the process of managing staff turnover.

The risks that the society fails to deliver core outcomes or functions are also recorded and are addressed by ongoing management measures.

## **FRIENDS OF THE EARTH (SCOTLAND) LIMITED**

### **Report of the Board for the Year Ended 31st December 2012 (continued)**

#### **Structure, Governance and Management (continued)**

##### **Restructuring**

The Board asked the Acting Operational Director to carry through a thorough restructuring of the organisation, including, as well as the staff team, other matters which might impact on its effectiveness. The immediate objective was to put in place a core staff team which could be funded by unrestricted income from members and supporters. A restructuring sub-group of the board worked with the Acting Operational Director on this and a board/staff meeting was held to establish an agreed, shared approach to the restructuring. On 2 August a new staff structure containing 5 core posts was agreed with additional campaigner posts which can be filled if funded by grants. Standard hours were changed to 4.5 days a week. A contract was let for the book-keeping functions. Of the 13 posts filled at the start of 2012, only three remained largely the same and seven posts were made redundant and the designation of the lead staff member changed from Chief Executive to Director. Five members of staff resigned during the course of the restructuring and two were made redundant.

The new structure has allowed the 2013 budget to keep staff costs within the anticipated level of unrestricted income and so the Board is confident that the organisation is now on a stable financial footing. In 2012 however there were one-off costs of implementing the restructuring.

##### **Strategy**

The process of drawing up a new strategy had stalled when the Board meeting on 23 February had not approved the draft presented by the Chief Executive at that time. After the AGM the Board restarted the process with a joint board/staff day in July 2012. The new strategy for 2013 to 2015 was in draft form by the end of the year and was agreed by the Board in April 2013 at a meeting in which staff participated as well. All present at that meeting felt that the new document will be a valuable guide to the development of the organisation in that period.

#### **Objectives and Activities**

##### **Why we exist and what we do**

Friends of the Earth Scotland exists to campaign, for a just transition to a sustainable society. It works for socially-just solutions to environmental problems, to end degradation of our environment and to create a society which cherishes and protects the natural world on which we depend.

Our vision is of a world where everyone can enjoy a healthy environment and a fair share of the planet's resources. We are committed to democracy, accountability and equality, and we strive to work with communities in our campaigning for positive change.

The society serves and services members based throughout Scotland and further afield, who assist the organisation through the provision of funding, support and activism. It facilitates the activities of eight local members groups across the country, which campaign on local and national issues.

##### **Changes to Personnel**

The following staff members left in 2012: Stan Blackley (Chief Executive), Clare Addison (Fundraiser), Clare McKeown (Fundraiser), Francis Stuart (Parliamentary Officer), Stuart Middleton (Finance Manager), and Davina Shiell (Acting Operational Director). Vicki Bradley (Membership and Events Fundraising Manager) and Fiona Brown (Finance Officer) were made redundant. The society appointed a new Director, Richard Dixon, who started work in January 2013. Posts of Administrator Membership and Office Administrator and Development Manager were filled by Alice Hoepfer and John Fitzgerald respectively.

## FRIENDS OF THE EARTH (SCOTLAND) LIMITED

### Report of the Board for the Year Ended 31st December 2012 (continued)

#### Funders

*The Board would like to acknowledge the valuable support of the following organisations.*

- Esmee Fairbairn Foundation
- Patagonia Trust
- Isvara Foundation
- Craignish Trust

#### **Achievements and Performance**

##### Business Review and Plans for the Future

In 2012, the society continued its successful campaigning work on access to environmental justice, energy and climate change, renewable energy, reform of the financial system and corporate accountability. The society also undertook activity on issues around transport, waste, planning and others.

In 2013, through a variety of campaigns and project, we expect to continue to provide opportunities for supporters and activists to speak out for the environment, working closely with communities. We will also continue to undertake new approaches to reach out to the public, which we hope will also bring us new members and donors.

#### **Financial Review**

In the year to 31 December 2012 the Society had a gross income of £340,621 and expenditure of £344,870. Total funds under management at 31 December 2012 were £96,674 of which £63,418 was held in unrestricted funds. Funds are held in order to carry on the Society's campaigning and information distribution work.

The Board considers that cash resources are adequate to meet all current programmes. However the Society is almost wholly dependent on subscriptions, donations and grants to enable it to continue to carry out a vigorous campaigning programme.

##### Principal Funding Sources

In 2012 the principal funding sources of Friends of the Earth Scotland were subscriptions, donations and legacies from individual supporters; and restricted grants received from various sources.

##### Reserves Policy

The Board seeks to maintain a reserve of between three and six months of operational costs (excluding those directly associated with membership recruitment, fundraising and activities funded from restricted funds). On the basis of these accounts this would require an unrestricted reserve of between £58,766 and £117,532 at the end of 2012.

The results for the year are set out on page 8 of the Accounts. The Board notes that the level of reserves held at year end was sufficient to meet the desired levels, but will seek to work towards restoring the level of reserves held further.

## FRIENDS OF THE EARTH (SCOTLAND) LIMITED

### Report of the Board for the Year Ended 31st December 2012 (continued)

#### Statement of Board Responsibilities

The Board are responsible for preparing the Annual 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 Board to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Board are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in operation.

The Board 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 Industrial & Provident Societies Acts 1665 to 2002, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They 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.

#### Statement of Disclosure to the Auditor

In so far as the Board are aware:

- there is no relevant audit information of which the charitable company's auditors is unaware; and
- the Board 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.

Approved by the Board and signed on its behalf by:



Matthew Crighton  
Chairperson  
20th May 2013

## **FRIENDS OF THE EARTH (SCOTLAND) LIMITED**

### **Independent Auditors' Report to the Members of Friends of the Earth (Scotland) Limited**

We have audited the financial statements of Friends of the Earth (Scotland) Limited for the year ended 31st December 2012 set out on pages 8 to 16 and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the society's members, as a body, in accordance with Section 9 of the Friendly and Industrial and Provident Societies Act 1968. Our audit work has been undertaken so that we might state to the society's members 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 society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of the Members and auditors**

As explained more fully in the Statement of Board's Responsibilities set out on page 5, the members are responsible for the preparation of 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 Charity and Trustee Investment (Scotland) Act 2005 and under the Industrial and Provident Societies Acts 1965 to 2002 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 APB'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 31st 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; and
- have been prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).



## **FRIENDS OF THE EARTH (SCOTLAND) LIMITED**

Independent Auditors' Report to the Members of Friends of the Earth (Scotland) Limited (continued)

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

In our opinion the information given in the Board's Annual 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, the Industrial and Provident Societies Acts 1965 to 2002 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 board members' remuneration specified by law are not made; or
- we have not received all the information and explanations we need for our audit; or
- the board 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 Boards' Annual Report.



Alan Mitchell (Senior Statutory Auditor)  
for and on behalf of Thomson Cooper, Statutory Auditor  
Accountants  
Dunfermline

20th May 2013

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

**FRIENDS OF THE EARTH (SCOTLAND) LIMITED**

**Statement of Financial Activities (Including Income & Expenditure Account)**  
**For the Year Ended 31st December 2012**

	<u>Notes</u>	<u>Unrestricted</u> <u>General</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total Funds</u> <u>2012</u> £	<u>Total Funds</u> <u>2011</u> £
<b>Incoming Resources</b>					
<b>Incoming resources from generated funds:</b>					
<i>Voluntary income:</i>					
Subscriptions, donations, appeals and legacies	4	236,214	7,095	243,309	241,297
Cancellation of shares		118	-	118	103
<i>Activities for generating funds:</i>					
Sales and fees earned		5,125	6,114	11,239	22,769
Fundraising activities		10,045	5,542	15,587	14,621
<i>Investment income:</i>					
Bank Interest		75	-	75	493
<b>Income resources from charitable activities:</b>					
Grants receivable	5	-	70,293	70,293	77,880
<b>Total Incoming Resources</b>		<b>251,577</b>	<b>89,044</b>	<b>340,621</b>	<b>357,163</b>
<b>Resources Expended</b>					
<b>Charitable Activities</b>					
Direct charitable expenditure	6	246,271	90,315	336,586	470,352
<b>Governance Costs</b>					
Management & administration	6	7,900	384	8,284	8,117
		254,171	90,699	344,870	478,469
<b>Net incoming/(outgoing) resources</b>		<b>(2,594)</b>	<b>(1,655)</b>	<b>(4,249)</b>	<b>(121,306)</b>
<b>Transfers between funds</b>	12	(6,188)	6,188	-	-
<b>Net movement of funds</b>		<b>(8,782)</b>	<b>4,533</b>	<b>(4,249)</b>	<b>(121,306)</b>
<b>Reconciliation of Funds</b>					
Total funds brought forward		69,100	28,723	97,823	219,129
Net movement for the year		(8,782)	4,533	(4,249)	(121,306)
		60,318	33,256	93,574	97,823
Share capital	11	3,100	-	3,100	3,218
<b>Total funds carried forward</b>		<b>63,418</b>	<b>33,256</b>	<b>96,674</b>	<b>101,041</b>

The Statement of Financial Activities includes all gains and losses recognised in the year, and all incoming resources and resources expended derive from continuing operations.

The notes on page 10 to 16 form part of these financial statements

# FRIENDS OF THE EARTH (SCOTLAND) LIMITED

## Balance Sheet

As at 31st December 2012

	Notes	<u>2012</u> £	<u>2011</u> £
<b>Fixed Assets</b>			
Tangible fixed assets	8	<u>5,671</u>	<u>7,089</u>
<b>Current Assets</b>			
Debtors	9	55,676	22,856
Cash at bank and in hand		<u>47,509</u>	<u>83,870</u>
		<u>103,185</u>	<u>106,726</u>
<b>Creditors</b>			
Amounts falling due within one year	10	(12,182)	(12,774)
<b>Net Current Assets</b>		<u>91,003</u>	<u>93,952</u>
<b>Total Net Assets</b>		<u>96,674</u>	<u>101,041</u>
<b>Capital and Reserves</b>			
<b>Share Capital</b>	11	<u>3,100</u>	<u>3,218</u>
<b>Accumulated Funds</b>			
Unrestricted General Funds		60,318	69,100
Restricted Funds	12	<u>33,256</u>	<u>28,723</u>
		<u>93,574</u>	<u>97,823</u>
		<u>96,674</u>	<u>101,041</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board on 20th May 2013.



Matthew Crighton  
Chairperson



Elaine Macadie  
Treasurer

The notes on pages 10 to 16 form part of these accounts

# FRIENDS OF THE EARTH (SCOTLAND) LIMITED

## Notes to the Accounts For the Year Ended 31st December 2012

### 1. Accounting Policies

#### *(a) Accounting Convention*

The accounts are prepared under the historical cost convention in accordance with applicable accounting standards, the Financial Reporting Standard for Smaller Entities (effective April 2008), and the Statement of Recommended Practice – Accounting and Reporting by Charities issued in March 2005.

#### *(b) Fund Accounting*

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

Restricted funds are funds which are to be used in accordance with specific instructions imposed upon amounts received.

#### *(c) Incoming Resources*

All incoming resources are recognised in the year to which they relate, when there is sufficient evidence to provide the necessary certainty that the income will be received and the value of the incoming resources can be measured with sufficient reliability.

#### *(d) Resources Expended*

Expenditure is recognised on an accruals basis as a liability is incurred, and has been allocated on the basis of the extent to which staff were directly engaged in each activity during the year.

Cost of generating funds comprise costs that are directly linked to the cost of generating voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the costs linked to the strategic management of the charity.

#### *(e) Tangible Fixed Assets and Depreciation*

Fixed assets are included in the balance sheet at cost. Depreciation is calculated so as to write off the cost of fixed assets over the expected useful lives of the assets concerned as follows:

Office Equipment	20% on a reducing balance basis
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#### *(f) Operating Leases*

The total cost of assets held under operating leases is charged to the profit and loss account as they fall due.

#### *(g) VAT*

The charity is partially registered for VAT and accordingly, VAT that has been recovered is shown separately and netted off against total expenditure.

# FRIENDS OF THE EARTH (SCOTLAND) LIMITED

## Notes to the Accounts For the Year Ended 31st December 2012

### 1. Accounting Policies (continued)

#### *(h) Pensions*

The charity operates a defined contributions scheme administered by an insurance company as a stakeholder scheme. Contributions are charged to the income and expenditure account as they become payable in accordance with FRS17. During the year 5 (2011 – 6) employees were members of the scheme.

### 2. Taxation

As the company is recognised by the Inland Revenue as a charity, there is no liability to taxation.

### 3. Operating Surplus

	2012 £	2011 £
Operating surplus is stated after charging:		
Auditor's Remuneration	4,500	4,200
Depreciation	1,418	1,772

### 4. Subscriptions, Donations, Appeals and Legacies

	2012 £	2011 £
Membership subscriptions	200,647	214,348
Donations and appeals	42,662	25,949
Legacies	-	1,000
	<u>243,309</u>	<u>241,297</u>

### 5. Grants Receivable

	2012 £	2011 £
Unrestricted General Fund :		
Other grant income	-	-
	<u>-</u>	<u>-</u>
Restricted Funds :		
Grant income	70,293	77,880
	<u>70,293</u>	<u>77,880</u>

## FRIENDS OF THE EARTH (SCOTLAND) LIMITED

### Notes to the Accounts For the Year Ended 31st December 2012

#### 6. Total Resources Expended

	Charitable Expenditure £	Governance costs £	Total 2012 £	Total 2011 £
Staff costs (Note 7)	229,586	-	229,586	307,513
Payments to volunteers	1,017	-	1,017	3,190
Telephone, fax & internet	838	-	838	599
Postage & couriers	2,055	-	2,055	2,585
Membership recruitment costs	8,941	-	8,941	25,474
Travel expenses	1,372	-	1,372	7,356
Design, printing & stationery	9,916	-	9,916	16,535
Recruitment & training	5,867	-	5,867	9,594
Board expenses	-	2,257	2,257	2,167
Events & fundraising	10,166	-	10,166	10,325
Audit fees	-	4,500	4,500	4,200
Professional fees	9,433	-	9,433	3,616
IT & strategic review	1,763	-	1,763	1,149
Website maintenance	1,006	-	1,006	5,292
Property costs	28,015	-	28,015	39,932
Insurance	3,781	-	3,781	3,389
Affiliation & subscriptions	10,674	-	10,674	11,950
Bank charges	-	1,527	1,527	1,750
Bad debts	22	-	22	-
Depreciation	1,418	-	1,418	1,772
Equipment	6,810	-	6,810	7,977
Recovery of Input VAT	3,906	-	3,906	9,374
Compensation payments	-	-	-	2,730
	<u>336,586</u>	<u>8,284</u>	<u>344,870</u>	<u>478,469</u>

#### 7. Staff Costs

	2012	2011
The average number of employees of the charity was:	8	15
	£	£
The aggregate remuneration and associated costs of the company was:		
Wages & salaries	206,307	274,189
National Insurance costs	16,311	23,154
Pension costs	6,361	8,564
Other insurances costs	607	1,606
	<u>229,586</u>	<u>307,513</u>

No employee received emoluments in excess of £60,000 during the year (2011 – nil).

No travel or other expense payments were made to Board members in either the current or prior year.

**FRIENDS OF THE EARTH (SCOTLAND) LIMITED**

**Notes to the Accounts**  
**For the Year Ended 31st December 2012**

**8. Tangible Fixed Assets**

	Office Equipment £	Total £
<i>Cost</i>		
At 1st January 2012	25,919	25,919
Additions	-	-
Disposals	-	-
At 31st December 2012	<u>25,919</u>	<u>25,919</u>
<i>Depreciation</i>		
At 1st January 2012	18,830	18,830
Disposals	-	-
Charge for the Year	<u>1,418</u>	<u>1,418</u>
At 31st December 2012	<u>20,248</u>	<u>20,248</u>
<i>Net Book Value</i>		
At 31st December 2012	<u>5,671</u>	<u>5,671</u>
At 31st December 2011	<u>7,089</u>	<u>7,089</u>

**9. Debtors and Prepayments**

	2012 £	2011 £
Trade debtors	995	400
Accrued income	49,725	17,161
Prepayments	3,506	4,015
Other debtors	1,450	1,280
	<u>55,676</u>	<u>22,856</u>

**10. Creditors Falling Due Within One Year**

	2012 £	2011 £
Trade creditors	4,907	2,742
Accruals	4,500	4,200
Taxes and social security	2,316	5,793
Other creditors	459	39
	<u>12,182</u>	<u>12,774</u>

## FRIENDS OF THE EARTH (SCOTLAND) LIMITED

### Notes to the Accounts For the Year Ended 31st December 2012

#### 11. Share Capital

	£
Share in issue as at 1st January 2012	3,218
Shares issued during the year	84
Shares cancelled on members leaving	(202)
Shares in issue as at 31st December 2012	3,100

#### 12. Restricted Funds

	Balance 01/01/12	Movement in Resources		Transfers	Balance 31/12/12
	£	Incoming £	Outgoing £	£	£
Access to Environmental Justice	11,859	999	12,858	-	-
Big Ask 2010	4,053	-	4,053	-	-
SKILL	(1,799)	1,078	435	1,156	-
Fuel Poverty	(6,042)	1,457	-	4,585	-
Environmental Justice Outreach	2,451	-	2,000	(451)	-
COAL (ECF)	13,201	-	12,684	(517)	-
Fracking	5,000	4,632	9,632	-	-
Banking Reform	-	17,752	17,752	-	-
Biomass	-	2,500	3,915	1,415	-
Corporate Accountability	-	13,186	8,074	-	5,112
Access to Environmental Justice (Esmee Fairbairn)	-	47,440	19,296	-	28,144
	28,723	89,044	90,699	6,188	33,256

Figures in brackets in either 'balance' column represent expenditures made in advance of agreed grants, or in anticipation of grants being paid.



## FRIENDS OF THE EARTH (SCOTLAND) LIMITED

### Notes to the Accounts For the Year Ended 31st December 2012

#### 12. Restricted Funds (continued)

All transfers for the year relate to Restricted Funds that are no longer active, and for which the correct total expenditure has not been recorded in the previous years, leaving various surplus and deficits on the funds. The directors are of the opinion that no amounts are repayable to the relevant funders as any surpluses transferred relate to under recorded expenditure, which has been over recorded within Unrestricted Funds, rather than surplus cash balances left over.

All restricted funds are funded by grants receivable, and comprise the following :

Access to Environmental Justice	Funded by the Esmee Fairbairn Foundation. To deliver improved implementation of the Aarhus Convention on Access to Justice on Environmental Matters
Big Ask 2010	Funded by FoE Europe, to share the Scottish example of the Climate Change Act and 42% target with other FoE groups in Europe and to monitor delivery of the Scottish act
SKILL (Sharing Knowledge, Information and Learning Locally)	Funded by APE UK, Awards for All and others. To strengthen our local groups and activists network, to share our reports at a community level, to encourage communities to resist unsustainable energy developments and support renewables
Fuel Poverty	Funded by the Robertson Trust and FoE Europe. To work with older people to disseminate information about schemes available to help tackle fuel poverty, to promote energy efficiency, and to work at a UK and Scottish Government level to improve regulations enabling people to make energy efficiency improvements to their homes
Environmental Justice Outreach	Project funded by the Patagonia Trust to carry out Environmental Justice work with local communities
COAL (ECF)	Project funded by European Climate Foundation. To continue work to encourage Scotland to become an exemplar for the rest of Europe on delivering a low-carbon energy system
Fracking	Funding from the Patagonia Trust to work on public campaigning and grassroots activism in relation to hydraulic fracturing (fracking) issues in Stirlingshire and local communities
Banking Reform	Individual donations to run the Just Banking conference looking at alternative ways of restructuring the finance system
Biomass	Funded by the Craignish Trust. FoES worked with Biofuels Watch to block proposals for large scale biomass plants at Dundee, Grangemouth and Rosyth, and to challenge government proposals for tax subsidies in support of unsustainable biomass.
Corporate Accountability	Funded by from the Isvara Foundation to highlight the role of RBS and Cairn Energy in environmental impacts overseas.
Access to Environmental Justice (Esmee Fairbairn)	Funded by the Esmee Fairbairn Foundation to increase community access to justice in planning and other environmental decision making including investigating and promoting the role of specialist environmental courts and tribunals.

**FRIENDS OF THE EARTH (SCOTLAND) LIMITED**

**Notes to the Accounts**  
**For the Year Ended 31st December 2012**

**13. Analysis of Assets Between Funds**

	Unrestricted General Funds £	Unrestricted Designated Funds £	Restricted Funds £	Total Funds £
Fixed assets	5,671	-	-	5,671
Debtors	54,633	-	1,043	55,676
Bank and cash	14,969	-	32,540	47,509
Creditors	(11,855)	-	(327)	(12,182)
	<u>63,418</u>	<u>-</u>	<u>33,256</u>	<u>96,674</u>

**14. Operating Leases**

The company has the following annual commitments under Non-cancellable operating leases expiring:	2012 £	2011 £
Land & Buildings Over five years	<u>21,447</u>	<u>36,732</u>
Other Between the second and fifth years	<u>3,744</u>	<u>2,652</u>