

**COMMUNITY RESOURCES NETWORK SCOTLAND**  
**(a company limited by guarantee)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2020**

**COMPANY REGISTRATION NO: SC266160**

**CHARITY NO: SC036006**

**WHITELAW WELLS**  
**Chartered Accountants**  
**9 Ainslie Place**  
**Edinburgh EH3 6AT**

**COMMUNITY RESOURCES NETWORK SCOTLAND  
(a company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 March 2020**

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**COMMUNITY RESOURCES NETWORK SCOTLAND**  
**(a company limited by guarantee)**

**REPORT OF THE TRUSTEES**

**For the year ended 31 March 2020**

The trustees are pleased to present their annual trustees' report together with the financial statements of the charity for the year ending 31 March 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, 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 (FRS 102) (effective 1 January 2019).

## **OBJECTIVES AND ACTIVITIES**

### **Purposes and main activity**

CRNS is a membership body for community organisations working towards a circular economy by managing waste resources at a local level through recycling, reuse, composting, waste reduction and waste education activities. In addition to providing information and advice to both existing and emerging community organisations, CRNS works to raise the profile of the sector through promotional activity and advocacy. CRNS also strategically supports the sector and its members by working closely with Zero Waste Scotland, the Scottish Government and local authorities.

In addition to its membership, CRNS also holds equity in the knowledge and experience of its Board of Management and staff, the CRNS brand, and intellectual property in the form of research we have conducted.

### **CRNS Mission Statement**

CRNS exists to build a stronger community recycling and reuse sector in Scotland that can create real social, environmental and economic benefit within our local communities.

### **CRNS Objectives**

CRNS objectives are as follows:

1. To conserve and protect the physical and natural environment by reducing the proliferation of landfill sites, and in particular through the promotion of sustainable waste management practices.
2. To advance the education of the public in Scotland concerning recycling, waste minimisation and waste management through a programme of teaching, training, publishing, exhibitions, seminars and any other means for providing public knowledge and information.
3. To promote and fund scientific research for the public benefit in the fields referred to above, and to disseminate the results of such research.
4. To alleviate poverty by working to provide social benefits and economic opportunities to people who are most excluded from society.

### **CRNS Values (the underlying principles that guide the work of the CRNS)**

CRNS is

- committed to the principles of Zero Waste and sustainable development.
- accountable to the Membership.
- committed to local communities delivering local reuse, repair and recycling solutions.
- committed to carrying out all of its activities with trust, integrity and openness.
- committed to social and environmental justice.

**COMMUNITY RESOURCES NETWORK SCOTLAND**  
**(a company limited by guarantee)**

**REPORT OF THE TRUSTEES (cont)**

**For the year ended 31 March 2020**

**Grant Making policy**

The charity supports member organisation's in their work by acting as the lead partner in consortium bids for national frameworks. CRNS also distributes grant funding to circular economy-based organisations when they become available. This included the new pockets and prospects fund this year. CRNS monitors and manages the fund and delivery outcomes, providing reporting to the funder.

**Achievements and Performance**

**Membership**

CRNS is a membership organisation and as such we exist to support and represent our members. During 2019/2020 CRNS engaged with its membership through forums, seminars, visits, e-newsletters, social media and other communication channels.

In our impact report (Local Solutions to the Global Climate Emergency, September 2019) we reported that the combined membership of CRNS employed 1,039 staff and 5,563 volunteers, turned over £75million and diverted 37,000 tonnes from landfill saving the equivalent of 75,000 tonnes of CO2.

As at end of March 2020 CRNS had 130 full members which represented a significant increase from 118 from the end of March 2019. CRNS members were located in all local authorities in all areas of Scotland.

**Activity during 2019/2020**

In fulfilling its role during the year CRNS has:

- Continued to advocate on issues which impacted on its membership such as Deposit Return Scheme and Circular Economy Bill.
- Maintained CRNS's position as key representation body for community resource management organisations with the Scottish Government, MSPs and local authorities.
- Engaged with its membership through a programme of regional forum meetings and specifically themed seminars.
- Held CRNS's national conference in Glasgow's Blu Radisson Hotel in November 2019.
- Engaged with its membership and the wider constituency through newsletters and social media programme of communication.
- Operated the CRNS Reuse Consortium of CRNS members of which 5 were actively trading with 4 Local Authorities through the Reuse Lot on Scotland Excel's procurement framework.

**Covid-19**

In March 2020, the Covid-19 crisis was beginning to impact the community resources sector as the lockdown was implemented by Scottish and UK governments. This presented a significant threat to many of our members and was a key focus for CRNS as a support body. All CRNS staff began working from home and all face to face events had to be cancelled. Instead CRNS focused on supporting the members through a series of fortnightly online forums. CRNS also conducted a survey in March 2020 to assess the impact of Covid-19 on the sector and published the results to key stakeholders. Whilst these have been difficult and unprecedented times for our sector the CRNS board remain confident that CRNS will strongly continue to support the sector going forward.

**COMMUNITY RESOURCES NETWORK SCOTLAND**  
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**REPORT OF THE TRUSTEES (cont)**

**For the year ended 31 March 2020**

**Strategic Plan**

This represented the first full year of CRNS's 3-year strategic plan which was published in February 2019 and is available on the CRNS website.

Excellent progress has been made on each of the four key priorities as follows:

- Support and grow our membership – a full review of the CRNS membership offering was conducted including publishing a new Membership Leaflet and reviewing and simplifying membership fees. Following a cost neutral review of CRNS fees, membership is now free for organisations turning over less than £100,000 per year. CRNS membership has grown during the year from 118 to 130 an increase of 13%.
- Measure and demonstrate our impact – our CEO and board defined internal Key Performance Indicators for the organisation in June 2019 which are now reported quarterly and we also published our first Annual Impact Report in September 2019 (which is available on our website). We also implemented a new Customer Relationship Management system based on the Salesforce platform in January 2019.
- Communicate our vision – during this period work was undertaken to develop the new CRNS website. The new website was launched after the year end and provides an excellent online presence for CRNS and spotlights the work of the membership.
- Strong and sustainable finances – we implemented a new financial system this year which has enabled stronger financial reporting and controls to be implemented. Our main financial objective this year was to break even which was achieved (see financial statements for more information on this).

**Partnerships and participation**

In addition to these activities and in order to participate in local and national dialogues and decision-making relevant to its members, CRNS is engaged in the following partnerships:

- CRNS is a founder member of the "Have You Got the Bottle?" campaign and continues to support the implementation of a Deposit Return Scheme in Scotland.
- CRNS is a member of RReuse, The European network of community re-use and recycling organisations.
- CRNS continues to be active members of the Scottish Community Alliance; Social Enterprise Scotland; SCVO and SENSCOT.

**Financial Review**

The charity generated a surplus for the year of £9,221 (2019: deficit £11,132). The total income amounted to £236,587 (2019: £169,119), of which £67,452 (2019: £35,472) was related to restricted projects and £169,135 (2019: £133,647) to unrestricted funds. At the balance sheet date the unrestricted reserves were £174,024 (2019: £164,803), with £nil (2019: £nil) in restricted funds.

Membership subscriptions aside, there were two principal sources of funding for the period 2019/2020:

- Zero Waste Scotland Network Support for Third Sector Resource Management Organisations in Scotland
- Reuse Consortium funding from the Circular Economy Investment Fund managed by Zero Waste Scotland

**Investment Policy**

CRNS banks with the Triodos Bank, which is one of Europe's leading ethical banks. CRNS's reserves are deposited with the Nationwide Building Society.

**COMMUNITY RESOURCES NETWORK SCOTLAND  
(a company limited by guarantee)**

**REPORT OF THE TRUSTEES (cont)**

**For the year ended 31 March 2020**

**Reserves Policy**

The Board of Directors has examined the charity's requirements for reserves in light of the main risks to the organisation. It has established a policy whereby the unrestricted funds, not committed or invested in tangible fixed assets held by the charity should cover at least three months of the critical expenditure which is designated as salaries, rent, communication contracts and utility bills, a figure of around £35,000. The reserves at the year end were £171,642 and the reserves policy was maintained throughout the financial year.

CRNS, in line with OSCR and Scottish Government recommendations, has ensured it has sufficient reserves which are deposited into a Reserve Bank Account.

**Trading Policy**

CRNS had a wholly owned subsidiary, CRNS Enterprises Ltd, through which it traded as required. The company was dissolved on 4 February 2020.

**Risk Management**

CRNS maintains a risk register whereby all identifiable risks to the charity are considered and mitigating actions put in place to minimise the impact to the charity. This is reviewed regularly by the Board.

In particular, CRNS is aware that it is currently largely dependent on funding received from Zero Waste Scotland. The board are exploring new funding routes and income generation activities to reduce the reliance of the core funding being secured from one source.

**Plans for Future Periods**

CRNS will continue to take a strategic lead on behalf of its members and will look to work with others to encourage and develop a more integrated and collaborative approach that will benefit key stakeholders across Scotland.

A particular focus going forward will be supporting the community resources sector to recover from the Covid-19 lockdown and also support a green recovery in Scotland.

CRNS will continue to involve the membership and take a leadership role that looks to encourage and deliver a more robust sector delivering social, environmental and economic benefits to communities across Scotland.

**COMMUNITY RESOURCES NETWORK SCOTLAND  
(a company limited by guarantee)**

**REPORT OF THE TRUSTEES**

**For the year ended 31 March 2020**

**Structure, Governance and Management**

**Governing Document**

The organisation is a charitable company limited by guarantee, incorporated on 7 April 2004 and is registered as a charity registered with the Office of the Scottish Charity Regulator (OSCR). The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

**Recruitment and Appointment of Trustees**

The Directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as Members of the Board of Directors. Under the requirements of the Memorandum and Articles of Association the Members of the Board of Directors are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

Due to the national remit of CRNS the Board of Directors seeks to ensure that the differing geographical needs of the community resource sector are reflected in the diversity of the trustee body. Proactive recruitment of potential Board of Directors members can take place in the run up to an Annual General Meeting to ensure that all parts of the sector are represented.

**Trustee Induction and Training**

An overview of the practical work of CRNS is provided to all Trustees, including co-optees, as part of their induction. Many Trustees are already familiar with the practical work of CRNS being elected from the Full Membership.

An induction pack is prepared and distributed to all members of the Board of Directors. The induction pack also includes any relevant publications on being a Trustee or Company Director such as provided by OSCR, SCVO and Companies House.

**Organisational Structure**

The CRNS Board of Directors meets approximately every two months and is responsible for the strategic direction and policy of the organisation. At March 2020 the CRNS Board had eleven members, seven of whom worked for membership organisations and four of whom worked in wider industry.

Day-to-day responsibility for the running of CRNS is delegated to the Chief Executive Officer.

**Staffing**

Michael Cook continues in the role of Chief Executive Officer since he joined CRNS in September 2018. In addition to a full-time CEO, the current staffing at the year-end consists of two full-time staff and two part-time staff.

**COMMUNITY RESOURCES NETWORK SCOTLAND**  
**(a company limited by guarantee)**

**REPORT OF THE TRUSTEES (cont)**

**For the year ended 31 March 2020**

**REFERENCE AND ADMINISTRATIVE INFORMATION**

**Charity Name:** Community Resources Network Scotland (known as “CRNS”)

**Charity Number:** SC036006

**Company Number:** SC266160

**Trustees**

Samantha Mills	Chair
Simon Laidlaw	Treasurer
Naomi Johnson	Vice Chair since November 2019
Paul Johnston	
Peter Lavelle	
Ray Georgeson	
Sophy Green	
Laura Tainsh	
Ian Matheson	Appointed 13 November 2019
Colin Freeman	Appointed 13 November 2019
Paul Smith	Appointed 13 November 2019

**Secretary** Michael Cook

**Key Management Personnel**

Michael Cook	Chief Executive Officer
Michele Donegan	Finance Officer

**Registered Office and Operational Address**

Suite 33  
Stirling Business Centre  
Wellgreen Place  
Stirling  
FK8 2DZ

**Independent Examiners**

Kevin Cattanach C.A.  
Whitelaw Wells  
Chartered Accountants  
9 Ainslie Place  
Edinburgh  
EH3 6AT

**Bankers**

Triodos Bank  
Deanery Road  
Bristol  
BS1 5AS

**Solicitors**

Burness Paull LLP  
242 West George Street  
Glasgow, G2 4QY

**COMMUNITY RESOURCES NETWORK SCOTLAND  
(a company limited by guarantee)**

**REPORT OF THE TRUSTEES (cont)**

**For the year ended 31 March 2020**

**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).

Company law requires the charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure for that period. In preparing the 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 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 charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the Trustees on 11 August 2020 and signed on their behalf by:-



.....  
Samantha Mills  
Director, Chair

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF**

**COMMUNITY RESOURCES NETWORK SCOTLAND  
(a company limited by guarantee)**

**For the year ended 31 March 2020**

I report on the accounts of the charity for the year ended 31 March 2020, which are set out on pages 10 to 20.

**Respective responsibilities of the Trustees and the Independent Examiner**

The charity's Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

**Independent examiner's statement**

In the course of my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with Section 44 (1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations (as amended); and
  - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended)

have not been met; or

- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Kevin Cattanach C.A.  
Whitelaw Wells  
9 Ainslie Place  
Edinburgh  
EH3 6AT

11 August 2020

**COMMUNITY RESOURCES NETWORK SCOTLAND**  
(a company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES**

**(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)**

For the year ended 31 March 2020

	Note	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>Income and endowments from:</b>					
Charitable activities	4	132,101	67,452	199,553	154,769
Other trading activities	5	35,901	-	35,901	13,860
Investments - bank interest		1,133	-	1,133	490
		-----	-----	-----	-----
<b>Total Income</b>		169,135	67,452	236,587	169,119
		-----	-----	-----	-----
<b>Expenditure on:</b>					
Raising funds		16,463	-	16,463	13,799
Charitable activities		143,451	67,452	210,903	166,452
		-----	-----	-----	-----
<b>Total Expenditure</b>	6	159,914	67,452	227,366	180,251
		-----	-----	-----	-----
<b>Net Income/(expenditure)</b>		9,221	-	9,221	(11,132)
		-----	-----	-----	-----
<b>Net Movement in Funds</b>		9,221	-	9,221	(11,132)
Funds reconciliation					
Total funds brought forward	13	164,803	-	164,803	175,935
		-----	-----	-----	-----
<b>Total funds carried forward</b>	13	174,024	-	174,024	164,803
		=====	=====	=====	=====

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

**COMMUNITY RESOURCES NETWORK SCOTLAND**  
**(a company limited by guarantee) SC266160**

**BALANCE SHEET**

**As at 31 March 2020**

	Note	£	2020 £	2019 £
<b>FIXED ASSETS</b>				
Tangible assets	9	2,382		1,665
Investments	10	-		1
			2,382	1,666
<b>CURRENT ASSETS</b>				
Debtors	11	33,950		27,104
Cash at bank and in hand		147,521		145,366
		181,471		172,470
<b>CREDITORS:</b>				
Amounts falling due within one year	12	(9,829)		(9,333)
<b>NET CURRENT ASSETS</b>			171,642	163,137
<b>NET ASSETS</b>			174,024	164,803
<b>FUNDS</b>				
Restricted	13		-	-
Unrestricted			174,024	164,803
			174,024	164,803

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for year to 31 March 2020. The members have not required the company to obtain an audit of financial statements for the year to 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006.
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for each financial year in accordance with the requirement of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

These financial statements were approved by the Trustees on 11 August 2020 and are signed on their behalf by: -



Samantha Mills  
Director

# COMMUNITY RESOURCES NETWORK SCOTLAND

## NOTES TO THE ACCOUNTS

For the year ended 31 March 2020

### 1. Accounting Policies

#### a. Basis of preparation and assessment of going concern

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 (FRS 102) and The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity has taken advantage of the exemption from the requirement to prepare a Statement of Cash Flows as permitted under FRS 102 and the Charities FRS 102 SORP.

The charity constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. This assessment of going concern includes the expected impact of COVID-19 to the entity in the 12 months following the signing of these financial statements

#### b. Funds structure

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor of trust deed, or through the terms of an appeal.

Further details of each fund are disclosed in Note 13.

#### c. Income recognition

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

## COMMUNITY RESOURCES NETWORK SCOTLAND

### NOTES TO THE ACCOUNTS (cont)

For the year ended 31 March 2020

#### 1. Accounting Policies (cont)

##### c. Income recognition (cont)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from government and other grants, whether 'capital' or 'revenue' grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service deferred until the criteria for income recognition are met.

##### d. Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to Note (g) below.

1. Costs of raising funds comprise the costs, based on staff time, incurred in raising voluntary income, including staff costs and associated support costs.
2. Expenditure on charitable activities includes expenditure on activities undertaken to further the purposes of the charity and their associated support costs.

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

##### e. Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised and valued at historical cost. Depreciation is charged as follows:-

	<b>Basis</b>
Short Leasehold improvements	10% straight line
Computer equipment	33% straight line
Fixtures and fittings	20% straight line

##### f. Fixed asset investments

Investment in subsidiary is at cost less any diminution in value for impairment.

## COMMUNITY RESOURCES NETWORK SCOTLAND

### NOTES TO THE ACCOUNTS (cont)

For the year ended 31 March 2020

#### 1. Accounting Policies (cont)

##### g. Taxation

The company is a charitable company with the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

##### h. Group accounts

The charity is entitled to exemption from preparing consolidated accounts under Section 18 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

##### i. Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of the pension provision which is measured at net present value.

##### j. Pensions

The Charity operates a Defined Contributions Pension Scheme. Contributions are charged to the accounts as they become payable in accordance with the rules of the Scheme.

#### 2. Legal Status of the Charity

The charity is a registered Scottish charity.

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

#### 3. Related Party Transactions and Trustees' Expenses and Remuneration

No Trustee received any remuneration during the year (2019: Nil). Travel costs amounting to £486 (2019: £227) were reimbursed to three (2019: one) Trustees. No Trustees (2019: one, prior to appointment as Trustee) received £nil (2019: £1,853) for strategy consultancy services, none of which was outstanding at the year end.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 102.

No one individual had control over the charity during either the current or previous year.

The amount due to the subsidiary, CRNS Enterprises Ltd, was nil (2019: £5,717).

**COMMUNITY RESOURCES NETWORK SCOTLAND**

**NOTES TO THE ACCOUNTS (cont)**

**For the year ended 31 March 2020**

**4. Income from Charitable Activities**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2020</b>	<b>Total 2019</b>
	£	£	£	£
Zero Waste Scotland	117,587	-	117,587	105,700
Zero Waste Scotland - Consortium	-	47,772	47,772	35,472
National Lottery Awards for All	-	6,000	6,000	-
Scottish Community Alliance	-	13,680	13,680	-
Other grants	300	-	300	-
Fee income	1,044	-	1,044	919
Membership subscriptions	13,170	-	13,170	12,678
	<hr/>	<hr/>	<hr/>	<hr/>
	132,101	67,452	199,553	154,769
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Income from charitable activities was £199,553 (2019: £154,769) of which £132,101 (2019: £119,297) was unrestricted and £67,452 (2018: £35,472) was restricted.

**5. Income from trading activities**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2020</b>	<b>Total 2019</b>
	£	£	£	£
Annual conference	18,195	-	18,195	13,860
Consortium trading	11,754	-	11,754	-
Other trading income	436	-	436	-
Write-off intercompany balance	5,516	-	5,516	-
	<hr/>	<hr/>	<hr/>	<hr/>
	35,901	-	35,901	13,860
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Income from other trading activities was £35,901 (2019: £13,860) of which £35,901 (2019: £13,860) was unrestricted and £Nil (2019: £Nil) was restricted.

**COMMUNITY RESOURCES NETWORK SCOTLAND**

**NOTES TO THE ACCOUNTS (cont)  
For the year ended 31 March 2020**

**6. Expenditure**

<b>Charitable Activities</b>	<b>Project Costs</b>	<b>Govern- ance</b>	<b>Raising Funds</b>	<b>2020</b>	<b>2019</b>
<b>Direct Costs</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs (note 7)	134,978	6,749	5,249	146,976	117,572
Other staff costs	7,778	389	302	8,469	6,634
Office supplies etc	8,571	-	-	8,571	1,678
Membership	-	-	-	-	2,528
Consortium	4,671	-	-	4,671	8,633
Grants Payable	4,500	-	-	4,500	-
Shetland expenses	3,469	-	-	3,469	-
Annual conference	-	-	9,738	9,738	8,059
Other expenses	403	-	-	403	-
Board expenses	-	1,490	-	1,490	1,119
Independent Examination	-	2,226	-	2,226	2,316
Legal fees	-	1,200	-	1,200	-
Bad debts	-	-	-	-	1,090
Consultancy and website	8,409	-	-	8,409	1,854
Events	-	-	-	-	174
Loss on disposal	621	-	-	621	-
<b>Support Costs</b>					
Staff costs (note 7)	2,549	450	-	2,999	2,398
Other staff costs	146	26	-	172	134
Premises costs	13,152	731	731	14,614	16,236
Telephone	2,176	-	115	2,291	2,797
Repairs & renewals	295	-	16	311	1,594
Computer costs	4,152	-	219	4,371	4,674
Bank charges	99	-	5	104	80
Depreciation	1,673	-	88	1,761	681
	-----	-----	-----	-----	-----
	197,642	13,261	16,463	227,366	180,251
	=====	=====	=====	=====	=====

Further analysis of the charitable activities is not provided as the directors believe the charity only has one main activity.

**7. Staff Costs and Numbers**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Salaries and wages	126,687	99,253
Social security costs	8,562	9,051
Other pension costs	14,726	11,666
	-----	-----
	149,975	119,970
	=====	=====

The charity considers its key management personnel comprise the Chief Executive and the Finance Officer. The total employment benefits including employer pension contributions of the key management personal was £49,758 (2019: £43,644). No employee had emoluments of more than £60,000 during either the current or previous year.

COMMUNITY RESOURCES NETWORK SCOTLAND

NOTES TO THE ACCOUNTS (cont)

For the year ended 31 March 2020

7. Staff Costs and Numbers (cont)

	2020 £	2019 £
Average number of persons, by headcount, employed by the charity during the year was:-	5	4

8. Net Income/(Expenditure) for the Year

This is stated after charging:

	2020 £	2019 £
Depreciation	1,761	681
Independent Examiners' fees	2,226	2,316

9. Tangible Fixed Assets

	Computer Equipment £	Fixtures & Fittings £	Total £
<b>Cost or valuation</b>			
At 1 April 2019	6,757	5,696	12,453
Additions	3,099	-	3,099
Disposals	(2,855)	(2,764)	(5,619)
	-----	-----	-----
At 31 March 2020	7,001	2,932	9,933
	-----	-----	-----
<b>Depreciation</b>			
At 1 April 2019	6,155	4,633	10,788
Charge for the year	1,319	442	1,761
Eliminated on disposal	(2,855)	(2,143)	(4,998)
	-----	-----	-----
At 31 March 2020	4,619	2,932	7,551
	-----	-----	-----
<b>Net book value</b>			
At 31 March 2020	2,382	-	2,382
	-----	-----	-----
At 31 March 2019	602	1,063	1,665
	-----	-----	-----

**COMMUNITY RESOURCES NETWORK SCOTLAND**

**NOTES TO THE ACCOUNTS (cont)**

**For the year ended 31 March 2020**

**10. Fixed Assets – Investments**

	<b>Shares in Group Undertakings £</b>
Investment in subsidiary undertaking as at 31 March 2020	-
Investment in subsidiary undertaking as at 31 March 2019	1
	<hr style="border-top: 1px solid black;"/>

The Charity had a wholly owned subsidiary, CRNS Enterprises Limited, a company limited by share capital and registered in Scotland. The company was dissolved on 4 February 2020 and was dormant in the prior year. CRNS Enterprises Limited had net liabilities of £25 at 31 March 2019.

**11. Debtors**

	<b>2020 £</b>	<b>2019 £</b>
Trade debtors	5,413	254
Other debtors	1,175	1,175
Prepayments	296	3,449
Grants receivable	27,066	22,226
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
	33,950	27,104
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

**12. Creditors: amounts falling due within one year**

	<b>2020 £</b>	<b>2019 £</b>
Trade creditors	5,715	172
Accruals	4,114	3,644
Taxation and Social Security	-	-
Amounts due to subsidiary undertaking	-	5,517
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
	9,829	9,333
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

COMMUNITY RESOURCES NETWORK SCOTLAND

NOTES TO THE ACCOUNTS (cont)

For the year ended 31 March 2020

13. Reserves

	Balance 1 April 2019 £	Income £	Expenditure £	Transfer £	Balance 31 March 2020 £
<b>Restricted funds</b>					
Zero Waste Scotland - Consortium	-	47,772	(47,772)	-	-
Awards for All	-	6,000	(6,000)	-	-
Impact reporting	-	5,000	(5,000)	-	-
Pockets & Prospect	-	5,000	(5,000)	-	-
Community Learning Exchange	-	3,680	(3,680)	-	-
<b>Total restricted funds</b>	-	67,452	(67,452)	-	-
<b>Unrestricted funds</b>					
General funds	163,138	169,135	(158,153)	(2,478)	171,642
<u>Designated funds:</u>					
Tangible fixed assets	1,665	-	(1,761)	2,478	2,382
<b>Total unrestricted funds</b>	164,803	169,135	(159,914)	-	174,024
<b>TOTAL FUNDS</b>	164,803	236,587	(227,366)	-	174,024

  

	Balance 1 April 2018 £	Income £	Expenditure £	Transfer £	Balance 31 March 2019 £
<b>Restricted funds</b>					
Zero Waste Scotland - Consortium	-	35,472	(35,472)	-	-
<b>Total restricted funds</b>	-	35,472	(35,472)	-	-
<b>Unrestricted funds</b>					
General funds	174,488	133,647	(144,098)	(899)	163,138
<u>Designated funds:</u>					
Tangible fixed assets	1,447	-	(681)	899	1,665
<b>Total unrestricted funds</b>	175,935	133,647	(144,779)	-	164,803
<b>TOTAL FUNDS</b>	175,935	169,119	(180,251)	-	164,803

COMMUNITY RESOURCES NETWORK SCOTLAND

NOTES TO THE ACCOUNTS (cont)

For the year ended 31 March 2020

13. Reserves

**Purpose of restricted funds**

**Zero Waste Scotland Consortium** – The aim of this Project is to offer a collaborative approach to the supply of reuse furniture and furnishings in Scotland. CRNS bid for a national procurement framework with Scotland Excel on behalf of a consortium of our members. Funding received for this project is reserved for these purposes.

**Awards for All** – Funding from the National Lottery to supporting the development of the new website via the connecting communities with reuse project.

**Impact report** – Funding from the Scottish Community Alliance to deliver research on impact reporting, spotlight videos and a report which was published in September 2019.

**Pockets & Prospect** – Funding from the Scottish Community Alliance to supporting the Pockets & prospects project into the impact of welfare reform.

**Community Learning Exchange** – Funding received from Scottish Communities Alliance specifically to support a learning exchange for members visiting Shetland.

**Purpose of unrestricted funds**

The general funds are available to be spent for any of the purposes of the charity.

**Tangible fixed assets** represent the net book value of the charity's tangible fixed assets.

14. Pension Scheme

The company operates a money purchase (defined contribution) pension scheme. The assets of the Scheme are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the fund and amounted to £14,726 (2019: £11,666). The balance outstanding at the year end is £Nil (2018: £Nil).

15. Operating lease commitment

The following operating lease payments were committed to be paid as at the year-end:

	<b>2020</b>	<b>2019</b>
	<b>Land &amp; Buildings</b>	<b>Land &amp; buildings</b>
	<b>£</b>	<b>£</b>
Within one year	940	940
	=====	=====