

**THE RIDGE SCIO**  
**CONSOLIDATED REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 March 2021**

**Scottish Charity No: SC047116**

**Whitelaw Wells**  
**Chartered Accountants**

**GLASGOW**

**EDINBURGH**

**NORTH BERWICK**

## THE RIDGE SCIO

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**THE RIDGE SCIO**  
**Year ended 31 March 2021**  
**Trustees' Annual Report**

The Trustees have pleasure in presenting their report and financial statements for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS102 (effective 1 January 2019).

### **OBJECTIVE AND ACTIVITIES**

The Ridge SCIO's charitable purpose is to benefit the community of Dunbar and East Linton Electoral Ward with the following objects:

- a. Provision of locally-accessible support and training to disadvantaged people, with a view to improving their life chances, in particular (where appropriate) through support into employment
- b. Provision of support and empowerment to those struggling to access adequate life skills. This includes accessing cooking healthy food and benefitting from community gardening.
- c. Restoring derelict or dilapidated land and buildings for uses which benefit the community and to deliver training in traditional construction skills.

The charity advances these areas through the work of our Support Team, our Garden Team, a range of Food Projects, and our trading subsidiary The Ridge Foundations Community Interest Company (CIC) (hereafter referred to as TRS) which is a construction company focused on training in traditional construction skills and undertaking building and restoration contracts in the local community.

### **Volunteers**

Volunteers continue to have a significant impact on The Ridge's operations in particular in regard to the transformations performed in both the Backlands/Sanctuary Gardens and the Empire Close, where they are adding their own ideas for development. Without their generous contribution of time, skills, energy and enthusiasm, The Ridge would not have achieved a fraction of what it has this year. We are truly grateful to each and every one for their invaluable input.

### **ACHIEVEMENTS AND PERFORMANCE**

Although many direct activities with beneficiaries were strongly inhibited by the Covid-19 pandemic this year, The Ridge has succeeded in finding ways to provide ongoing support to local people. It has also been possible to focus on development of plans for a range of capital projects, which will enhance The Ridge's capacity to provide support and opportunities locally, both through ultimate end uses and through the process of development itself.

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**ACHIEVEMENTS AND PERFORMANCE (cont)**

During the extremes of lockdown a small core team maintained and tended the Backlands Garden site. Although it saddened us greatly to work behind closed gates we were able to continue to support our local community by supplying our local Community grocer and local foodbank with fresh produce. When we were able to do so we used the Backlands Gardens site as a base for our Support team to meet with their clients and as more time passed we have been able to open it again for volunteering opportunities providing much needed social connection for some of the most vulnerable members of our community.

During this time we also began working on a new community garden site at Empire Close. This much bigger site allowed us to create safe working and volunteering opportunities during COVID. A hardy team of committed and passionate volunteers worked tirelessly to transform what was derelict wasteland into a productive growing space. Subsequently, we have increased our produce supply to the grocers and now also supply two florists with blooms from our new space.

The same sources provided ingredients for 'Sunny Soups'. Although we were unable to run this project with our volunteers or indeed stock it in our community centre based free freezer we continued with the project and delivered the soup to community members during COVID. We know from feedback that this was vital lifeline for some households especially during the dark winter months.

We developed a Counselling service that we rolled out initially at the start of the first lock down and we have successfully sourced funding to continue with this provision. This is an online or telephone service depending on what the client chooses. Clients are referred internally from our Support team and to date we have provided vital and effective therapy to 24 individuals.

The Support Team's work was impacted hugely by the pandemic, moving from a face to face service to wholly online for part of the year. We took the opportunities for a blended approach when we could to reduce the isolating effects of lockdown on our clients. The shift to a digital service was not easy but was made possible by funding that allowed us to purchase appropriate technology and connectivity for staff and clients. We worked closely with the local Community Resilience group to ensure that no-one was put at unnecessary risk of crisis due to the lockdowns or indeed COVID itself. We have been advised by our Local Authority that there were times that we were the only service continuing to operate. This is borne out by the number of new referrals accessing our service totalling over 100. We also signed up 9 new clients to our ESF funded Routes to Work programme.

We have aspirations for the coming year to create and deliver a Co-ordinated Community Crisis Support Pilot.

Various capital projects have been undertaken/continued, with provision of skills training opportunities integral to each. There have been challenges to providing on-site opportunities, during Covid

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**ACHIEVEMENTS AND PERFORMANCE (cont)**

Black Bull Close, 72/74 High Street, Dunbar

Plans for the Black Bull Close buildings have been under development since 2016, with Planning Permission and Building Warrant in place. The Community Asset Transfer (CAT) of Black Bull Close and the Backlands Garden from East Lothian Council is all-but complete, with final legal issues to be resolved in Q3 2021. The Scottish Land Fund has awarded funds to enable the purchase.

Over this past year, despite the challenges brought by the Covid-19 pandemic, work has continued to refine plans, and to renovate parts of the Black Bull Close buildings. Restoration of 'Building 4' has been overseen (and largely funded) by Historic Environment Scotland, as a demonstration project, exploring and showcasing the scope for traditional materials, techniques and skills to be deployed to restore an historic building for contemporary uses. It is close to completion and is in use for a joinery training workshop and meeting space. Mains water, electricity and telecoms services conduit were laid through the Close. The planned restoration project of the whole Close requires substantial funding to be secured, which was also paused by the pandemic. Work to source this funding is once again underway.

Ruined buildings adjoining Black Bull Close

Two ruined buildings adjoining Black Bull Close were cleared of rubble and work was undertaken by TRF to stabilise the remaining masonry walls. Planning permission was granted for Class 2 therapy rooms and two holiday flats.

Value Shop, 88 High Street, Dunbar

In December 2020, The Ridge purchased a shop investment, with development potential, at 88 High Street, Dunbar. The purchase price was funded by a loan from Social Investment Scotland, with the balance and associated purchase costs being funded by a donation. The shop is currently let until mid 2024.

Ownership opens the opportunity to acquire two additional derelict flats above the front portion of the shop; and to carry out a redevelopment to create a refurbished shop and 6 to 9 residential units. The redevelopment will be funded separately, through grants and donations, with the possibility of a further loan.

The proposal meets The Ridge charitable purposes by:

- Creating a training opportunity for The Ridge Foundations' construction team;
- Providing residential units which could be let to people supported by The Ridge;
- Providing a longer term income flow, which would contribute to the core costs of running The Ridge.

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**Year ended 31 March 2021**  
**Trustees' Annual Report**

**ACHIEVEMENTS AND PERFORMANCE (cont)**

Empire Close, rear of 40-44 High Street, Dunbar

Empire Close is the site of a former cinema, which has lain unused for decades. The Ridge has a licence to occupy from East Lothian Council and has started providing vocational training in rural skills, stonemasonry and carpentry, for secondary age schoolchildren, who can achieve a National Certificate (Rural Skills) or National Progression Award (Construction Craft Technician) at Level 4. The site has been laid out with garden space, masonry banker units and composting toilets.

Plans to develop the historic Fairbairns Land site as a Skills Training Centre were well underway when the owner suddenly withdrew from the agreed sale. Attention has transferred to Empire Close and The Ridge is working up a proposal for a newbuild joinery workshop to add to the garden and masonry training space.

The training will be provided through TRF; with Empire Close to potentially be a model for a national network of similar community-based training centres.

Restructuring

The Ridge SCIO had set the goal of completing the restructuring process during this financial year. With the exception of final legal closure of The Ridge (Scotland) CIC (relating to the TRS being the leaseholder on the Backlands/Black Bull Close site, subject of the delayed CAT process), this aim was realised, with all activities, projects and staff fully migrated from the redundant CIC, and the relationship between The Ridge SCIO and The Ridge Foundations CIC (as a wholly-owned trading subsidiary) established and functioning smoothly.

The Ridge SCIO realised its stated intention to put Health and Safety at the heart of all our activities, with a complete overhaul of policies, procedures and practices, with a consultant employed to undertake this vital work, and ensuring that all staff received the necessary training to carry it forward to the frontline of delivery.

The sizeable grants provided from many quarters in response to the Covid-19 pandemic, including the Government's Furlough scheme, and some very generous donations, meant that our income target of £280K was exceeded by some way, with actual income totalling £500K. This meant that not only were all staff able to continue working (largely from home), adapting and enhancing our provision to support our community at a time of crisis, but we were also able to support The Ridge Foundations CIC to bring trainees back to work under Covid-safe conditions, at a point when isolation and loss of structure was beginning to take a significant toll.

**Impact of COVID**

As for many organisations, the lockdown resulting from the COVID pandemic has had a significant impact on The Ridge SCIO. Zoom/SKYPE Trustee meetings became the norm, and allowed us to ensure proper oversight and discussion of operations. The Support Team had moved to delivery of a telephone service, and The Ridge was looked to as a key player in the community response group.

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**FINANCIAL REVIEW**

The group generated a surplus for the year of £140,508 (2020: £20,698). The total income amounted to £715,789 (2020: £413,652), of which £296,149 (2020: £106,345) was related to restricted projects and £419,640 (2020: £307,307) to unrestricted projects.

At the balance sheet date the unrestricted reserves of the group were in deficit of £23,184 (2020: surplus of £6,947), with £189,200 (2020: £18,561) in restricted funds. Total reserves were therefore £166,016 (2020: £25,508).

**Risk management**

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustees monitor the organisational risk register throughout the year, evaluating each risk according to its probability and severity and identifying mitigating actions where appropriate. They are satisfied that systems are in place to mitigate exposure to the major risks.

Following a recent review of the major risks identified for The Ridge, the Trustees have agreed that the principle strategic risks are:

- Ensuring a long term Strategic Plan is in place.
- Ensuring a good working environment for the team, supporting working as a team and ensuring appropriate workloads.
- Ensuring health and safety risks are minimised.

As such the Trustees have agreed that the Board focus for 2021-22 should be:

- Strategic Plan, to include, identification of activities; staffing; and funding.
- Support team working, to include place of work; and protection of out-of-work time.
- Review of Trustee appointments; and appointment of a Secretary.
- Health and Safety Risk assessments to become second nature to TRF, support and garden teams.
- Brand values and social media policy.

and will be addressing these issues as the year progresses

**Reserves policy**

The group wishes to follow best practice and build up free reserves to a level that would cover 2 months operating costs which is around £60,000. At the balance sheet date, free reserves, being unrestricted funds not tied up in fixed assets, were £111,311 in deficit (2020: £20,192 in deficit). This is made up of unrestricted reserves of a deficit of £19,716 (2020: surplus of £6,947) less fixed assets of £88,127 (2020: £27,139). Restricted Reserves at 31 March 2021 were £189,200 (2020: £18,561). The Trustees have agreed to target creation of this reserve over a 2-3 year period and have approved the setting up of a separate reserve bank account with an initial £30,000 balance.

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**PLANS FOR FUTURE PERIODS**

Black Bull Close

It is hoped that this coming year will see the fruition of carefully-laid plans for Black Bull Close, with the North Side being the current focus. This will include the restoration of the historic ruins, to house a dance studio and training room/events space, as well as training kitchen, stairs and lift. New-build elements will at last provide a much-needed home for The Ridge's own Support Team, with capacity for co-location with many of our partner agencies, enabling the fuller/more effective delivery of services across a full spectrum of supports to the local community.

The dance studio will be housed temporarily in the completed 'Building 4' of the South Side of the Close, with the ground floor joinery workshop in use to deliver National Progression Award training to school pupils from across the county, as part of their introduction to the world of Construction, in particular traditional skills.

Fleshers Close

Adjacent to the Black Bull Close, Fleshers Close is another set of ruined C18th buildings, which having been cleared and partially consolidated this year, will hopefully begin their journey towards restoration and repurposing during this year. Dunbar has been awarded c£1.4M of Conservation Area Regeneration Scheme funding, with Fleshers Close identified as a 'priority project' within this. Match funding will need to be raised, to allow the creation of two therapeutic spaces, with residential holiday lets above, which will allow The Ridge to generate much-needed income into the future, whilst meeting the increasing need for this sort of accommodation locally.

Value Shop site

Similarly designated as a CARS priority project, the main proposed restoration works are comprehensive, and cannot get fully underway until 2025, when the current tenant's lease has expired. In the meantime, it is hoped that we will be able to clear out the redundant flats above the shop, and to record the historic buildings in full.

Empire Close

The large wasteground site, further along the High Street, was once linked to the Backlands by the 'Monks' Walk' which runs along the bottom of the backland riggs. The restoration of this historic walk is also a CARS priority project, and we would expect plans to be developed this year. Within the garden site itself, we will continue to develop the community/training garden, and plans for the creation of the newbuild Traditional Skills Training Centre. National Progression Award training in Stonemasonry will continue in the outdoor 'banker' workshop within the Close.

The CARS will not only support some of The Ridge's own capital projects. It will also potentially create opportunities for The Ridge Foundations to be the contractors carrying out restoration works on other buildings in the Conservation Area. In addition, there will be training opportunities to be offered as part of the scheme, which it is likely The Ridge will be involved in facilitating, creating further opportunities to develop skills locally and to generate sustaining income for The Ridge in the process.



**THE RIDGE SCIO**  
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**PLANS FOR FUTURE PERIODS (cont)**

Training

As outlined above, The Ridge offers National Progression Awards in Construction Skills to school pupils. National Certificates in Rural Skills are similarly offered.

This year it is hoped that further adult training opportunities may be developed in traditional skills, as part of the CARS, and also in wider collaboration with HES. This latter delivery is likely to focus on employability, aiming to support local people into employment in the sector, thus tapping into 2 areas of Ridge focus and expertise.

The ongoing development of the Traditional Skills Training Centre concept will see us exploring with East Lothian Works, Edinburgh College and others, the demand and potential for development of other strands of training, including Hospitality, Events Management and Care.

There continues to be strong interest in 'The Ridge Model', with discussions likely to be ongoing around how other communities and organisations can learn from our experience and adapt it to suit their own local needs and opportunities.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Document**

The charity is a Scottish Charitable Incorporated Organisation (SCIO). It was registered on 25 January 2017. It has a two tier structure and as such the trustees are the members of the charity. The charity is governed by its constitution.

**Recruitment and Appointment of Trustees and Management Committee**

Trustees are appointed by the Board or elected by ordinary members at the AGM. One third of member trustees retire from office at each AGM and are eligible for re-election. Co-opted trustees are appointed by the Board. Trustees are selected for appointment based on a proven track record of working and skills required to assist the board. The selection of trustees reflects the charity's commitment to equal opportunities and inclusiveness.

**Induction and Training of Trustees**

All new Trustees undergo a full induction programme and are provided with an induction pack. All Trustees receive regular written briefings and informal training through meetings, discussions and attendance at workshops, seminars and conferences.

**Organisational Structure**

A big structural change in the previous year for the organisation has been the alterations to The Ridge Foundations' (TRF) structure, which have culminated in TRF becoming a direct subsidiary of The Ridge SCIO, with appointed Directors and The SCIO being sole member. This change was approved by both The Ridge SCIO and TRF boards, enabling a more direct operational oversight, financial transparency and a more connected strategy. The dissolution of the Ridge (Scotland) CIC and absorption of its projects/functions, and the separation of The Ridge Café CIC are reflected in the revised Constitution.

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**STRUCTURE, GOVERNANCE AND MANAGEMENT (cont)**

The management committee consists of the charity's trustees and meets every 2-3 months. The day-to-day operation of the Trust is delegated to the Managing Director, who implements, on behalf of the Trustees, their policies and strategy and gives direction and support to the staff team.

**Pay Policy for Senior Staff**

The Trustees review senior staff pay rates by comparing salaries with similar posts in other organisations in the sector.

**Related Parties**

The Ridge SCIO is the parent undertaking of the group, The Ridge SCIO has one subsidiary, The Ridge Foundations CIC, a construction services company.

A daughter of one of the Trustees provides admin support to the charity.

**THE RIDGE SCIO**  
**Year ended 31 March 2021**  
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**Reference and Administrative Information**

<b>Charity Name</b>	The Ridge SCIO	
<b>Charity Number</b>	SC047116	
<b>Trustees</b>	Stephen Killeen (chair) John Irvine Daniel Kelly Robert Bisset Siobhan Dunn Liam Ross Mark Ireland (resigned 8 April 2021) Heather Blackwood (appointed 30 September 2020)	
<b>Key Management Personnel</b>	Kate Darrah Margaret McCole	Managing Director Director of Services
<b>Principal Office and Registered Address</b>	40A High Street Dunbar East Lothian EH42 1JX	
<b>Statutory Auditor</b>	Whitelaw Wells Chartered Accountants 9 Ainslie Place Edinburgh EH3 6AT	
<b>Bankers</b>	The Co-Operative Bank Delf House Southway Skelmersdale Lancashire WN8 6NY	

**THE RIDGE SCIO**  
**Year ended 31 March 2021**  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**Trustees' responsibilities in relation to the financial statements**

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the SCIO at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the trustees 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 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 Association will continue in business.

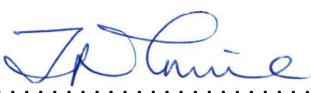
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the SCIO and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the SCIO's constitution. They are also responsible for safeguarding the assets of the SCIO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the SCIO and financial information included on the SCIO's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Statement as to disclosure of information to auditors**

So far as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware, and each trustee has taken all the steps they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by the trustees on 10 November 2021 and signed on their behalf by:-



.....  
John Irvine  
Trustee

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF  
THE RIDGE SCIO  
FOR THE YEAR ENDED 31 MARCH 2021**

**Opinion on financial statements**

We have audited the consolidated financial statements of The Ridge SCIO and its subsidiary (the 'group') for the year ended 31 March 2021, which comprise the Consolidated and Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Accounting Generally Accepted Accounting Practice).

**Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charity's affairs as at 31 March 2021 and of its income or 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 requirements of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Comparative financial statements**

In the previous year, the charity took advantage of audit exemption. Therefore the comparatives are unaudited.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF  
THE RIDGE SCIO  
FOR THE YEAR ENDED 31 MARCH 2021**

**Other information**

The other information comprises the information in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities and Trustees Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' annual report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 12, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF  
THE RIDGE SCIO  
FOR THE YEAR ENDED 31 MARCH 2021**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error.

From enquiries of those charged with governance, it was determined that the risk of material misstatement from fraud was low with little scope for fraud to occur. Our audit testing is designed to detect material misstatements from fraud where there is not high level collusion.

Our audit testing was designed to detect material misstatements from other irregularities that result from error where there is not high level concealment of the error. In this regard the following audit work was undertaken: applicable laws and regulations were reviewed and discussed with management; senior management meeting minutes were reviewed; internal controls were reviewed; and journals were reviewed. From this audit testing it was determined that the risk of material misstatement in this regard was low.

We tested a sample of income and expenditure transactions designed to identify any irregularities as a result of simple mistakes or human error. From this audit testing it was determined that the risk of material misstatement in this regard was low.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF  
THE RIDGE SCIO  
FOR THE YEAR ENDED 31 MARCH 2021**

**Use of our report**

This report is made solely to the charity's members and trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's 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 and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Whitelaw Wells**  
Statutory Auditor  
9 Ainslie Place  
Edinburgh  
EH3 6AT

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

10 November 2021



**THE RIDGE SCIO**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING  
INCOME AND EXPENDITURE ACCOUNT**

**For the year ended 31 March 2021**

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
<b>Income and endowments from:</b>					
Donations and legacies	3	80,891	13,870	94,761	36,538
Charitable activities:					
Grants	4	105,189	282,279	387,468	103,878
Other charitable activities	4	40,322	-	40,322	2,860
Other trading activities:					
Rental Income		4,644	-	4,644	-
<b>Total</b>		<u>231,046</u>	<u>296,149</u>	<u>527,195</u>	<u>143,276</u>
<b>Expenditure on:</b>					
Charitable activities	6	263,271	129,067	392,338	123,819
<b>Total Expenditure</b>		<u>263,271</u>	<u>129,067</u>	<u>392,338</u>	<u>123,819</u>
<b>Net income</b>		(32,225)	167,082	134,857	19,457
Transfers between funds		(3,557)	3,557	-	-
Net movement in funds		(35,782)	170,639	134,857	19,457
<b>Reconciliation of funds:</b>					
Total funds brought forward		5,647	18,561	24,208	4,751
<b>Total funds carried forward</b>		<u>(30,135)</u>	<u>189,200</u>	<u>159,065</u>	<u>24,208</u>

The charity has no recognised gains and losses other than the results for the year as set out above

All the results of the charity are classed as continuing.

The notes on pages 23 to 44 form part of these Financial Statements

**THE RIDGE SCIO**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**

**For the year ended 31 March 2021**

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
<b>Income and endowments from:</b>					
Donations and legacies	3	94,493	13,870	108,363	61,733
Charitable activities:					
Grants	4	222,408	282,279	504,687	264,665
Other charitable activities	4	34,322	-	34,322	360
Other trading activities:					
Rental Income		4,644	-	4,644	-
Construction services		63,773	-	63,773	86,894
<b>Total</b>		<u>419,640</u>	<u>296,149</u>	<u>715,789</u>	<u>413,652</u>
<b>Expenditure on:</b>					
Charitable activities	6	446,214	129,067	575,281	392,954
<b>Total Expenditure</b>		<u>446,214</u>	<u>129,067</u>	<u>575,281</u>	<u>392,954</u>
<b>Net income</b>		(26,574)	167,082	140,508	20,698
Transfers between funds		(3,557)	3,557	-	-
Net movement in funds		(30,131)	170,639	140,508	20,698
<b>Reconciliation of funds:</b>					
Total funds brought forward		6,947	18,561	25,508	4,810
<b>Total funds carried forward</b>		<u>(23,184)</u>	<u>189,200</u>	<u>166,016</u>	<u>25,508</u>

The charity has no recognised gains and losses other than the results for the year as set out above.

All the results of the charity are classed as continuing.

The notes on pages 23 to 44 form part of these Financial Statements

THE RIDGE SCIO

BALANCE SHEET

As at 31 March 2021

	Notes	£	2021 £	£	2020 £
<b>Fixed assets</b>					
Tangible assets	8		123,120		18,120
			<hr/>		<hr/>
			123,120		18,120
<b>Current assets</b>					
Debtors	10	5,590		12,752	
Cash at bank and in hand		136,606		220	
		<hr/>		<hr/>	
		142,196		12,972	
<b>Creditors: amounts falling due within one year</b>	11	(13,607)		(6,884)	
		<hr/>		<hr/>	
<b>Net current assets</b>			128,589		6,088
<b>Creditors: amounts falling due after one year</b>	12		(92,644)		-
			<hr/>		<hr/>
<b>Total net assets</b>			159,065		24,208
			<hr/> <hr/>		<hr/> <hr/>
<b>The funds of the charity</b>					
Unrestricted funds	14		(30,135)		5,647
Restricted funds	14		189,200		18,561
			<hr/>		<hr/>
			159,065		24,208
			<hr/> <hr/>		<hr/> <hr/>

The financial statements were approved by the trustees on 10 November 2021 and signed on their behalf by John Irvine



The notes on pages 23 to 44 form part of these Financial Statements

**THE RIDGE SCIO**  
**CONSOLIDATED BALANCE SHEET**

**As at 31 March 2021**

		<b>2021</b>		<b>2020</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	8		131,027		27,139
			131,027		27,139
<b>Current assets</b>					
Debtors	10	13,348		17,437	
Cash at bank and in hand		148,222		3,191	
		161,570		20,628	
<b>Creditors: amounts falling due within one year</b>	11	(27,518)		(14,392)	
		134,052		6,236	
<b>Net current assets</b>			134,052		6,236
<b>Creditors: amounts falling due after one year</b>	12		(97,561)		(7,867)
Deferred tax			(1,502)		-
			166,016		25,508
<b>Total net assets</b>			166,016		25,508
<b>The funds of the charity</b>					
Unrestricted funds	14		(23,184)		6,947
Restricted funds	14		189,200		18,561
			166,016		25,508
			166,016		25,508

The financial statements were approved by the trustees on 10 November 2021 and signed on their behalf by John Irvine



The notes on pages 23 to 44 form part of these Financial Statements

**THE RIDGE SCIO**  
**STATEMENT OF CASH FLOWS**

**As at 31 March 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities:</b>			
Net cash provided by/ (used in) operating activities below		160,315	19,205
		<hr/>	<hr/>
<b>Cash flows from investing activities:</b>			
Purchase of fixed assets		(108,716)	(31,641)
Interest received		-	-
		<hr/>	<hr/>
Net cash (used in) investing activities		(108,716)	(31,641)
		<hr/>	<hr/>
<b>Cash flows from financing activities:</b>			
HP advanced		-	10,817
HP repaid		(2,950)	-
Loan advanced		96,382	-
		<hr/>	<hr/>
Net cash (used in) investing activities		93,432	10,817
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		145,031	(1,619)
Cash and cash equivalents at the beginning of the year		3,191	4,810
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>		148,222	3,191
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 23 to 44 form part of these Financial Statements

**THE RIDGE SCIO**  
**STATEMENT OF CASH FLOWS**

**As at 31 March 2021**

**Reconciliation of net income to net cash flow from operating activities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) for the year (as per Statement of Financial Activities)	140,508	20,698
<u>Adjusted for:</u>		
Depreciation charge	4,829	4,502
Deferred tax	1,502	
Decrease/(Increase) in debtors	4,089	(17,437)
Increase in creditors	9,387	11,442
	<hr/>	<hr/>
<b>Net cash provided by/ (used in) operating activities</b>	<b>160,315</b>	<b>19,205</b>
	<hr/>	<hr/>

The notes on pages 23 to 44 form part of these Financial Statements

## THE RIDGE SCIO

### Notes to the Financial Statements

For the year to 31 March 2021

#### 1. Accounting Policies

##### Basis of Preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The SCIO constitutes a public benefit entity as defined by FRS102.

The consolidated financial statements incorporate the results of The Ridge SCIO and The Ridge Foundations CIC in accordance with Scottish Statutory Instrument 2006 No.218 The Charities Accounts (Scotland) Regulations 2006.

##### Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

- Donations are included in full in the statement of financial activities when receivable.
- Charitable activities are accounted for when earned.
- Rent is recognised in accordance with the terms of the leases
- Construction services income is recognised when the work has been completed.

##### Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs incurred by the charity in delivery of its activities and services to its beneficiaries and their associated support costs.
- Other expenditure represents those items not falling into any other heading.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

## THE RIDGE SCIO

### Notes to the Financial Statements

For the year to 31 March 2021

#### 1. Accounting Policies (contd)

##### **Pension costs**

The group operates a defined contribution pension scheme. Contributions payable for the period are included in the Statement of Financial Activities.

##### **Funds**

###### ***Unrestricted Funds***

Unrestricted funds are grants and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

###### ***Restricted Funds***

Restricted funds are funds that can only be used for particular restricted purposes within the objectives of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

##### **Tangible fixed assets and depreciation**

Fixed assets are originally recorded at cost. Items costing under £1,000 are not capitalised in the balance sheet and are written off to revenue when the expenditure is incurred. 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 asset.

Heritable property	0%
Plant and Machinery	30% Straight line

No depreciation is provided on heritable property as, in the opinion of the trustees, the length of their estimated useful economic life and estimated residual value is at least equal to the book value. Having regard to this, it is considered that the depreciation of any such buildings would not be material.

##### **Financial instruments**

Financial instruments comprise financial assets and financial liabilities which are recognised when the charity becomes a party to the contractual provisions of the instrument. They are classified as "basic" in accordance with FRS102 and are accounted for at the settlement amount due, which equates to the cost. Financial assets comprise investments and cash. Financial liabilities comprise accruals.

##### **Cash and cash equivalents**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening deposit or similar account.



## THE RIDGE SCIO

### Notes to the Financial Statements

#### For the year to 31 March 2021

#### 2. Going Concern

The financial statements have been prepared on a going concern basis. This assessment of going concern includes the expected impact of COVID-19 to the entity, and the group, in the 12 months following the signing of these financial statements. While the overall reserves of the group at 31 March 2021 are £166,016, the unrestricted reserves show a deficit of £23,184.

The trustees have prepared projections up to October 2022 on a prudent basis. These show an improving position and the receipt of gift aided profits from the trading subsidiary. The Trustees have no reason to believe that their principal income sources will be materially reduced, or that the existing cost base will increase significantly and have prepared the projections on this basis. Based on the projections the Trustees are of the opinion that the charity should again be in a position to ensure that all expenditure is covered by income receivable during the year.

The projections also show a strong cashflow position. Based on the current cash position and the projections, the trustees consider that the group will be able to meet its liabilities as they fall due.

The financial statements do not include any adjustments that would result if the company was unable to operate within the available facilities.

#### 3. Donations and legacies

Charity:-	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Donations – general	73,066	13,870	86,936	31,511
Donations – gift aid	7,825	-	7,825	5,027
	80,891	13,870	94,761	36,538

Income from donations and legacies was £94,761 (2020: £36,538) of which £80,981 was unrestricted (2020: £32,466) and £13,870 (2020: £4,072) was restricted.

Group:-	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Donations – general	86,668	13,870	100,538	56,706
Donations – gift aid	7,825	-	7,825	5,027
	94,493	13,870	108,363	61,733

Income from donations and legacies was £108,363 (2020: £61,733) of which £94,493 was unrestricted (2020: £57,661) and £13,870 (2020: £4,072) was restricted.

**THE RIDGE SCIO**

**Notes to the Financial Statements**

**For the year to 31 March 2021**

**4. Charitable activities**

<b>Charity:-</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
<u>Grants</u>				
The Robertson Trust	31,731	-	31,731	-
East Lammermuir Community Council	12,000	-	12,000	-
Third Sector Resillience Fund	-	43,800	43,800	-
Nationwide Community	-	50,000	50,000	-
Historic Environment Scotland	-	22,000	22,000	-
Sustaining Dunbar	-	52,765	52,765	-
Scottish Land Fund	-	54,900	54,900	1,126
Big Lottery Fund	27,800	-	27,800	10,000
SCVO	-	-	-	7,500
CAF	-	-	-	5,000
East Lothian Council	-	30,000	30,000	78,200
Job Retention Scheme	1,679	-	1,679	-
Smaller Grants	31,979	28,814	60,793	2,052
<u>Other income</u>				
Consulting and training services	34,322	-	34,332	360
Management services	6,000	-	6,000	2,500
	<hr/>	<hr/>	<hr/>	<hr/>
	145,511	282,279	427,790	106,738
	<hr/>	<hr/>	<hr/>	<hr/>

Income from charitable activities was £427,790 (2020: £106,738) of which £145,511 was unrestricted (2020: £4,465) and £282,279 (2020: £102,273) was restricted.

**THE RIDGE SCIO**

**Notes to the Financial Statements**

**For the year to 31 March 2021**

<b>Group:-</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
<u>Grants</u>				
The Robertson Trust	31,731	-	31,731	-
East Lammermuir Community Council	12,000	-	12,000	-
Third Sector Resillience Fund	-	43,800	43,800	-
Nationwide Community	-	50,000	50,000	-
Historic Environment Scotland	23,937	22,000	45,937	104,690
Sustaining Dunbar	-	52,765	52,765	-
Scottish Land Fund	-	54,900	54,900	1,126
Corra Foundation	5,191	-	5,191	-
CITB	13,834	-	13,834	-
Big Lottery Fund	27,800	-	27,800	10,000
SCVO	-	-	-	7,500
CAF	-	-	-	5,000
AHF	-	-	-	25,995
CITB	-	-	-	13,755
East Lothian Council	-	30,000	30,000	78,200
Job Retention Scheme	66,933	-	66,933	-
Smaller Grants	40,982	28,814	79,868	18,399
 <u>Other income</u>				
Consulting and training services	34,322	-	34,322	360
	256,730	282,279	539,009	265,025

Income from charitable activities was £539,009 (2020: £265,025) of which £256,730 was unrestricted (2020: £162,752) and £282,279 (2020: £102,273) was restricted.

**THE RIDGE SCIO**

**Notes to the Financial Statements**

**For the year to 31 March 2021**

**5. Staff numbers and costs**

<b>Charity:-</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	150,394	32,720
Pension costs	3,236	-
Social security costs	9,790	3,572
	<hr/>	<hr/>
	163,420	36,292
	<hr/> <hr/>	<hr/> <hr/>

The average number of employees during the year on a head count basis was as follows:-

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
Management	3	2
Project workers	3	-
	<hr/>	<hr/>
	6	2
	<hr/> <hr/>	<hr/> <hr/>

There were no employees with emoluments above £60,000.

Key management personnel received total remuneration amounting to £78,392 (2020: £32,720) during the period, including employer pension contributions.

<b>Group:-</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	317,938	181,006
Pension costs	5,943	3,314
Social security costs	16,126	3,572
	<hr/>	<hr/>
	340,007	188,578
	<hr/> <hr/>	<hr/> <hr/>

The average number of employees during the year on a head count basis was as follows:-

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
Management	5	2
Project workers	3	-
Construction workers	9	9
	<hr/>	<hr/>
	17	11
	<hr/> <hr/>	<hr/> <hr/>

**THE RIDGE SCIO**

**Notes to the Financial Statements**

**For the year to 31 March 2021**

**5. Staff numbers and costs (cont)**

There were no employees with emoluments above £60,000.

Key management personnel received total remuneration amounting to £118,211 (2020: £32,720) during the period, including employer pension contributions.

**6. Expenditure on charitable activities**

Charity:-	Charitable Activity £	Commercial Trading £	Total 2021 £	Total 2020 £
Advertising & promotion	97	-	97	275
Computer costs	781	-	781	98
Office expenses	7,598	-	7,598	489
Stationery	529	-	529	202
Telephone	1,326	-	1,326	153
Repairs and maintenance	32,658	-	38,658	-
Rent	900	-	900	-
Heat and light	2,313	-	2,313	-
Accountancy & bookkeeping	2,370	-	2,370	1,650
Guided self help project costs	2,800	-	2,800	11,800
Work experience project costs	10,125	-	10,125	11,000
Insurance	5,199	-	5,199	1,797
Staff costs	163,420	-	163,420	36,292
Training	15,090	-	15,090	-
Professional fees	29,617	-	29,617	58,612
Travelling	-	-	-	1,306
Subcontractor	87,504	-	87,504	-
Equipment hire	562	-	562	-
Donations	2,190	-	2,190	-
Interest payable	1,130	-	1,130	-
Sundry expenses	-	-	-	145
Bad debts	15,129	-	15,129	-
Governance costs: Auditors' remuneration	5,000	-	5,000	-
	<u>392,338</u>	<u>-</u>	<u>392,338</u>	<u>123,819</u>

Total expenditure was £392,338 (2020: £123,819) of which £263,271 (2020: £34,907) was unrestricted and £129,067 (2020: £88,912) was restricted.

**THE RIDGE SCIO**

**Notes to the Financial Statements**

**For the year to 31 March 2021**

<b>Group:-</b>	<b>Charitable Activity £</b>	<b>Commercial Trading £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Advertising & promotion	97	-	97	491
Computer costs	780	393	1,173	298
Office expenses	7,598	2,239	9,837	5,984
Stationery	529	14	543	437
Telephone	1,326	-	1,326	183
Repairs and maintenance	38,658	789	39,447	251
Rent	900	-	900	-
Heat and light	2,313	-	2,313	-
Accountancy & bookkeeping	2,370	-	2,370	1,650
Guided self help project costs	2,800	-	2,800	11,800
Work experience project costs	10,125	-	10,125	11,000
Insurance	5,199	1,397	6,596	2,262
Staff costs	163,419	176,588	340,007	188,578
Training	15,089	3,572	18,661	6,926
Professional fees	29,617	2,975	32,592	95,433
Travelling	-	2,391	2,391	3,707
Construction materials	-	18,938	18,938	39,591
Subcontractors	38,658	3,836	42,494	5,874
Equipment hire	562	8,320	8,882	3,987
Donations	2,190	-	2,190	-
Depreciation	-	4,829	4,829	4,502
Interest payable	1,130	590	1,720	-
Sundry expenses	-	305	305	145
Bad debts	15,129	-	15,129	-
Corporation tax	-	1,616	1,616	-
Community engagement costs	-	-	-	10,000
Governance costs:				
Auditors' remuneration	5,000	3,000	8,000	-
	<hr/>	<hr/>	<hr/>	<hr/>
	343,489	231,792	575,281	392,954
	<hr/>	<hr/>	<hr/>	<hr/>

Total expenditure was £575,281 (2020: £392,954) of which £446,214 (2020: £304,042) was unrestricted and £129,067 (2020: £88,912) was restricted.

The charitable activity represents creating jobs and training opportunities for people. The commercial trading activities represents the construction trade carried on in the subsidiary, The Ridge Foundations CIC. The commercial trading activity is carried out with a view to creating jobs and training opportunities for people.

**THE RIDGE SCIO**

**Notes to the Financial Statements**

**For the year to 31 March 2021**

**7. Net income**

**Charity:-**

This is stated after charging:	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Auditor's remuneration – audit fee	5,000	-
Auditor's remuneration – non-audit	-	1,200
	<u>          </u>	<u>          </u>

No trustees received any remuneration, nor were reimbursed any expenses, in the current or previous year.

**Group:-**

This is stated after charging:	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Depreciation - owned	1,239	5,363
Depreciation – HP	3,590	-
Auditor's remuneration – audit fee	8,000	-
Auditor's remuneration – non-audit	-	1,200
	<u>          </u>	<u>          </u>

No trustees received any remuneration, nor were reimbursed any expenses, in the current or previous year.

**THE RIDGE SCIO**

**Notes to the Financial Statements**

**For the year to 31 March 2021**

**8. Tangible Fixed Assets**

<b>Charity:-</b>	<b>Heritable Property £</b>	<b>Total £</b>
<b>Cost</b>		
At 31 March 2020	18,120	18,120
Additions	105,000	105,000
Disposals	-	-
	<u>          </u>	<u>          </u>
At 31 March 2021	123,120	123,120
	<u>          </u>	<u>          </u>
<b>Depreciation</b>		
At 31 March 2020	-	-
Changed in the Year	-	-
Depreciation on disposals	-	-
	<u>          </u>	<u>          </u>
At 31 March 2021	-	-
	<u>          </u>	<u>          </u>
Net book value		
At 31 March 2021	123,120	123,120
	<u>          </u>	<u>          </u>
At 31 March 2020	18,120	18,120
	<u>          </u>	<u>          </u>



**THE RIDGE SCIO**

**Notes to the Financial Statements**

**For the year to 31 March 2021**

<b>Group:-</b>	Plant and Machinery £	Heritable Property £	Total £
<b>Cost</b>			
At 31 March 2020	13,521	18,120	31,641
Additions	3,716	105,000	108,716
Disposals	-	-	-
	-----	-----	-----
At 31 March 2021	17,237	123,120	140,357
	=====	=====	=====
<b>Depreciation</b>			
At 31 March 2020	4,502	-	4,502
Changed in the Year	4,828	-	4,828
Depreciation on disposals	-	-	-
	-----	-----	-----
At 31 March 2021	9,330	-	9,330
	=====	=====	=====
<b>Net book value</b>			
At 31 March 2021	7,907	123,120	131,027
	-----	-----	-----
At 31 March 2020	9,019	18,120	27,139
	=====	=====	=====

**THE RIDGE SCIO**  
**Notes to the Financial Statements**  
**For the year to 31 March 2021**

Included in the above held on hire purchase is the following:

	<b>Plant and Machinery £</b>	<b>Total £</b>
<b>Cost</b>		
At 31 March 2020	13,521	13,521
Additions	-	-
Disposals	-	-
	<hr/>	<hr/>
At 31 March 2021	13,521	13,521
	<hr/> <hr/>	<hr/> <hr/>
<b>Depreciation</b>		
At 31 March 2020	4,502	4,502
Changed in the Year	3,590	3,590
Depreciation on disposals	-	-
	<hr/>	<hr/>
At 31 March 2021	8,092	8,092
	<hr/> <hr/>	<hr/> <hr/>
<b>Net book value</b>		
At 31 March 2021	5,429	5,429
	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2020	9,019	9,019
	<hr/> <hr/>	<hr/> <hr/>

## THE RIDGE SCIO

### Notes to the Financial Statements

For the year to 31 March 2021

#### 9. Investment in subsidiary

The Ridge SCIO controls The Ridge Foundations CIC. The subsidiary company, number SC545545, is incorporated in Scotland and its principal activity is to provide short term construction services. The company generated income of £243,805 (2020 - £276,374), incurred expenditure of £238,155 (2020 - £275,133). It made a profit before tax of £7,266 (2020 - £1241) for the year and its aggregate capital and reserves amounted to £6,950 (2020 - £1,300) as at the year end.

#### 10. Debtors

	Charity		Group	
	2021	2020	2021	2020
	£	£	£	£
Accrued income and prepayments	-	-	12,195	9,287
VAT	5,590	-	1,153	-
Due from The Ridge Scotland CIC	-	8,150	-	8,150
Due from The Ridge Foundations CIC	-	4,602	-	-
	<u>5,590</u>	<u>12,752</u>	<u>13,348</u>	<u>17,437</u>

#### 11. Creditors: Amounts falling due within one year

	Charity		Group	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	3,140	-	3,455	-
Social Security and other taxes	2,387	5,604	9,171	8,516
Other creditors and accruals	4,342	1,280	8,204	2,926
Hire Purchase	-	-	2,950	2,950
Loan	3,738	-	3,738	-
	<u>13,607</u>	<u>6,884</u>	<u>27,518</u>	<u>14,392</u>

**THE RIDGE SCIO**

**Notes to the Financial Statements**

**For the year to 31 March 2021**

**12. Creditors: Amounts falling due after one year**

	Charity		Group	
	2021 £	2020 £	2021 £	2020 £
Hire Purchase	-	-	4,917	7,867
Loan	92,644	-	92,644	-
	<u>92,644</u>	<u>-</u>	<u>97,561</u>	<u>7,867</u>

**13. Loans and secured debtors**

**Charity:-**

The following secured debts are included within creditors and are due for repayment as shown:-

	2021 £	2020 £
Amounts repayable		
In one year or less	3,738	-
In more than one year but not more than two years	4,855	-
In more than two years but not more than five years	16,683	-
More than 5 years	71,106	-
	<u>96,382</u>	<u>-</u>

The lender holds a standard security over a property at High Street, Dunbar owned by the charity.

**THE RIDGE SCIO**

**Notes to the Financial Statements**

**For the year to 31 March 2021**

**Group:-**

The following secured debts are included within creditors and are due for repayment as shown:-

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Amounts repayable		
In one year or less	7,278	2,950
In more than one year but not more than two years	8,592	3,540
In more than two years but not more than five years	16,683	3,737
More than 5 years	71,106	-
	103,659	-
	103,659	-

The lender holds a standard security over the property owned by the charity. Hire purchase is held on a van owned by the subsidiary.

**14. Movement in funds**

<b>Charity:-</b>	<b>At</b>			<b>Transfers</b>	<b>At</b>
	<b>6 April</b>	<b>Income</b>	<b>Expenditure</b>		<b>31 March</b>
	<b>2020</b>				<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted funds</b>					
Covid-19	-	500	(614)	114	-
Zoom	72	-	-	-	72
Design Team	989	-	-	-	989
Youth Project	10,000	-	-	-	10,000
SCVO	7,500	3,500	(5,599)	-	5,401
Supporting Communities	-	52,765	(27,243)	-	25,522
Cooking for Life	-	4,497	(418)	-	4,079
Dunbar Value	-	50,000	-	-	50,000
ESF Challenge	-	24,503	-	-	24,503
Historic Environment Scotland	-	18,314	-	-	18,314
East Lothian Partnership	-	30,000	(33,443)	3,443	-
FirstPort Resilience	-	43,800	(43,800)	-	-
Empire Close Toilets	-	13,370	(5,950)	-	7,420
Scottish Land Fund	-	54,900	(12,000)	-	42,900
	18,561	296,149	(129,067)	3,557	189,200
	18,561	296,149	(129,067)	3,557	189,200

**THE RIDGE SCIO**

**Notes to the Financial Statements**

**For the year to 31 March 2021**

**14. Movement in Funds (cont)**

	<b>At 6 April 2020 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>At 31 March 2021 £</b>
<b>Unrestricted funds</b>					
General Fund	5,647	231,046	(263,271)	(3,557)	(30,135)
	<u>5,647</u>	<u>231,046</u>	<u>(263,271)</u>	<u>(3,557)</u>	<u>(30,135)</u>
<b>Total funds</b>	<b>24,208</b>	<b>527,195</b>	<b>(392,338)</b>	<b>-</b>	<b>159,065</b>
	<u><u>24,208</u></u>	<u><u>527,195</u></u>	<u><u>(392,338)</u></u>	<u><u>-</u></u>	<u><u>159,065</u></u>

<b>Group:-</b>	<b>At 6 April 2020 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>At 31 March 2021 £</b>
<b>Restricted funds</b>					
Covid-19	-	500	(614)	114	-
Zoom	72	-	-	-	72
Design Team	989	-	-	-	989
Youth Project	10,000	-	-	-	10,000
SCVO	7,500	3,500	(5,599)	-	5,401
Supporting Communities	-	52,765	(27,243)	-	25,522
Cooking for Life	-	4,497	(418)	-	4,079
Dunbar Value	-	50,000	-	-	50,000
ESF Challenge	-	24,503	-	-	24,503
Historic Environment Scotland	-	18,314	-	-	18,314
East Lothian Partnership	-	30,000	(33,443)	3,443	-
FirstPort Resilience	-	43,800	(43,800)	-	-
Empire Close Toilets	-	13,370	(5,950)	-	7,420
Scottish Land Fund	-	54,900	(12,000)	-	42,900
	<u>18,561</u>	<u>296,149</u>	<u>(129,067)</u>	<u>3,557</u>	<u>189,200</u>
	<u><u>18,561</u></u>	<u><u>296,149</u></u>	<u><u>(129,067)</u></u>	<u><u>3,557</u></u>	<u><u>189,200</u></u>

**THE RIDGE SCIO**

**Notes to the Financial Statements**

**For the year to 31 March 2021**

**14. Movement in Funds (cont)**

	At 6 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
<b>Unrestricted funds</b>					
General Fund	5,647	231,046	(263,271)	(3,557)	(30,135)
Reserves of the Trading subsidiary	1,300	188,594	(182,943)	-	6,951
	<u>6,947</u>	<u>419,640</u>	<u>(446,214)</u>	<u>(3,557)</u>	<u>(23,184)</u>
<b>Total funds</b>	<b><u>25,508</u></b>	<b><u>715,789</u></b>	<b><u>(575,281)</u></b>	<b><u>-</u></b>	<b><u>166,016</u></b>

<b>Charity:-</b>	At 6 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
<b>Restricted funds</b>					
Boat Building	-	1,597	(1,597)	-	-
Wood burners	-	2,175	(2,175)	-	-
Covid-19	-	475	(475)	-	-
Zoom	-	72	-	-	72
Guided Self Help	-	11,800	(11,800)	-	-
Backlands Work Experience	-	12,700	(12,700)	-	-
Land Feasibility Report	987	3,700	(4,687)	-	-
Design Team	-	50,000	(49,011)	-	989
Youth Project	-	10,000	-	-	10,000
Open Day	-	200	(225)	25	-
SCVO	-	7,500	-	-	7,500
Scottish Land Fund	-	6,126	(6,242)	116	-
	<u>987</u>	<u>106,345</u>	<u>(88,912)</u>	<u>141</u>	<u>18,561</u>

**THE RIDGE SCIO**

**Notes to the Financial Statements**

**For the year to 31 March 2021**

**14. Movement in Funds (cont)**

	At 6 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
<b>Unrestricted funds</b>					
General Fund	3,764	36,931	(34,907)	(141)	5,647
	3,764	36,931	(34,907)	(141)	5,647
<b>Total funds</b>	<b>4,751</b>	<b>143,276</b>	<b>(123,819)</b>	<b>-</b>	<b>24,208</b>

<b>Group:-</b>	At 6 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
<b>Restricted funds</b>					
Boat Building	-	1,597	(1,597)	-	-
Wood burners	-	2,175	(2,175)	-	-
Covid-19	-	475	(475)	-	-
Zoom	-	72	-	-	72
Guided Self Help	-	11,800	(11,800)	-	-
Backlands Work Experience	-	12,700	(12,700)	-	-
Land Feasibility Report	987	3,700	(4,687)	-	-
Design Team	-	50,000	(49,011)	-	989
Youth Project	-	10,000	-	-	10,000
Open Day	-	200	(225)	25	-
SCVO	-	7,500	-	-	7,500
Scottish Land Fund	-	6,126	(6,242)	116	-
	987	106,345	(88,912)	141	18,561



**THE RIDGE SCIO**

**Notes to the Financial Statements**

**For the year to 31 March 2021**

**14. Movement in Funds (cont)**

	At 6 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
<b>Unrestricted funds</b>					
General Fund	3,764	36,931	(34,907)	(141)	5,647
Reserves of the Trading subsidiary	59	271,376	(270,135)	-	1,300
	3,823	307,307	(304,042)	(141)	6,947
<b>Total funds</b>	<b>4,751</b>	<b>413,652</b>	<b>(392,954)</b>	<b>-</b>	<b>25,508</b>

**Purposes of restricted funds**

- 1 Boat Building - this fund supported a team building and development activity for the charity's trainees.
- 2 Wood burners - funding was received to buy and install Wood burners.
- 3 Covid-19 - funding was received to support the charity in response to Covid-19.
- 4 Zoom - funding was received for a Zoom subscription.
- 5 Guided Self Help - funding was received to provide courses to improve participants self-development.
- 6 Backlands Work Experience - funding was received to provide a work experience scheme to young people.
- 7 Land Feasibility Report - funding was received to carry out a land feasibility report.
- 8 Design Team - Funding was received to support the costs of the design team.
- 9 Youth project - funding was received to support an anti-social youth project.
- 10 Open day - funds were provided to support an open day project.
- 11 SCVO - funding was received for an income maximisation officer to provide support regarding benefit claims.
- 12 Scottish Land Fund - funding was received in 2020 to carry out a valuation for Blackbull Close.
- 13 Supporting Communities – funding was received towards staff costs, office equipment and travelling costs.
- 14 Cooking for Life – funding was received towards premises costs.
- 15 Dunbar Value – funding was received towards projects that support people to thrive withing their home environment.
- 16 ESF Challenge – funding was received to support jobless people in East Lothian.
- 17 Historic Environment Scotland – funding was received towards repairs to the Black Bull site to make it safe for public access.

**THE RIDGE SCIO**

**Notes to the Financial Statements**

**For the year to 31 March 2021**

**14. Movement in Funds (cont)**

- 18 East Lothian Partnership – funding was received to support projects, insurance costs, admin support and marketing.
- 19 FirstPort Resilience – funding was received for admin costs and wages costs.
- 20 Empire Close Toilets – funding was received for the installation of toilets at Empire Close.
- 21 Scottish Land Fund – funding was received in 2021 for costs related to the purchase of Black Bull Close, including actual purchase price and legal fees, also payment for a third party business plan, community consultation and valuation costs, as well as some development costs

**15. Analysis of net assets between funds**

<b>Charity:</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2021 £</b>
Balances at 31 March 2021 represented by:			
Tangible fixed assets	80,220	42,900	123,120
Net current assets/(liabilities)	(17,711)	146,300	128,589
Long term creditors	(92,644)	-	(92,644)
	(30,135)	189,200	159,065
	(30,135)	189,200	159,065
	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2020 £</b>
Balances at 31 March 2020 represented by:			
Tangible fixed assets	18,120	-	18,120
Net current assets/(liabilities)	(12,473)	18,561	6,088
	5,647	18,561	24,208
	5,647	18,561	24,208

**THE RIDGE SCIO**

**Notes to the Financial Statements**

**For the year to 31 March 2021**

**15. Analysis of net assets between funds (cont)**

<b>Group:-</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2021 £</b>
Balances at 31 March 2021 represented by:			
Tangible fixed assets	88,127	42,900	131,027
Net current assets/(liabilities)	(12,248)	146,300	134,052
Long term creditors	(97,561)	-	(97,561)
Deferred tax	(1,502)	-	(1,502)
	<hr/>	<hr/>	<hr/>
	(23,184)	189,200	166,016
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2020 £</b>
Balances at 31 March 2020 represented by:			
Tangible fixed assets	27,139	-	27,139
Net current assets/(liabilities)	(12,325)	18,561	6,236
Long term creditors	(7,867)	-	(7,867)
	<hr/>	<hr/>	<hr/>
	6,947	18,561	25,508
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**16. Taxation**

The Ridge SCIO is recognised as a charity for taxation purposes and is exempt from corporation tax on its charitable activities. Corporation tax payable represents corporation tax due for trading activities in the subsidiary, The Ridge Foundations CIC.

**17. Deferred Tax**

Deferred tax represents deferred tax recognised in the subsidiary, The Ridge Foundations CIC, as a result of accelerated capital allowances.

## **THE RIDGE SCIO**

### **Notes to the Financial Statements**

**For the year to 31 March 2021**

#### **18. Related parties**

At the year end the charity was due £nil (2020 - £4,602) from The Ridge Foundations CIC and the charity was due £nil (2020 - £8,150) from The Ridge (Scotland) CIC.

The charity paid £nil (2020 - £22,800) to The Ridge Scotland CIC to deliver some of its projects.

The charity paid £49,213 (2020 - £nil) to The Ridge Foundations CIC for construction services. The charity received management fees of £6,000 (2020 - £2,500) from The Ridge Foundations CIC

The charity received donations of £10,000 (2020 - £15,000) from its trustees.

The charity paid £1,507 (2020 - £nil) to a daughter of a trustee for admin support services.

The group provided construction services of £15,091 (2020 - £nil) to key management personnel during the year.

#### **19. Ultimate controlling party**

The Trustees consider there to be no ultimate controlling party of the group, by virtue of its constitution.