

THE COCKBURN ASSOCIATION
(The Edinburgh Civic Trust)

REPORT AND ACCOUNTS
FOR THE YEAR ENDED
30 SEPTEMBER 2021



**THE COCKBURN ASSOCIATION
(The Edinburgh Civic Trust)**

REPORT AND ACCOUNTS

YEAR ENDED 30 SEPTEMBER 2021

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**THE COCKBURN ASSOCIATION
(The Edinburgh Civic Trust)**

REPORT OF THE COUNCIL

YEAR ENDED 30 SEPTEMBER 2021

The Council of the Association presents its report for the year ended 30 September 2021.

Reference and Administrative Details

Charity Registration Number:
SC011544

Principle Office:
Trunk's Close
55 High Street
Edinburgh
EH1 1SR

Sir Sandy Crombie President

Council Members:

Prof Cliff Hague	Chairman, Convener of Management & Finance Committee (Re-elected 2019)
Robin Mair	Treasurer; Management & Finance Committee (Re-elected 2019)
Andrew MacLeod	Vice Chairman; Management & Finance Committee: Convener, Policy & Development Committee (Re-elected 2019)
Richard Scothorne	Management & Finance Committee (Appointed 2021)
Prof Richard Rodger	Cockburn Urban Design Group (Appointed 2020)
Stephen Hajducki	Policy & Development Committee, Cockburn Urban Design Group (Re-elected 2021)
Alistair Shields	Management & Finance Committee (Re-elected 2021)
Alastair Cook	Policy & Development Committee, Chairman Cockburn Urban Design Group (Elected 2019)
Mariana Trusson	(Co-opted 2019)
Claire Mitchell	Management & Finance Committee (Elected 2021)
Mark Lazarowicz	Policy & Development Committee (Elected 2021)
William Moyes	Management & Finance Committee (Elected 2021)

Members of the Policy & Development Committee not Council members
Pam Barnes, Jack Hughes, Mathilde Delestre, Keith Anderson

Staff

Terry Levinthal	Director
James Garry	Assistant Director
Dr DJ Johnston-Smith	Outreach & Development Officer

Solicitors:

Lindsays WS,
Caledonian Exchange
19A Canning Street
Edinburgh
EH3 8HE

Investment Managers

Brown Shipley
2 Multrees Walk
Edinburgh
EH1 3DQ

Bankers

Royal Bank of Scotland
Bank of Scotland

**THE COCKBURN ASSOCIATION
(The Edinburgh Civic Trust)**

REPORT OF THE COUNCIL (Contd.)

YEAR ENDED 30 SEPTEMBER 2021

Reference and Administrative Details (Contd.)

Independent Examiner
Malcolm Beveridge CA
Chiene + Tait LLP
Chartered Accountants
61 Dublin Street
Edinburgh
EH3 6NL

Objectives and Activities

The constitutional objectives of the Association are to promote and encourage the following by charitable means but not otherwise:

- (a) the maintenance and improvement of the amenity of the City of Edinburgh and its neighbourhood;
- (b) the protection and preservation of the City's landscape and historic and architectural heritage.

In furtherance of these objectives the Association is empowered:

- (1) to co-operate with and assist the local and national authorities concerned with the planning and administration of Edinburgh and its surroundings, and any other organisations, bodies or persons by whose or with whose assistance or interest the objects of the Association can be carried out or furthered;
- (2) to encourage and stimulate active and well-informed public interest in the past, present and future planning and development of the City and its amenity;
- (3) to co-ordinate the efforts of local associations interested in amenity;
- (4) to ensure so far as possible the application of the highest standards of planning, construction and design;
- (5) to promote, assist or otherwise encourage the conservation and restoration of streets, buildings or monuments which are considered to be worthy of preservation on account of their historic or architectural interest;
- (6) to raise and hold or contribute to funds which may be used or directed towards any of the Association's objectives;
- (7) to take further action as the Association may consider conducive to the attainment of these objectives or any of them.

Achievements and Performance

Digital Transition

Despite Covid precautions that began in March 2020, the Cockburn Association managed to sustain a high level of activity and support from its members. Our hopes that we could return to in-person events during 2021 were not realised. However, we significantly enhanced our online presence. The website (www.cockburnassociation.org.uk) was improved dramatically. The News and Events section has carried regular blogs, enabling us to share with members and a wider public our thoughts on issues in the city and our responses to some key planning applications. A fascinating Digital Timeline of the Cockburn's long history is now also on the website.

The website also makes it easy for people to make donations online, and to become members or renew their subscriptions. The upgrades have also made it easier to monitor membership numbers more accurately and to begin to reduce the demands made on staff time in chasing tardy renewals.

A strong social media presence was maintained across different platforms – Twitter, Facebook and You Tube. This meant that despite the restrictions on public meetings, the voice of the Cockburn was heard widely within and beyond the city. There was regular contact via email with members who had shared their email addresses with us. For those not on email, contact was still made, though less frequently.

**THE COCKBURN ASSOCIATION
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REPORT OF THE COUNCIL (Contd.)

YEAR ENDED 30 SEPTEMBER 2021

Achievements and Performance (Contd.)

Digital Transition (Contd.)

The main online event of the year was in January 2021. 'Whose Festival is it Anyway?' provided a range of speakers from differing perspectives who together gave an informed consideration of the challenges of sustaining the city's many festivals while also ensuring that the city remains an attractive place to live. The Annual Lecture, on a similar theme, had also been delivered on Zoom in November 2020. In September 2021 a further online Conversation was held about Paris, with French urbanist Nicolas Buchoud. In October 2021, another online webinar was held. 'By leaves we live' was linked to the COP26 UN climate conference in Glasgow and looked at grassroots climate strategies in Edinburgh. It was supported by a grant from Museums Galleries Scotland.

Doors Open Days 2021 for Edinburgh and East Lothian was also delivered mainly online. Uncertainty about public health measures that would be operative in late September made planning difficult, and despite some small grants it was impossible for us to recoup the costs (mainly in staff time) of staging the event. Some venues allowed in-person visits, with outdoor sites like gardens proving most popular.

The Cockburn continued to host online meetings of the Edinburgh Civic Forum, bringing together persons from Community Councils and other local amenity bodies from across the city. Our thanks are due to City Council officials who attended these meetings and answered numerous questions. We welcomed David Given, the City's new Head of Planning, and paid thanks to his predecessor David Leslie who retired, after giving much valued support to the Cockburn over a long period.

The Director and the Chair have both been featured on TV during the year, giving the Cockburn's views on topical issues in the city.

Festivals

The extent to which the many festivals are having negative impacts on the city was a concern throughout the year, despite the Winter Festivals being cancelled due to public health measures. The Cockburn's reservations that such large events could not be staged safely were finally endorsed and accepted. A joint statement from the Cockburn and five city centre Community Councils had stated 'the Council needs to be extra cautious and fully transparent in considering how the city chooses to celebrate Christmas and Hogmanay this winter safely.'

We continued to oppose further use of grassed areas in East Princes St Gardens for the Christmas Market. The Market went ahead in 2021, though the Hogmanay shows were cancelled. However, Underbelly and the City Council did take on board some of the positive suggestions made by the Cockburn, notably by dispersing activities and making more use of hard standing sites.

The Chair spoke in an invited event in the 2021 Book Festival on the future of the City's festivals.

Planning

The Scottish Government encouraged planning authorities to allow 'temporary breaches of planning control' to aid recovery from Covid. This triggered a splurge of decks and cabins in the World Heritage Sites by cafes, bars and restaurants. Despite warnings in Edinburgh's economic strategy and tourism strategy of the deleterious effects of 'unmanaged growth', the Council went ahead with the deregulation. It has had a serious negative impact, especially notable in Cockburn Street. The 'amnesty' has been extended to the end of September 2022, though applications to make the structures permanent were refused in early 2022.

Significant policy work including detailed comments on City Plan 2030, the proposed new Local Development Plan. The Cockburn also participated in developing the framework for a new Events and Filming in Public Spaces policy, which will give some clarity to the processes and expectations for using the city's parks, gardens, squares and streets for a wide range of events and activities. In addition, we were significantly involved in the Scottish Government's proposals for regulating short-term lets providing comments and advice on the subject.

Through the year the Cockburn's staff and the volunteers on the Policy and Development Committee have been vigilant in monitoring and responding to planning issues and deserve our thanks.

**THE COCKBURN ASSOCIATION
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REPORT OF THE COUNCIL (Contd.)

YEAR ENDED 30 SEPTEMBER 2021

Achievements and Performance (Contd.)

A small charity in difficult times

Charities generally have suffered during the Covid pandemic, and the Cockburn is no exception. Fundraising plans could not be followed through. In the circumstances, growing the membership slightly from the leap achieved early in 2020 should be seen as a real success. Our thanks go to each and every member. However, the financial year 2020-21 saw us again suffering a significant deficit in our budget. Plans to move to a SCIO were put on hold for a while but have since been reactivated.

Trustees

I would like to thank all the members of the Council who have given so much time and support during this period. At the AGM, Pam Barnes, Jack Hugh, Iain MacPhail, Sindi Mules and John McKinney all retired from Council. Joining Council were William Moyes, Claire Mitchell and Mark Lazarowicz. Richard Scothorne formally retired after serving two full terms but was subsequently appointed to assist in some governance review work. It has also proved challenging to recruit a replacement Treasurer, after Robin Mair indicated that he wished to step down after 6 years' service. Our search for his successor continues.

We are also keen to recruit new Trustees who could make the Council of Trustees better reflect the diversity of the city.

Summary

The year 2020-21, like 2019-2020, was framed by the Covid pandemic and public health measures which had seen Cockburn staff working from home from March 2020. This forced significant adaptations in the way the Association has operated. Thanks to significant efforts by the staff, and the on-going support of volunteers and members, the Cockburn has come through with a small growth in membership and a much-improved social media presence, though it has not been possible to serve as well as we would have liked those members who are not online. Our voice continues to resonate in the city, based on the expertise, energy and history of the Association. We continue to run deficit budgets, while retaining assets and investments that mean we do not face any short-term financial crisis. Hopefully, 2021-22 we see a further transition back to in-person events, social gatherings, and a reaffirmation of the essential role that the Cockburn plays in the life and future of Edinburgh.

Financial Review

The Trust recorded operating losses before gains on investments of £52,871 (2020: losses of £44,771), gains on investments during the year were £74,358 (2020: losses of £3,494) resulting in a net surplus of £21,487 (2020: losses of £48,265). Total funds stood at £636,862 (2020: £615,375) represented by unrestricted funds of £624,909 (2020: £586,413) and restricted funds for Doors Open Day of £9,944 (2020: £25,962) and Edinburgh Civic Forum of £2,009 (2020: £3,000).

Investment policy

The investment objective of the Council is to achieve a reasonable current income yield from the Association's investments in line with current markets, but to balance that requirement with the need to achieve growth of capital over the long term. A full list of the Association's investments showing the cost and market value for each of the individual holdings is included as an Appendix to these accounts.

**THE COCKBURN ASSOCIATION
(The Edinburgh Civic Trust)**

REPORT OF THE COUNCIL (Contd.)

YEAR ENDED 30 SEPTEMBER 2021

Financial Review (Contd.)

The Council aims for long-term capital growth in its holdings but also recognises that investment values may fall over certain periods and this requires a prudent approach to investment policy.

Reserves policy

At the year end, the unrestricted fund balance was £624,909 and the restricted funds balance was £11,953. The Council's policy is to maintain a level of reserves and investments in excess of £300k in order to generate an investment income to support the Association's operations in the long term. In addition, liquid assets are maintained at levels to support operating costs in the short term. The Association maintains its unrestricted funds, which are free reserves of the Association, at a level to provide sufficient funds to cover management and administration costs.

Taxation

The Association is a charity and is recognised as such by HM Revenue & Customs for taxation purposes. As there was no non-charitable expenditure there is no liability to taxation on any of its income.

Plans for Future Periods

As we reported in 2020, the profound impact of Covid-19 and its influence on public matters will still determine how we operate in the next year, or indeed, years to come.

Digital management has become the norm, with many operation activities continuing to be conducted online. Working practices will be more flexible with staff continuing to be home-based initially, and looking forward, a more blended approach to office life will continue. In many ways, this offers increased flexibility and efficiencies. However, real-time meetings are also important and especially so with members and other stakeholders when events are held.

We will continue to use digital technology as a significant operational approach. We have made some small investments in equipment that will enable us to produce more professional and interesting video projects. Continuation with the "Cockburn Conversations" initiative aimed at exploring key issues of the day and engaging with other places and topics will feature and develop.

Our part-day conference *Whose Festival is it Anyway?* and our COP26 event, *By Leaves We Live* were successful events that covered prominent issues and will set the template for future engagement activities. Developing our YouTube channel with bespoke material will also create greater interest in what we do, expanding the resources presently on our web site. However, we will not lose sight of the importance of live events.

We will continue to scrutinise development proposals that have a serious impact on the amenity of the city and its special architectural, landscape and historic qualities. The finalisation of City Plan 2030, the next Local Development Plan has much to commend it. However, the quality of policies needs to be matched by the quality of decision-making. We will monitor progress and seek to influence issues as and when the need arises.

As real impacts to the city's social and economic fabric post-Covid become clearer, changing patterns to retail and commercial activities as well as shifts away from traditional work patterns has the potential for significant changes to how the city will operate. The use of civic space for public benefit will remain a focus for us over the next as will advocating policies, developments and approaches that mitigate against climate impact whilst ensure that the amenity and qualities of the city are preserved and enhanced.

**THE COCKBURN ASSOCIATION
(The Edinburgh Civic Trust)**

REPORT OF THE COUNCIL (Contd.)

YEAR ENDED 30 SEPTEMBER 2021

Plans for Future Period (Contd.)

We are preparing a new 3-year business plan with related fund-raising strategy. Covid has proven to be a difficult period for charities including the Cockburn with many individuals and corporate bodies being cautious in supporting organisations and causes. Our membership has remained constant with a slight increase in new supporters joining, marking a positive position as we move forward. Building on our recent successes and support will be a critical objective of this plan.

Liaison with a wide range of stakeholders is also vital to our success. We will invest more energy in the Edinburgh Civic Forum. We will continue to engage with the City of Edinburgh Council, Scottish Parliament and Government, agencies, organisations, and colleagues across the heritage, planning and architectural industries.

Structure, Governance and Management

Constitution

The Cockburn Association (The Edinburgh Civic Trust) is an unincorporated association of members, originally established in 1875 and governed through its Constitution.

Council

1. The affairs of the Association are managed and its functions discharged by the Council.
2. The Council consists of the following, all of whom are members of the Association:-
 - (a) The Office-Bearers who are, with the exception of the President and the Chairman, either ordinary, appointed or co-opted members;
 - (b) Ordinary members who are elected at an annual meeting of the Association and retire at the end of the third annual meeting after their election, but are eligible once for re-election;
 - (c) Appointed members, not exceeding five in number, who are appointed by the Council to serve for such period, not exceeding three years, as the Council may think fit, and are eligible once for re-appointment; and
 - (d) Co-opted members who are co-opted by the Council to fill casual vacancies until the next annual general meeting.
3. The number of Ordinary and Co-opted Members together with Office Bearers (but excluding Appointed Members) may not exceed fifteen.
4. The Council has the following power:-
 - (a) To appoint committees, and the Chairmen thereof, to perform executive functions of the Council and to delegate such of its own power to a committee as the Council thinks fit.
 - (b) To appoint members of the Council to discharge specific responsibilities on behalf of the Council.
 - (c) To appoint panels of skilled persons (who need not be members of Council) to form committees and their Conveners thereof (who shall be members of Council) to make detailed studies of particular matters referred to them by the Council, and to make recommendations and reports to the Council thereon.
5. Members of panels and committees are appointed for a period not exceeding three years but may be re-appointed from time to time.

THE COCKBURN ASSOCIATION

(The Edinburgh Civic Trust)

REPORT OF THE COUNCIL (Contd.)

YEAR ENDED 30 SEPTEMBER 2021

Risk management

The Cockburn Council has adopted a risk management process with robust procedures for identifying, managing, and addressing impact and probability of strategic, operational, financial, reputational and compliance risks to the Association.

The main risk for the charity at the year-end comes in the form of the ongoing Covid-19 pandemic and the impact on core activities including fundraising it has had. However, the Council members have continued to assess this and are confident that through its investments, existing reserves, and fundraising strategy, the risk arising has been mitigated as much as possible. Prudent budgeting and financial management are central to the risk management approach and expenditure has been managed tightly over the year.

Statement of Council's Responsibilities

The Council is responsible for preparing the Council Report and the accounts 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 Council to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, the Council is required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Approved by the Council Members on 03 March 2022 and signed on its behalf by:

Cliff Hague

**Cliff Hague
Chairman**



**INDEPENDENT EXAMINER'S REPORT TO THE COUNCIL MEMBERS OF
THE COCKBURN ASSOCIATION
(The Edinburgh Civic Trust)**

YEAR ENDED 30 SEPTEMBER 2021

I report on the accounts of The Cockburn Association for the year ended 30 September 2021 which are set out on pages 10 to 21.

This report is made to the Council Members, as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to prepare the accounts on behalf of the Council Members and to report my opinion as set out below and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Council Members, as a body, for my work or for this report.

Respective responsibilities of Council Members and examiner

The Council Members are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended) (the Regulations). The Council Members consider that the audit requirement of Regulation 10(1)(a) to (c) of the 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 examiner's statement

My examination is carried out in accordance with Regulation 11 of the Regulations. 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 seeks explanations from the Council Members 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 Act and Regulation 4 of the Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the Regulationshave 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.

Malcolm R Beveridge

**Malcolm Beveridge CA
CHIENE + TAIT LLP
Chartered Accountants and Independent Examiners
61 Dublin Street
Edinburgh
EH3 6NL**

03 March 2022 2022

THE COCKBURN ASSOCIATION
(The Edinburgh Civic Trust)

STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)

YEAR ENDED 30 SEPTEMBER 2021

	Notes	Unrestricted Capital £	Revenue £	Restricted £	Total 2021 £	Total 2020 £
Income and endowments from:						
Donations and legacies	2	-	27,299	7,500	34,799	39,726
Charitable activities	3	-	3,215	-	3,215	1,204
Investments	4	-	13,589	-	13,589	17,536
		-	44,103	7,500	51,603	58,466
Expenditure on:						
Raising funds	5	-	4,908	-	4,908	4,828
Charitable activities	6	-	75,057	24,509	99,566	98,409
		-	79,965	24,509	104,474	103,237
Net gains/(losses) on investments		74,358	-	-	74,358	(3,494)
Net income/(expenditure)		74,358	(35,862)	(17,009)	21,487	(48,265)
Transfers between funds		(35,862)	35,862	-	-	-
Net movement in funds		38,496	-	(17,009)	21,487	(48,265)
Reconciliation of funds:						
Total funds brought forward	14	586,413	-	28,962	615,375	663,640
Total funds carried forward	14	624,909	-	11,953	636,862	615,375

All income and expenditure derive from continuing activities.

The notes on pages 12 to 21 form part of these accounts.

**THE COCKBURN ASSOCIATION
(The Edinburgh Civic Trust)**

BALANCE SHEET

AS AT 30 SEPTEMBER 2021

	Notes	2021	2020
		£	£
Fixed assets:			
Tangible assets	10	25,346	26,220
Investments	11	<u>518,865</u>	<u>486,988</u>
		544,211	513,208
Current assets:			
Debtors	12	7,642	8,294
Cash at bank and in hand		<u>91,681</u>	<u>104,358</u>
		99,323	112,652
Current liabilities:			
Amounts falling due within one year	13	<u>(6,672)</u>	<u>(10,485)</u>
Net current assets		<u>92,651</u>	<u>102,167</u>
Net assets		<u>636,862</u>	<u>615,375</u>
Funds of the charity:			
Unrestricted funds	14	624,909	586,413
Restricted funds	14	<u>11,953</u>	<u>28,962</u>
		<u>636,862</u>	<u>615,375</u>

These accounts were approved by the Council Members on 03 March 2022 and were signed on their behalf by:

Cliff Hague

**Cliff Hague
Chairman**

The notes on pages 12 to 21 form part of these accounts.

THE COCKBURN ASSOCIATION
(The Edinburgh Civic Trust)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash used in operating activities	17	(68,747)	(53,749)
Cash flows from investing activities:			
Dividends and interest from investments		13,589	17,536
Proceeds from sale of investments		146,467	179,742
Purchase of investments		(103,986)	(126,203)
Net cash provided by investing activities		<u>56,070</u>	<u>71,074</u>
Change in cash and cash equivalents in the reporting period		(12,677)	17,325
Cash and cash equivalents at the beginning of the reporting period		104,358	87,033
Cash and cash equivalents at the end of the reporting period		<u>91,681</u>	<u>104,358</u>

Analysis of changes in net debt

	As at 1 October 2020 £	Cash- flows £	Other non-cash changes £	As at 30 September 2021 £
Cash and cash equivalents	<u>104,358</u>	<u>(12,677)</u>	-	<u>91,681</u>

The notes on pages 12 to 21 form part of these accounts.

**THE COCKBURN ASSOCIATION
(The Edinburgh Civic Trust)**

NOTES TO THE ACCOUNTS

YEAR ENDED 30 SEPTEMBER 2021

1. Accounting Policies

Basis of preparation

The accounts have been prepared in accordance with 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) (second edition – October 2019) and the Financial Reporting Standard applicable in the United Kingdom 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 constitutes a public benefit entity as defined by FRS 102. The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts.

The accounts are prepared in sterling, which is the functional currency of the entity.

Going concern

The accounts have been prepared on a going concern basis. The Council members have assessed the charity's ability to continue as a going concern, including consideration of the ongoing impact of Covid-19 as disclosed in note 19, and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these accounts.

Judgements and key sources of estimation uncertainty

The preparation of the accounts requires the Council members to make judgements, estimates, and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under circumstances.

Significant judgements

The Council members have not made any judgements in the process of applying the entity's accounting policies that are likely to have a significant effect on the amounts recognised in the accounts.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. There are no key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Investments

The Association's Stock Exchange investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. Gains and losses on the sale of investments are taken to capital.

The main form of financial risk faced by the Association is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**THE COCKBURN ASSOCIATION
(The Edinburgh Civic Trust)**

NOTES TO THE ACCOUNTS

YEAR ENDED 30 SEPTEMBER 2021

1. Accounting Policies (Contd.)

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. It is the council's policy not to capitalise items under £200.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset evenly over its expected useful economic life at the following annual rates:-

Property	-	2% straight line
Equipment	-	33 1/3% straight line

Debtors

Debtors are recognised at their settlement amount due after any discount offered.

Liabilities

Creditors are recognised at their settlement amount after allowing for any discounts offered.

Income recognition

All income is recognised once the Association has entitlement to the resources, it is probable that the resources will be received and the monetary value can be measured with sufficient reliability.

Donations and legacies

Donations and legacies, are recognised when the charity has been notified in writing of both the amount and settlement date. Life subscriptions and legacies are credited directly to capital and all other subscriptions and donations are credited to income when receivable.

Charitable activities

Income from charitable activities includes income earned through activities provided and is recognised when the Association has entitlement to the income.

Investments

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Expenditure recognition

All expenditure is included on an accruals basis, inclusive of VAT, and is recognised when there is a legal or constructive obligation to pay for expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an estimated usage basis.

Raising funds

Costs of raising funds include the investment management costs on the investments held with Brown Shipley.

Charitable activities

Charitable activities costs are those costs expended on meeting the charity's objectives together with support and governance costs.

Governance costs include independent examiners fees.

THE COCKBURN ASSOCIATION
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NOTES TO THE ACCOUNTS (Contd.)

YEAR ENDED 30 SEPTEMBER 2021

1. Accounting Policies (Contd.)

Pensions

The Association pays premiums into a defined contribution pension scheme on behalf of employees. The pension costs for the year are included within outgoing resources in the year in which they are incurred.

Funds

Restricted funds

Monies received for Doors Open Day, the Old Royal High School Project and Edinburgh Civic Forum cannot be utilised for alternative purposes and consequently are classified under restricted funds. Any surpluses arising are carried forward for the benefit of future years, whilst any deficits are matched by a transfer from unrestricted funds.

Unrestricted funds

The Revenue Fund represents the unrestricted funds which the Council are free to use in accordance with the Association's objects. Any unrestricted revenue deficit is met by a transfer from the unrestricted capital fund.

Financial instruments

A financial asset or financial liability is recognised only when the company become a party to the contractual provisions of the instrument.

Basic financial instruments consist of debtors, cash and creditors and are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument

2. Donations and legacies

	Unrestricted		Restricted	Total	Total
	Capital	Revenue		2021	2020
	£	£	£	£	£
Subscriptions and donations	-	22,516	-	22,516	31,241
Doors Open Day	-	-	6,500	6,500	5,085
Edinburgh Civic Forum	-	-	1,000	1,000	1,000
Gift aid	-	3,783	-	3,783	2,400
Legacies	-	1,000	-	1,000	-
	-	27,299	7,500	34,799	39,726

3. Charitable activities

	Unrestricted		Restricted	Total	Total
	Capital	Revenue		2021	2020
	£	£	£	£	£
Events and other activities	-	3,215	-	3,215	1,204

4. Investments

	Unrestricted		Restricted	Total	Total
	Capital	Revenue		2021	2020
	£	£	£	£	£
Investment income	-	13,589	-	13,589	17,536

THE COCKBURN ASSOCIATION
(The Edinburgh Civic Trust)

NOTES TO THE ACCOUNTS (Contd.)

YEAR ENDED 30 SEPTEMBER 2021

5. Raising funds

	Unrestricted Capital	Revenue	Restricted	Total 2021	Total 2020
	£	£	£	£	£
Investment management costs	-	4,908	-	4,908	4,828

6. Charitable activities

	Unrestricted Capital	Revenue	Restricted	Total 2021	Total 2020
	£	£	£	£	£
Doors Open Day	-	-	-	-	12
Website and email newsletter	-	2,750	1,417	4,167	1,558
Events	-	598	168	766	2,816
Salaries	9	61,600	20,072	81,672	82,063
Office costs	-	3,703	1,044	4,747	4,184
Postage and telephone	-	737	208	945	1,317
Professional and consultancy	-	2,190	618	2,808	2,417
Bank charges	-	342	97	439	270
Depreciation	-	682	192	874	874
Donations	-	78	22	100	-
Governance costs	7	2,377	671	3,048	2,898
	-	75,057	24,509	99,566	98,409

7. Governance costs

	Unrestricted Capital	Revenue	Restricted	Total 2021	Total 2020
	£	£	£	£	£
Independent examiner's fees	-	2,377	671	3,048	2,898

8. Trustees' remuneration and expenses

No Council Member received any remuneration or reimbursed expenses during the year.

Key management during the year was:

- Terry Levinthal, Director
- Council Members.

Salary paid to key management during the year amounted to £40,548 (2020: £42,171). During the year no honorarium was payable to the Treasurer (2020: £Nil).

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NOTES TO THE ACCOUNTS (Contd.)

YEAR ENDED 30 SEPTEMBER 2021

9. Staff costs

	2021	2020
	£	£
Wages and salaries	75,708	77,196
Social security costs	3,535	2,761
Pension costs	2,429	2,106
	<u>81,672</u>	<u>82,063</u>
 Average number of staff employed	 <u>3</u>	 <u>3</u>

No employees received total emoluments of more than £60,000.

10. Tangible fixed assets

	Property	Equipment	Total
	£	£	£
Cost			
As at 1 October 2020	43,700	3,916	47,616
Additions	-	-	-
Disposals	-	-	-
As at 30 September 2021	<u>43,700</u>	<u>3,916</u>	<u>47,616</u>
 Depreciation			
As at 1 October 2020	17,480	3,916	21,396
Charge for year	874	-	874
Disposals	-	-	-
As at 30 September 2021	<u>18,354</u>	<u>3,916</u>	<u>22,270</u>
 Net book value			
As at 30 September 2021	<u>25,346</u>	<u>-</u>	<u>25,346</u>
 As at 30 September 2020	 <u>26,220</u>	 <u>-</u>	 <u>26,220</u>

THE COCKBURN ASSOCIATION
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NOTES TO THE ACCOUNTS (Contd.)

YEAR ENDED 30 SEPTEMBER 2021

11. Investments	2021	2020
	£	£
Market value at 1 October 2020	486,988	544,020
Additions	103,986	126,203
Disposals	(132,251)	(203,224)
Unrealised gain in year	60,142	19,989
Market value at 30 September 2021	<u>518,865</u>	<u>486,988</u>
Historic cost of investments at 30 September 2021	<u>370,884</u>	<u>382,648</u>

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial stability of the charity is considered in the financial review and investment policy sections of the Trustees' Report.

The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Due to market sentiment favouring lower risk investments, the yield on bonds has been abnormally low giving rise to a significant downside risk of a fall in capital values when interest rates return to normal levels. Although rising interest rates resulting from a stronger economy and improved economic activity should be indicative of improving dividend yields and equity values, there is a concern that the abnormal availability of 'cheap money' to the banking sector has led to wider over-valuation of traded assets (an 'asset bubble') that may depress equity values once economic conditions ease. The charity is reliant on dividend yield in part to finance its work and this leads to a greater exposure to international companies, the values of which, together with their yield are exposed to exchange rate risk when converting the holdings into sterling. The outlook for the sterling exchange rate is that it is anticipated to weaken as European, US and Asian economies strengthen. A weakening in the exchange rate will improve sterling returns from foreign currency denominated holdings.

Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so there ability to buy and sell quoted equities and stock is anticipated to continue. The charity's investments are mainly traded in markets with good liquidity and high trading volumes. The charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

THE COCKBURN ASSOCIATION
(The Edinburgh Civic Trust)

NOTES TO THE ACCOUNTS (Contd.)

YEAR ENDED 30 SEPTEMBER 2021

12. Debtors	2021	2020
	£	£
Prepayments	496	461
Gift aid	768	1,486
Doors Open Day debtor	5,000	5,000
Edinburgh Civic Forum debtor	1,000	1,000
Dividends due	378	347
	<u>7,642</u>	<u>8,294</u>

13. Liabilities	2021	2020
	£	£
Accruals	5,263	9,070
Social security	1,409	1,415
	<u>6,672</u>	<u>10,485</u>

14. Funds as at 30 September 2021

	Balance	Income	Expenditure	Gains/	Transfer	Balance
	at 1 Oct			(losses)		at 30 Sep
	2020					2021
	£	£	£	£	£	£
Restricted						
Edinburgh Civic Forum	3,000	1,000	(1,991)	-	-	2,009
Doors Open Day	25,962	6,500	(22,518)	-	-	9,944
	<u>28,962</u>	<u>7,500</u>	<u>(24,509)</u>	<u>-</u>	<u>-</u>	<u>11,953</u>
Unrestricted	586,413	44,103	(79,965)	74,358	-	624,909
	<u>615,375</u>	<u>51,603</u>	<u>(104,474)</u>	<u>74,358</u>	<u>-</u>	<u>636,862</u>

Funds as at 30 September 2020

	Balance	Income	Expenditure	Gains/	Transfer	Balance at
	at 1 Oct			(losses)		30 Sep
	2019					2020
	£	£	£	£	£	£
Restricted						
Edinburgh Civic Forum	2,000	1,000	-	-	-	3,000
Doors Open Day	25,974	5,000	(5,012)	-	-	25,962
	<u>27,974</u>	<u>6,000</u>	<u>(5,012)</u>	<u>-</u>	<u>-</u>	<u>28,962</u>
Unrestricted	635,666	52,466	(98,225)	(3,494)	-	586,413
	<u>663,640</u>	<u>58,466</u>	<u>(103,237)</u>	<u>(3,494)</u>	<u>-</u>	<u>615,375</u>

THE COCKBURN ASSOCIATION
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NOTES TO THE ACCOUNTS (Contd.)

YEAR ENDED 30 SEPTEMBER 2021

14. Funds as at 30 September 2021 (Contd.)

Edinburgh Civic Forum is a network body of local civic groups, community councils and resident's associations who have an interest in planning and development issued in the City of Edinburgh. The Association administers the group, which meets quarterly with occasional ad-hoc meetings, usually attended by City Planning officials. The Council makes a small grant available to help the with administrative costs.

Doors Open Day is an annual event in September offering the chance to explore some of Edinburgh's most interesting buildings free of charge. It seeks to encourage an understanding of the local architectural environment and to develop a better awareness of the built heritage and conservation issues. A charge of £22,518 (2020: £5,012) which reflects costs (including staff costs) in managing Doors Open Day is made.

A transfer of £35,862 (2020: £45,759) has been made from unrestricted capital to eliminate the deficit on the unrestricted revenue reserve for the year.

15. Analysis of net assets between funds – 2021

	Tangible fixed assets	Investments	Net current assets	Total
	£	£	£	£
Restricted	-	-	11,953	11,953
Unrestricted	25,346	518,865	80,698	624,909
	<u>25,346</u>	<u>518,865</u>	<u>92,651</u>	<u>636,862</u>

Analysis of net assets between funds – 2020

	Tangible fixed assets	Investments	Net current assets	Total
	£	£	£	£
Restricted	-	-	28,962	28,962
Unrestricted	26,220	486,988	73,205	586,413
	<u>26,220</u>	<u>486,988</u>	<u>102,167</u>	<u>615,375</u>

16. Related party transactions

There were no related party transactions in the year.

17. Reconciliation of net expenditure to net cash flow from operating activities

	2021	2020
	£	£
Net income/(expenditure) for the reporting period (per SOFA)	21,487	(48,265)
Adjustments for:		
Depreciation charges	874	874
(Gain)/loss on investments	(74,358)	3,494
Dividends and interest from investments	(13,589)	(17,536)
Decrease in debtors	652	5,018
(Decrease)/increase in creditors	(3,813)	2,666
Net cash used in operating activities	<u>(68,747)</u>	<u>(53,749)</u>

THE COCKBURN ASSOCIATION
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NOTES TO THE ACCOUNTS (Contd.)

YEAR ENDED 30 SEPTEMBER 2021

18. Statement of Financial Activities for the year ended 30 September 2020

	Unrestricted Capital	Revenue	Restricted	Total 2020
	£	£	£	£
Income and endowments from:				
Donations and legacies	-	33,726	6,000	39,726
Charitable activities	-	1,204	-	1,204
Investments	-	17,536	-	17,536
	<u>-</u>	<u>52,466</u>	<u>6,000</u>	<u>58,466</u>
Expenditure on:				
Raising funds	-	4,828	-	4,828
Charitable activities	-	93,397	5,012	98,409
	<u>-</u>	<u>98,225</u>	<u>5,012</u>	<u>103,237</u>
Net losses on investments	<u>(3,494)</u>	-	-	<u>(3,494)</u>
Net income/(expenditure)	(3,494)	(45,759)	988	(48,265)
Transfers between funds	<u>(45,759)</u>	<u>45,759</u>	-	<u>-</u>
Net movement in funds	(49,253)	-	988	(48,265)
Reconciliation of funds:				
Total funds brought forward	<u>635,666</u>	-	<u>27,974</u>	<u>663,640</u>
Total funds carried forward	<u>586,413</u>	-	<u>28,962</u>	<u>615,375</u>

19. Covid-19 and going concern

As noted the Council members are aware of the continuing uncertainties in respect of the ongoing effects of Covid-19. The Council members have assessed the charity's ability to continue as a going concern and are satisfied that it remains appropriate to prepare the accounts on a going concern basis.

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APPENDIX - INVESTMENTS

AS AT 30 SEPTEMBER 2021

Investments	Cost	Market
	£	value
		£
Resources		
1,650 Wisdom.ETC.Gold	14,883	15,755
Consumer goods		
500 GlaxoSmithKline Plc Ordinary 25p	6,247	7,018
250 Diageo	2,774	9,015
150 Unilever	2,726	6,008
145 AstraZenca Ordinary US\$.025	4,655	12,989
80 Reckitt Benckiser Group Plc Ord 10p	5,669	4,664
1,600 DS Smith	5,402	6,606
Services		
840 SSE Plc Ord 50p	12,004	13,196
146 Croda International Ord GBP0.103	5,916	12,474
4,250 Vodafone	5,443	4,815
Financials		
1,473 Aviva Plc Ordinary 25p	5,820	5,832
2,000 Legal & General	6,174	5,622
450 Prudential	5,215	6,548
2,000 Sabre Insurance Group Plc	5,660	4,380
20,000 The Renewables Infrastructure Group	20,000	24,680
3,080 Baillie Gifford & Co – American B Nav Inc	18,098	57,196
7,000 Credit Suisse 5.9% Income Accrual	7,000	7,265
27,766 Rathbone Unit Trust Management Ethical Bond	27,901	29,002
850 Sage Group	5,884	6,032
1,099 Colchester Global Local Market Unhedged	10,000	9,894
21,800 Federated Hermes High Yield M2	23,010	23,101
5,640 JP Morgan EM Bond ETF	27,252	26,765
2,200 Ishares Corporate Bond ETF	11,165	11,207
11 Jackson Financial	161	212
4,200 Blackrock European Dynamic	9,782	9,089
1,000 M&G Global Emerging Markets	2,775	2,902
850 UBS MSCI EMU ETF	14,880	14,364
Investment Instruments		
11,400 Mercantile Investment Trust Ordinary 25p Shares	11,088	30,324
1,675 BGF World Health D5 DIS	17,353	20,335
Open Ended Investment Company		
16,000 JP Morgan Asset Management UK Limited	25,988	64,736
370 Polar GL Technology	16,706	25,101
Unit Trust		
17,500 Jupiter JAP Inc Z UNHDG	15,565	21,628
1,330 Aberforth Smaller Co	17,688	20,110
	370,884	518,865