

PEOPLE'S POSTCODE TRUST
TRUSTEES' REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 2009



Scottish Charity Registration No: SC040387

Company Registration No: 356549 (Scotland)

SATURDAY



AE18MKZ2

A38

19/06/2010

488

COMPANIES HOUSE

PEOPLE'S POSTCODE TRUST

REPORT OF THE TRUSTEES

Reference and Administration Details

People's Postcode Trust was formally constituted and awarded charitable status on 23 March 2009. The charity number is SC040387 and is a company limited by guarantee (356549). The registered address is Suite G4, Great Michael House, 14 Links Place, EDINBURGH, EH6 7EZ

Trustees

People's Postcode Trust set up in April 2009 with the following board of trustees.

- Jo Bucci – Managing Director, People's Postcode Lottery
- Annemiek Hoogenboom – Country Director, People's Postcode Lottery
- Lawson Muncaster – Managing Director, City AM
- Stephen Naysmith – Editor, Herald Society
- Elizabeth Partyka – Channel Controller, STV
- Juliet Simpson – Managing Director, Stripe Communications

Management

Claire Montgomery – Executive Manager

Lysie Anderson – Trust Administrator

Michael O'Connor – Finance Manager

Lisa Imlach - Publicity and Communication Manager

PEOPLE'S POSTCODE TRUST

Structure, Government and Management

Trustees

A Trustee shall hold office for a maximum period of four years from the date of appointment and shall then retire. Such person shall not again be appointed as a Trustee unless the Trustees resolve that there are exceptional circumstances in that such individual possesses specific or unique skills and expertise, experience or ability of significant value to the Company. In such circumstances, a retiring Trustee may, if willing to act, be re-appointed by the Trustees for a second and final term of a maximum of four years and shall at the end of that second term retire altogether so that no Trustee shall hold office as Trustee for more than eight years in total.

No person shall be appointed or re-appointed a Trustee at any general meeting unless:-

- he is recommended by the Trustees; or
- not less than fourteen or more than thirty five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or re-appointment together with notice executed by that person of his willingness to be appointed or reappointed.
- Not less than seven nor more than twenty eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person who is recommended by the Trustees for appointment or re-appointment as a Trustee at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment or re-appointment as a Trustee. The notice shall give the particulars of that person which would, if he were so appointed or re-appointed, be required to be included in the Company's register of Trustees.
- The Company may by Ordinary Resolution appoint a person who is willing to act to be a Trustee either to fill a vacancy or as an additional Trustee.
- The Trustees may appoint a person who is willing to be a Trustee, either to fill a vacancy or as an additional Trustee, provided the appointment does not cause the number of Trustees to exceed any number fixed by or in accordance with the Articles as the maximum number of Trustees

Unless otherwise determined by ordinary resolution, the number of Trustees shall not be subject to any maximum, but shall not be less than five. The Board of Trustees shall at all times comprise a majority of non-remunerated Trustees.

The business of the People's Postcode Trust is managed by the Trustees who exercise all the powers of the Company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the Trustees. The Trustees ultimately decide the procedures for selection of projects and the amounts of grants involved. Trustees meet quarterly. These are chaired and fully minuted to discuss and decide the following:

- Applications received
- Outcomes of completed projects
- Progress of current funding
- Bi-annual visit by one or more trustees to selection of People's Postcode Trust funded projects

PEOPLE'S POSTCODE TRUST

- Any other business

The Board of Trustees appointed an Executive Manager of the People's Postcode Trust to oversee the day to day management of the Trust. The Executive Manager is responsible for strategy advice and the day-to-day operations of People's Postcode Trust.

The Manager appointed the Trust Administrator to undertake day to day activities including the following:

- Screening of all funding proposals, preparing a monthly list with 3 categories of projects: proposed for funding, not-decided, and rejected - based on approved funding criteria;
- Assessing complete applications and providing short summaries for the Trustees to make decisions
- Monthly financial updates including income position, breakdown of costs, and awards made.
- Creation of monthly summary reports detailing all of the above. It is the responsibility of the Manager and the Chairperson to approve the list of projects proposed for funding which request funding below £2,000.
- Management of quarterly trustee meetings including consultation of Trustees where desirable or needed to provide their charitable causes in Scotland and Northern England.

The Trustees also appointed a Finance Manager to take responsibility for the financial management for People's Postcode Trust including the following:

- Management of holding account which will receive payments direct from the People's Postcode Lottery.
- Making payments to recipient projects
- Creation of People's Postcode Trust annual accounts and submissions of these to the People's Postcode Lottery and OSCR

PEOPLE'S POSTCODE TRUST

Risk Management

The principal risk and uncertainties facing the charity is the dependency on People's Postcode Lottery support for the financing of essential activities. The People's Postcode Trust is 100% funded from People's Postcode Lottery Ltd which is a lottery operator for various charity partners. People Postcode Lottery Ltd is part of the Novamedia BV group which operates lotteries in Holland, Sweden and the UK. Novamedia BV is a not-for-profit organisation that has donated over €3.5 Billion for charities.

We keep under review the adequacy of the systems and procedures now in place and those implemented in the year. Throughout 2009 we installed a Sage accounting system and RBS Bankline system to make payments.

Objectives and Activities

People's Postcode Trust distributes 3-month project funding ranging from £500 up to £10,000. Decisions are made on a quarterly basis. Registered charities can apply for up to £10,000. Community groups not formally registered as a charity can apply for up to £2,000. All funding decisions are made by an independent board of Trustees.

People's Postcode Trust is funded entirely by the People's Postcode Lottery. Each year People's Postcode Trust receives charity proceeds of a fixed number of draws from the People's Postcode Lottery; this was 18 in 2009.

- It must redistribute a minimum of 80% of the receipts.
- The Trust will operate lean and mean. The People's Postcode Trust aims to operate a quick and efficient application process.
- People's Postcode Trust accepts applications which have a strong appeal to people, with innovative ways of fundraising and means of communication available through which they can communicate their work and the support of Postcode Lottery.

Public Benefit

People's Postcode Trust supports projects which fit one or more of the following purposes:

- To prevent poverty
- To advance citizenship or community development
- To promote, maintain, improve and advance health
- To advance public participation in sport
- To promote, improve and advance human rights, conflict resolution or reconciliation
- To promote and advance environmental protection or improvement

PEOPLE'S POSTCODE TRUST

Achievements and Performance

People's Postcode Trust funded a total of 165 projects across the UK with funds raised in 2009.

Flisk Wood gets a make-over from People's Postcode Trust



Angus presents £9,958 to a delighted Gordon Gray Stephens on behalf of Scottish Native Woods

Scotland's own woodland conservation charity Scottish Native Woods is dedicated to the restoration and expansion of our native woods. At one point in time most of Scotland was covered by broadleaf woodland, yet today barely 3% of this rich habitat remains. The charity applied for funding for the Flisk Wood Wildlife & Access Restoration Project. People's Postcode Trust awarded £9,958 to the project in December 2009, which has helped make the wood more accessible to the public by repairing bridges and organising litter picks, whilst at the same time improving its sustainability.

Fairbridge in Scotland Educating Scotland's youth



Fairbridge in Scotland celebrate after being awarded £8,877 from People's Postcode Trust

National charity Fairbridge was set up in 1986, with the purpose of supporting young people aged 13-25, who are often from socially excluded backgrounds. The charity helps to develop the confidence, motivation and skills teenagers and young adults need to turn their lives around. In Glasgow, the charity works with approximately 200 young people a year. People's Postcode Trust awarded this notable cause £8,877 to allow the charity to deliver 2 courses – one which discusses sectarianism, and one which educates on gangs and knife crime.

PEOPLE'S POSTCODE TRUST

82nd Inverleith Cramond Sea Scouts back on the water



Sea Scouts enjoying their new equipment on the Forth

This Scout group had to put water activities on hold as vandals had destroyed their boat. Through intensive fundraising, the Scouts were able to purchase a new boat, but did not have the equipment necessary to offer a full programme of water based activities. The People's Postcode Trust awarded £10,000 to the Scouts, which enabled them to purchase new sailing equipment, including new life jackets, wetsuits, kayaks and paddles. This allowed the Firth of Forth based Scout Group to get back out on the water safely.

Recycling helps Kilmarnock get on their bikes



Kilmarnock & District Can Cycle with their BIG cheque

In August 2009, Killie Can Cycle approached People's Postcode Trust. This charity offers free bike repair services to local residents, safe cycle training and low cost bicycles to local children. This is innovatively funded by the recycling of aluminium cans from local schools, shops and pubs. The charity applied for funding for the purchase of a new van to enable the collection of the cans for recycling. People's Postcode Lottery awarded £10,000 to the charity to support the charity, which also recycles bicycles for the Third World.

Autism Initiatives UK

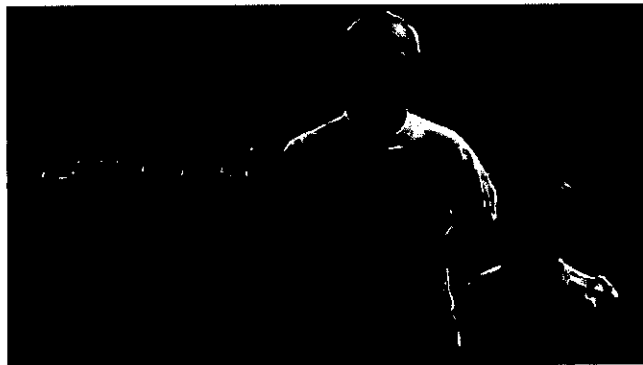


A member of Autism Initiatives enjoying the garden

Autism Initiatives UK provide direct support for over 600 individuals in over 80 locations throughout the UK. They enable persons within the autism spectrum to be fully included, participating members of their community through advocacy, public awareness and education.

Autism Initiatives UK were awarded £8,000 from the People's Postcode Lottery in July 2009 to help establish a sensory garden. This garden will offer quiet areas, sensory areas and water areas which will work together to create a tranquil atmosphere allowing the service user to return to work once they have their feelings of anxiety under control again.

SAFC Foundation



Set up in November 2001, SAFC Foundation aims to use the enthusiasm young people and their families in the North East have for football, to engage them in learning and self-development activity that can consequently improve skills, motivation, attainment and independence. SAFC Foundation's vision is 'Inspired participants achieving goals and dreams and driving the aspirations of the local community to a higher level'.

SAFC Foundation applied for funding to run a Family Learning programme in Easington. Programmes run for ten weeks, 2.25 hours per session and work with up to 15 parents and their children at any one time. This programme will reach over 140 families. In July 2009, SAFC were awarded £9,000.

PEOPLE'S POSTCODE TRUST

Financial Review

Throughout the People's Postcode Trust first year of operation, £1,191,937 was received directly from People's Postcode Lottery Ltd, of which £496,618 was used to fund projects in Scotland and £83,614 was used to fund projects in England.

Staff costs was the largest cost for the year, amounting to £29,973.30 and amounted to 1.7 FTE.

Funds are distributed on a quarterly basis and all applications must satisfy one of the 6 requirements. Suitable applications are considered by the board of trustees.

Reserves Policy

With income, the major risk is of a decline in player numbers for People's Postcode Lottery Ltd, which in turn will restrict the funds available for the Trust. The present target is to hold back 15% of all income received and this will be used to cover operational costs and activities.

Future Plans

People's Postcode Trust expects to build on its success across 2010. As People's Postcode Lottery continues to expand its operation across the UK and as ticket sales increase People's Postcode Trust will reap the benefits with additional funds to support more projects.

We believe that the Charity has a sound financial basis upon which to build for the future, despite a sharp increase in the number of applicants for grants. We aim to provide more grants throughout 2010.

PEOPLE'S POSTCODE TRUST

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland). They are 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.

So far as each of the Trustees at the date of this report is aware, there is no relevant audit information of which the charity's auditor is unaware. Each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

PEOPLE'S POSTCODE TRUST

AUDITORS

The Trustees will place a resolution before the Annual General Meeting to re-appoint The Gallagher Partnership LLP as auditors for the ensuing year.

By order of the Board

A handwritten signature in black ink, appearing to be 'Lawson Muncaster', written in a cursive style.

Lawson Muncaster
Trustee

21 May 2010

PEOPLE'S POSTCODE TRUST

DETAILS OF THE REGISTERED OFFICE OF THE PEOPLE'S POSTCODE TRUST AND ADDRESSES OF ITS PROFESSIONAL ADVISERS

Registered Office

Suite G4
Great Michael House
14 Links Place
Edinburgh
EH6 7EZ

Registered Charity Number SC040387

Company number S C 356549

Bankers

Royal Bank of Scotland
2 Bernard Street
Leith
Edinburgh
EH6 6PU

Auditors

The Gallagher Partnership LLP
Chartered Accountants
Registered Auditors
Titchfield House
69/85 Tabernacle Street
London
EC2A 4RR

Solicitors

Tods Murray LLP
Edinburgh Quay
133 Fountainbridge
Edinburgh
EH3 9AG

PEOPLE'S POSTCODE TRUST

INDEPENDENT AUDITORS' REPORT TO MEMBERS OF

PEOPLE'S POSTCODE TRUST

We have audited the group and parent company financial statements of The People's Postcode Trust for the period ended 31 December 2009 set out on pages 11 to 14. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of The People's Postcode Trust for the purpose of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with those Acts. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you if in our opinion the information given in the Trustees' Annual Report is not consistent with the financial statements.

In addition, we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charity's financial statements are not in agreement with those records, if we have not received all the information and explanations we require for our audit or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

PEOPLE'S POSTCODE TRUST

It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 December 2009 and of the incoming resources and application of resources, including its income and expenditure, for the period then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

The Gallagher Partnership LLP

Samuel David Clarke
Senior Statutory Auditor
For and on behalf of
The Gallagher Partnership LLP
Statutory Auditor
London

26 May 2010

PEOPLE'S POSTCODE TRUST

Statement of Financial Activities for the period ended 31 December 2009

Incorporating the Income and Expenditure account

	Note	Total 2009 £
Incoming Resources from Generated Funds		
Lottery funds allocation		1,191,937
Interest receivable	3	387
Total Incoming Resources		<u>1,192,324</u>
Resources Expended Charitable activities:		
Grants payable	4	580,231
Management and administration	4	60,602
Total Resources Expended	4	<u>640,833</u>
Net incoming resources for the Period and Net Movement in Funds		551,491
Fund balance carried forward at 31 December 2009		<u>551,491</u>

All of the above results were derived from continuing activities. The Charity has no recognised gains or losses other than those dealt with in the Statement of Financial Activities

The notes on 8 to 10 form part of these accounts

PEOPLE'S POSTCODE TRUST

Balance Sheet at 31 December 2009

	Note	2009 £
CURRENT ASSETS		
Balance due from The Postcode Lottery Limited		
NET CURRENT ASSETS		<u>551,491</u>
NET ASSETS		<u>551,491</u>
Un restricted funds	6	<u>551,491</u>
TOTAL FUNDS		<u>551,491</u>

The financial statements were approved by the Board on 21 May 2010 and signed on its behalf by:



Lawson Muncaster
Trustee

Company number SC356549

PEOPLE'S POSTCODE TRUST

Notes to the Accounts for the year ended 31 December 2009

1. ACCOUNTING POLICIES

A summary of principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below:

i. Basis of Accounting

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) and applicable accounting standards.

Income

Charitable income is recognised on a cash received basis other than where an accruals basis provides a more accurate basis or will give a fairer representation of the underlying nature of the transaction. Income is recognised so far as there is entitlement to the income, there is certainty of its receipt and the amount is quantifiable.

ii Expenditure

Expenditure is charged to the revenue account on an accruals basis and has been classified under headings that aggregate costs related to each particular charitable activity. There are no specific Governance costs.

2. NET INCOME FOR THE YEAR

2009
£

The net income for the year is stated after charging:

3. INCOME FROM INVESTMENTS

2009
£

Interest receivable

387

387

4. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Total £
Direct charitable expenditure	
Charitable grants	580,231
Management and administration	60,602
Total	<u>640,833</u>

Management and administration costs are apportioned costs from the People's Postcode Lottery Limited, the organisation that generates the income of the Charity.

PEOPLE'S POSTCODE TRUST

Notes to the Accounts for the period ended 31 December 2009 (cont)

5. FUNDS

Company

Net movement in funds	551,491
Balance at 31 December 2009	<u>551,491</u>
Represented by:	
Debtors	551,491
	<u>551,491</u>

The debtor is funds held by the People's Postcode Lottery Limited on behalf of the Charity which were passed over after the year end.

6. The Trustees receive no remuneration or expenses

The Charity has no employees

7. STATUS

People's Postcode Trust is a registered charity constituted as a company limited by guarantee, and does not have share capital. The liability of each member is limited to £1.

8. CAPITAL COMMITMENTS

The Trustees are not aware of any capital commitments.

9. CONTINGENT LIABILITIES

The Trustees are not aware of any contingent liabilities.