

Company registration number SC097367 (Scotland)

Charity registration number SC014961 (Scotland)

**TRANSFORM COMMUNITY DEVELOPMENT  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2026**

# TRANSFORM COMMUNITY DEVELOPMENT

## LEGAL AND ADMINISTRATIVE INFORMATION

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|----------------------------------|-----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Trustees</b>                  | Iain MacRae<br>Ron Gabriel<br>Emir Taha                                                                         | (Appointed 24 November 2025)                                                                                                                     |
| <b>Senior Management</b>         | Bryan Smith<br>Eileen Murray<br>Catherine McLaren<br>David Nicoll (to Aug 2025)<br>Stuart Braid (from Aug 2025) | Chief Executive Officer<br>Business Support Manager<br>Housing Support Manager<br>Warehouse & Logistics Manager<br>Warehouse & Logistics Manager |
| <b>Charity number (Scotland)</b> | SC014961                                                                                                        |                                                                                                                                                  |
| <b>Company number</b>            | SC097367                                                                                                        |                                                                                                                                                  |
| <b>Registered office</b>         | Alasdair Macqueen House<br>95 Douglas Street<br>Dundee<br>Scotland<br>DD1 5AZ                                   |                                                                                                                                                  |
| <b>Auditor</b>                   | Findlays Audit Limited<br>11 Dudhope Terrace<br>Dundee<br>DD3 6TS                                               |                                                                                                                                                  |
| <b>Bankers</b>                   | The Royal Bank of Scotland<br>3 High Street<br>Dundee<br>DD1 9LY                                                |                                                                                                                                                  |
| <b>Solicitors</b>                | Lindsays<br>Seabraes House<br>18 Greenmarket<br>Dundee<br>DD1 4QB                                               |                                                                                                                                                  |

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# TRANSFORM COMMUNITY DEVELOPMENT

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# **TRANSFORM COMMUNITY DEVELOPMENT**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2026**

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The trustees present their annual report and financial statements for the year ended 31 March 2026.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

### **OBJECTIVES & ACTIVITIES**

Transform Community Development is a charitable company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. Company No SC097367, Charity No SC014961.

The main areas of charitable activity are the provision of accommodation and support services, outreach work, resettlement work and the operation of food redistribution as a volunteering opportunity for clients and the wider community.

The organisation has five main objectives:

- To promote the health and welfare, and to advance the education and skills, of the inhabitants of Dundee and the surrounding areas by any means deemed appropriate.
- To relieve hardship and distress, without distinction of race, age, sex, or political or religious beliefs.
- To provide, operate, and manage accommodation and other facilities considered necessary or appropriate for the relief or assistance of single homeless individuals in Dundee and the surrounding areas.
- To advise on, promote, encourage, or assist in the provision of, or research into, the health, welfare, social, and charitable needs of the inhabitants of Dundee and the surrounding areas, and to raise public awareness of these matters.
- To develop schemes and initiatives that promote, manage, and implement facilities for waste minimisation, recycling, and other environmental improvements that support sustainability, and to encourage educational projects on recycling and waste management for public benefit.

To achieve these objectives, the organisation carries out charitable activities through the provision of temporary accommodation, a Housing First programme, and the operation of food redistribution and furniture programmes. The latter two initiatives also provide volunteering and employability opportunities for both service users and the wider community.

### **ACHIEVEMENTS & PERFORMANCE**

The organisation continues to support vulnerable adults and communities across the region. During the year, we assisted more than 1,000 individuals to move forward with their lives, addressing a wide range of complex challenges through direct support, advice, and the provision of food and furniture.

Our Housing First programme remains at the forefront of efforts to tackle and prevent homelessness within the city. At the time of writing, the programme is actively supporting 84 individuals to sustain their tenancies and improve their wellbeing.

Brewery Lane continues to provide support for 22 individuals as they prepare for independent or less supported living arrangements. Over the course of the year, the service supported a total of 154 individuals in achieving this goal.

# TRANSFORM COMMUNITY DEVELOPMENT

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2026

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Our FareShare Tayside & Fife food redistribution project has once again increased the volume of food distributed from our depot and now supports approximately 148 community organisations across the region, helping them meet the needs of local people and communities.

Transform Furniture continues to provide essential household furniture to individuals and families moving into new tenancies, assisting 308 people during the year. Through our retail outlet in Dundee, we also offer high-quality, low-cost furniture to the wider public. In addition, we have expanded our upcycling activities and increased the sale of unique, refurbished furniture pieces, promoting both affordability and sustainability.

#### Development and future activities

The organisation continues to work closely with Dundee City Council, Dundee Health & Social Care Partnership, and other key partners to develop and deliver the city's strategies in addressing homelessness. This work will support the continued development and reimagining of the Housing First model to meet the evolving challenges of homelessness and housing support within the city.

As part of this commitment, the Corra Foundation-funded Recovery Worker post will continue until August 2027, with plans underway to secure an extension of funding through to August 2029. We have also secured two years of funding from The Robertson Trust to support the development of a Housing First for Youth service based within Dundee City Council's new Youth Hub at Crichton Street, Dundee. Our aim is to establish and evidence the impact of this service over the funding period, with a view to securing mainstream funding thereafter.

Following a comprehensive refurbishment, Brewery Lane continues to provide high-quality temporary accommodation and housing support for individuals experiencing homelessness. The service remains a key element of the local housing support pathway, helping people prepare for independent living and sustain future tenancies.

The extension and refurbishment of office and communal areas within Alasdair Macqueen House was completed in spring 2026. These enhanced facilities are now helping to increase organisational capacity while providing improved environments for both staff and those who access our services.

The organisation is also working in partnership with Dundee City Council, Dundee Health & Social Care Partnership, and Caledonia Housing Association to develop an innovative single-site Housing First programme at a location in the north of the city. Renovation works are being supported through Scottish Government capital funding and will create additional opportunities to deliver intensive, person-centred housing support.

Transform Furniture continues to develop strategies to increase income generation while creating opportunities for community participation. We are working with a range of partners to expand volunteering, training, and employability opportunities for individuals with an interest in furniture restoration, repair, and upcycling, supporting both social inclusion and environmental sustainability.

FareShare Tayside & Fife has continued to support Community Food Members across Tayside, Fife, and Clackmannanshire through the distribution of high-quality surplus food. During the 2025/26 financial year, we supplied the equivalent of 1,687,093 meals to Community Food Members. We also continue to explore opportunities to improve and diversify the products available through the network, ensuring that food supplied meets the needs and preferences of local communities.

Looking ahead, we anticipate increased access to food supplies through the forthcoming merger of FareShare UK and The Felix Project. The formation of a single organisation is expected to create greater reach, capacity, and national impact, strengthening the redistribution of surplus food and enhancing support for communities across the UK. The merger will see the phasing out of the FareShare brand and local we will use Transform Community Development supported by Felix.

# TRANSFORM COMMUNITY DEVELOPMENT

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

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### FINANCIAL REVIEW

Income streams remained broadly in line with expectations throughout the year, with occupancy levels at the accommodation unit, 10 Brewery Lane, consistently maintained within the 5% void assumption used in the organisational budgets.

The charity recorded a deficit for the year of £15,872 (2025: deficit of £641,868), arising primarily from the self-funded extension set out above. This is an investment into the future development and well-being of the organisation.

Total reserves on 31 March 2026 stood at £1,836,624 (2025: £1,852,496), comprising restricted reserves of £48,790 (2025: £37,838) and designated funds of £150,000 (2025: £150,000) set aside for specific future costs. Despite the accounting deficit, the Board Members remain satisfied that the charity retains a strong balance sheet and adequate unrestricted reserves to support continued operations and future commitments.

### Going concern

The Board Members have reviewed the charity's financial position, including cash flow projections, reserves, and commitments. Based on this review, the Board Members are satisfied that there are no material uncertainties and that the charity remains a going concern for the foreseeable future.

### Reserves policy

The Board Members have established a policy that unrestricted funds not committed or invested in fixed assets ("free reserves") should be maintained at £350,000, representing approximately three months of operational expenditure.

As of 31 March 2026, the charity held total unrestricted reserves of £1,787,834 of which £150,000 was designated for the maintenance of property leased from Dundee City Council. After accounting for designated funds and unrestricted fixed assets, free reserves amounted to £1,007,851, comfortably exceeding the target level.

### Risk management

A risk assessment is carried out regularly in relation to the strategic, operational and financial risks which the charitable company faces and systems have been established to enable regular reports to be produced so that any necessary steps can be taken to lessen these risks, including new protocols and insurance cover has been implemented to mitigate the impact of increased threat of cyber-attack or data breaches.

This work has identified that financial sustainability is the major financial risk for the charity. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditors balances to ensure sufficient working capital by the charity.

Attention has also been focused on non-financial risks arising from fire, health & safety, Infection control and food hygiene. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place, and regular awareness training for staff working in these operational areas. We also have scheduled contracted annual external risk audits by our insurers (AJ Gallagher), employment advisors (Bright Safe) and Environment Health and FareShare UK.

All policies and procedures are reviewed on an annual basis to ensure they meet the regulatory standards set out by commissioners and regulatory bodies e.g., Care Inspectorate, although there was no inspection carried out within the financial year.

### STRUCTURE, GOVERNANCE & MANAGEMENT

Transform Community Development is a charitable company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association.

# TRANSFORM COMMUNITY DEVELOPMENT

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

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The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

|                  |                                                        |
|------------------|--------------------------------------------------------|
| Iain MacRae      |                                                        |
| Ron Gabriel      |                                                        |
| Malcolm Starling | (Resigned 26 January 2026)                             |
| Hans Grabowski   | (Resigned 8 June 2026)                                 |
| Carlene Cura     | (Appointed 13 August 2025 and resigned 11 August 2026) |
| Emir Taha        | (Appointed 24 November 2025)                           |

### Recruitment and appointment of trustees

The Board Members of Transform Community Development are elected at the Annual General Meeting. The process is open to any member to propose themselves or be proposed. There is a total of 10 places on the Board with an additional two places available for co-opted Board Members. Co-options can be agreed at any meeting of the Board of Board Members and are used to address any skills or knowledge gaps identified by the Board of Board Members. Whilst there has been a further appointment to the Board, Emir Taha, there has been three resignations. The organisation continues to actively look at increasing the size and make-up of the Board to make it a more robust and diverse group.

### Organisational structure

Transform Community Development has a board of three Board Members who meet five times a year and are responsible for the strategic direction and policy of the charity. At present there are a variety of professional backgrounds representing areas relevant to the work of the charity.

The day-to-day management and operation of the charitable company is a delegated responsibility to the Chief Executive Officer, Bryan Smith, who is assisted in this task by three managers (Housing Support, Warehouse & Logistics and Business Support). The CEO is responsible for ensuring that the charity delivers its specified services and that the key performance indicators are met.

The managers have day-to-day responsibilities for the management of the projects, individual supervision of staff and development of working practices in line with good practice recommendations and charitable company policy.

### Decision-making process

All decisions not delegated to the Chief Executive Officer and his team are taken by the Board of Directors on a basis of one vote per trustee, with the Chairperson having a casting vote. The ultimate decision-making body is the Board of Directors.

### Key management personnel

The Board Members consider Transform Community Developments key personnel to be the Board Members, the Chief Executive Officer and the three managers. The organisation has a transparent pay grading structure, including a commitment to the Real Living Wage, which is reviewed by the board on an annual basis. Staff are placed within that pay grading structure commensurate with their qualifications and experience. Board Members receive no remuneration from the company.

### Induction and training of trustees

All Board Members receive an induction pack. This contains previous minutes of meetings, the Memorandum and Articles of Association of the company, the annual report, the strategic plan, the directors code of conduct, job description, and a list of contact details for all other Board Members. Any request for training relevant to the duties of a trustee is considered according to priority within the organisations training plan and the resources available.

Ongoing training is offered to Board Members as necessary.

### Auditor

In accordance with the company's articles, a resolution proposing that Findlays Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

# TRANSFORM COMMUNITY DEVELOPMENT

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2026*

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### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



Iain MacRae  
**Trustee**

9 October 2026

# **TRANSFORM COMMUNITY DEVELOPMENT**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2026***

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The trustees, who are also the directors of Transform Community Development for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements 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, including the income and expenditure, of the charitable company for that year.

In preparing these 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. 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.

# TRANSFORM COMMUNITY DEVELOPMENT

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS AND TRUSTEES OF TRANSFORM COMMUNITY DEVELOPMENT

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#### Opinion

We have audited the financial statements of Transform Community Development (the 'charity') for the year ended 31 March 2026 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2026 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# TRANSFORM COMMUNITY DEVELOPMENT

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS AND TRUSTEES OF TRANSFORM COMMUNITY DEVELOPMENT

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#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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

The audit team has the appropriate skills and expertise required and through discussions with management and Trustees, knowledge of the sector to ensure any non-compliance is recognised and all necessary disclosures are made. The controls in place help the charity mitigate the risk of fraud and also aids them in highlighting any instances of fraud that might have occurred.

# **TRANSFORM COMMUNITY DEVELOPMENT**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS AND TRUSTEES OF TRANSFORM COMMUNITY DEVELOPMENT**

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Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- Making enquiries of management about any known or suspected instances of non-compliance with laws and regulations, including GDPR, employment law, food hygiene laws, health and safety laws, and fraud.
- Reviewing correspondence with regulators including OSCR, Companies House, and legal advisors.
- Reviewing legal fees and board minutes.
- Challenging assumptions and judgements made by management in their significant accounting estimates, including the application of judgement-based accounting policies such as depreciation and other material estimates.
- Auditing the risk of management override controls, including through testing of journal entries and other adjustments for appropriateness.
- Performing analytical procedures to identify unusual transactions.

Because of the field in which the charity operates in, we identified the following laws and regulations as those most likely to have a material impact on the financial statements:

Direct impact on financial statements:

- Companies Act 2006
- FRS 102
- Charities SORP

Indirect impact on financial statements:

- Employments laws
- Health & safety laws
- Food hygiene regulations
- GDPR

Because of the inherent limitations of an audit, there is risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# TRANSFORM COMMUNITY DEVELOPMENT

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS AND TRUSTEES OF TRANSFORM COMMUNITY DEVELOPMENT

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#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Lesley Campbell, BA, C.A. (Senior Statutory Auditor)**

**for and on behalf of Findlays Audit Limited**

Chartered Accountants

Statutory Auditor

11 Dudhope Terrace

Dundee

DD3 6TS

9 October 2026

Findlays Audit Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# TRANSFORM COMMUNITY DEVELOPMENT

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2026**

| Current financial year                                |       | Unrestricted<br>funds<br>2026<br>£ | Restricted<br>funds<br>2026<br>£ | Total<br>2026<br>£ | Total<br>2025<br>£ |
|-------------------------------------------------------|-------|------------------------------------|----------------------------------|--------------------|--------------------|
|                                                       | Notes |                                    |                                  |                    |                    |
| <b>Income and endowments from:</b>                    |       |                                    |                                  |                    |                    |
| Donations and legacies                                | 3     | 8,878                              | 137,309                          | 146,187            | 150,182            |
| Charitable activities                                 | 4     | 1,695,412                          | -                                | 1,695,412          | 1,700,140          |
| Other income                                          | 5     | 5,500                              | -                                | 5,500              | -                  |
| <b>Total income</b>                                   |       | <u>1,709,790</u>                   | <u>137,309</u>                   | <u>1,847,099</u>   | <u>1,850,322</u>   |
| <b>Expenditure on:</b>                                |       |                                    |                                  |                    |                    |
| Charitable activities                                 | 6     | 1,736,614                          | 126,357                          | 1,862,971          | 1,775,835          |
| Impairment of building                                | 13    | -                                  | -                                | -                  | 716,355            |
| <b>Total expenditure</b>                              |       | <u>1,736,614</u>                   | <u>126,357</u>                   | <u>1,862,971</u>   | <u>2,492,190</u>   |
| <b>Net income/(expenditure) and movement in funds</b> |       | (26,824)                           | 10,952                           | (15,872)           | (641,868)          |
| <b>Reconciliation of funds:</b>                       |       |                                    |                                  |                    |                    |
| Fund balances at 1 April 2025                         |       | <u>1,814,658</u>                   | <u>37,838</u>                    | <u>1,852,496</u>   | <u>2,494,364</u>   |
| <b>Fund balances at 31 March 2026</b>                 |       | <u>1,787,834</u>                   | <u>48,790</u>                    | <u>1,836,624</u>   | <u>1,852,496</u>   |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 15 to 28 form part of these financial statements.

# TRANSFORM COMMUNITY DEVELOPMENT

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2026**

| Prior financial year                    |       | Unrestricted<br>funds<br>2025<br>£ | Restricted<br>funds<br>2025<br>£ | Total<br>2025<br>£ |
|-----------------------------------------|-------|------------------------------------|----------------------------------|--------------------|
|                                         | Notes |                                    |                                  |                    |
| <b>Income and endowments from:</b>      |       |                                    |                                  |                    |
| Donations and legacies                  | 3     | 11,374                             | 138,808                          | 150,182            |
| Charitable activities                   | 4     | 1,700,140                          | -                                | 1,700,140          |
| <b>Total income</b>                     |       | <u>1,711,514</u>                   | <u>138,808</u>                   | <u>1,850,322</u>   |
| <b>Expenditure on:</b>                  |       |                                    |                                  |                    |
| Charitable activities                   | 6     | 1,640,809                          | 135,026                          | 1,775,835          |
| Other expenditure                       | 13    | 455,523                            | 260,832                          | 716,355            |
| <b>Total expenditure</b>                |       | <u>2,096,332</u>                   | <u>395,858</u>                   | <u>2,492,190</u>   |
| <b>Net income and movement in funds</b> |       | (384,818)                          | (257,050)                        | (641,868)          |
| <b>Reconciliation of funds:</b>         |       |                                    |                                  |                    |
| Fund balances at 1 April 2024           |       | <u>2,199,476</u>                   | <u>294,888</u>                   | <u>2,494,364</u>   |
| <b>Fund balances at 31 March 2025</b>   |       | <u>1,814,658</u>                   | <u>37,838</u>                    | <u>1,852,496</u>   |

# TRANSFORM COMMUNITY DEVELOPMENT

## BALANCE SHEET

AS AT 31 MARCH 2026

|                                                                |       | 2026      |           | 2025      |           |
|----------------------------------------------------------------|-------|-----------|-----------|-----------|-----------|
|                                                                | Notes | £         | £         | £         | £         |
| <b>Fixed assets</b>                                            |       |           |           |           |           |
| Tangible assets                                                | 16    |           | 646,702   |           | 518,703   |
| <b>Current assets</b>                                          |       |           |           |           |           |
| Debtors                                                        | 17    | 99,337    |           | 113,585   |           |
| Cash at bank and in hand                                       |       | 1,387,048 |           | 1,416,152 |           |
|                                                                |       | 1,486,385 |           | 1,529,737 |           |
| <b>Creditors: amounts falling due within one year</b>          | 19    | (265,976) |           | (148,188) |           |
| <b>Net current assets</b>                                      |       |           | 1,220,409 |           | 1,381,549 |
| <b>Total assets less current liabilities</b>                   |       |           | 1,867,111 |           | 1,900,252 |
| <b>Creditors: amounts falling due after more than one year</b> | 20    |           | (30,487)  |           | (47,756)  |
| <b>Net assets</b>                                              |       |           | 1,836,624 |           | 1,852,496 |
| <b>The funds of the charity</b>                                |       |           |           |           |           |
| Restricted income funds                                        | 22    | 48,790    |           | 37,838    |           |
| Unrestricted funds                                             | 23    | 1,787,834 |           | 1,814,658 |           |
|                                                                |       | 1,836,624 |           | 1,852,496 |           |

The notes on pages 15 to 28 form part of these financial statements.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on 9 October 2026

  
Iain MacRae  
Trustee

Company registration number SC097367 (Scotland)

# TRANSFORM COMMUNITY DEVELOPMENT

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 MARCH 2026**

|                                                             | Notes | 2026<br>£ | £         | 2025<br>£ | £         |
|-------------------------------------------------------------|-------|-----------|-----------|-----------|-----------|
| <b>Cash flows from operating activities</b>                 |       |           |           |           |           |
| Cash generated from operations                              | 30    |           | 193,333   |           | 162,333   |
| <b>Investing activities</b>                                 |       |           |           |           |           |
| Purchase of tangible fixed assets                           |       | (211,685) |           | -         |           |
| Proceeds from disposal of tangible fixed assets             |       | 5,500     |           | -         |           |
| <b>Net cash used in investing activities</b>                |       |           | (206,185) |           | -         |
| <b>Financing activities</b>                                 |       |           |           |           |           |
| Repayment of bank loans                                     |       | (16,252)  |           | (15,433)  |           |
| <b>Net cash used in financing activities</b>                |       |           | (16,252)  |           | (15,433)  |
| <b>Net (decrease)/increase in cash and cash equivalents</b> |       |           | (29,104)  |           | 146,900   |
| Cash and cash equivalents at beginning of year              |       |           | 1,416,152 |           | 1,269,252 |
| <b>Cash and cash equivalents at end of year</b>             |       |           | 1,387,048 |           | 1,416,152 |

The notes on pages 15 to 28 form part of these financial statements.

# TRANSFORM COMMUNITY DEVELOPMENT

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2026**

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### **1 Accounting policies**

#### **Charity information**

Transform Community Development is a private company limited by guarantee incorporated in Scotland. The registered office is Alasdair Macqueen House, 95 Douglas Street, Dundee, Scotland, DD1 5AZ.

#### **1.1 Basis of preparation**

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds are unrestricted monies set aside by the trustees to fund future expenditure.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### **1.4 Income**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

The charity occupies Brewery Lane under a lease from Dundee City Council at a peppercorn rent. The lease is renewed every five years and does not give rise to any material lease commitments. The trustees have considered whether the arrangement should be recognised as donated use of facilities. However, due to the specialist nature of the property as a hostel, the lack of comparable market properties and the fact that funding is linked to housing benefit receipts rather than a market rental basis, the trustees have concluded that a reliable value cannot be measured. Accordingly, no income or corresponding expense has been recognised in respect of this arrangement.

Grants including government grants are recognised on an accruals basis. The balance of income received for specific purposes but not expended during the period is shown within the relevant funds on the Balance Sheet.

# TRANSFORM COMMUNITY DEVELOPMENT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is analysed by activity. The cost of each activity comprises direct costs and shared/support costs. Direct costs that relate to a single activity are charged directly to that activity. Shared costs, which benefit multiple activities, and support costs that cannot be attributed to a single activity, are apportioned across activities using a percentage split agreed annually with Dundee Health & Social Care Partnership, consistent with the use of resources. Central staff costs are included within this allocation, and depreciation is allocated based on the agreed split for each activity.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                        |                        |
|------------------------|------------------------|
| Buildings              | 50 years straight line |
| Leasehold improvements | 5 years straight line  |
| Plant and equipment    | 4 years straight line  |
| Motor vehicles         | 4 years straight line  |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# TRANSFORM COMMUNITY DEVELOPMENT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

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### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### **1.10 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.11 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# TRANSFORM COMMUNITY DEVELOPMENT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Critical judgements

##### Depreciation

Tangible fixed assets are depreciated over a period to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.

Fixed assets are also assessed as to whether there are indicators of impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.

### 3 Income from donations and legacies

|                      | Unrestricted<br>funds<br>2026<br>£ | Restricted<br>funds<br>2026<br>£ | Total<br>2026<br>£ | Unrestricted<br>funds<br>2025<br>£ | Restricted<br>funds<br>2025<br>£ | Total<br>2025<br>£ |
|----------------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Donations and gifts  | 8,878                              | -                                | 8,878              | 8,619                              | -                                | 8,619              |
| Grants               | -                                  | 137,309                          | 137,309            | 2,755                              | 138,808                          | 141,563            |
|                      | <u>8,878</u>                       | <u>137,309</u>                   | <u>146,187</u>     | <u>11,374</u>                      | <u>138,808</u>                   | <u>150,182</u>     |
| <b>Grants</b>        |                                    |                                  |                    |                                    |                                  |                    |
| The Corra Foundation | -                                  | 78,673                           | 78,673             | -                                  | 80,161                           | 80,161             |
| Fareshare            | -                                  | 42,262                           | 42,262             | 255                                | 56,483                           | 56,738             |
| Scottish Government  | -                                  | 4,000                            | 4,000              | -                                  | 1,000                            | 1,000              |
| Tesco                | -                                  | 974                              | 974                | -                                  | 1,164                            | 1,164              |
| St Katherines Fund   | -                                  | -                                | -                  | 2,500                              | -                                | 2,500              |
| Cobber Trust         | -                                  | 11,400                           | 11,400             | -                                  | -                                | -                  |
|                      | <u>-</u>                           | <u>137,309</u>                   | <u>137,309</u>     | <u>2,755</u>                       | <u>138,808</u>                   | <u>141,563</u>     |

# TRANSFORM COMMUNITY DEVELOPMENT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

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### 4 Income from charitable activities

|                          | Unrestricted<br>funds<br>2026<br>£ | Unrestricted<br>funds<br>2025<br>£ |
|--------------------------|------------------------------------|------------------------------------|
| <b>Charitable Income</b> |                                    |                                    |
| Furniture                | 136,198                            | 161,710                            |
| Support services         | 975,264                            | 971,303                            |
| Housing                  | 583,950                            | 567,127                            |
|                          | <u>1,695,412</u>                   | <u>1,700,140</u>                   |

### 5 Other income

|                                               | Unrestricted<br>funds<br>2026<br>£ | Unrestricted<br>funds<br>2025<br>£ |
|-----------------------------------------------|------------------------------------|------------------------------------|
| Net gain on disposal of tangible fixed assets | <u>5,500</u>                       | <u>-</u>                           |

# TRANSFORM COMMUNITY DEVELOPMENT

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2026

#### 6 Expenditure on charitable activities

|                                                           | Support<br>services<br>2026 | Housing<br>2026 | Furniture<br>2026 | Total<br>2026    | Support<br>services<br>2025 | Housing<br>2025 | Furniture<br>2025 | Total<br>2025    |
|-----------------------------------------------------------|-----------------------------|-----------------|-------------------|------------------|-----------------------------|-----------------|-------------------|------------------|
| <b>Direct costs</b>                                       |                             |                 |                   |                  |                             |                 |                   |                  |
| Staff costs                                               | 940,287                     | 256,905         | 71,287            | 1,268,479        | 776,756                     | 306,787         | 81,949            | 1,165,492        |
| Depreciation                                              | 73,283                      | 10,403          | -                 | 83,686           | 58,536                      | 10,403          | -                 | 68,939           |
| Repairs & maintenance                                     | 54,854                      | 37,517          | 16,986            | 109,357          | 34,082                      | 133,259         | 10,608            | 177,949          |
| Heat & light                                              | 34,376                      | 48,441          | 3,980             | 86,797           | 26,079                      | 30,858          | 3,100             | 60,037           |
| Telephone & broadband                                     | 11,953                      | 16,412          | 2,033             | 30,398           | 13,538                      | 22,484          | 1,581             | 37,603           |
| Subscriptions & training                                  | 20,361                      | 3,552           | 944               | 24,857           | 13,985                      | 2,793           | 695               | 17,473           |
| Postage, stationery & advertising                         | 6,351                       | 4               | 1,642             | 7,997            | 5,743                       | 624             | 142               | 6,509            |
| Rent, rates & insurance                                   | 52,786                      | 8,954           | 20,429            | 82,169           | 48,711                      | 10,233          | 19,639            | 78,583           |
| Motor & travel                                            | 61,562                      | 395             | 3,939             | 65,896           | 54,288                      | -               | 15,545            | 69,833           |
| Loan interest                                             | 2,943                       | -               | -                 | 2,943            | 3,762                       | -               | -                 | 3,762            |
| Professional fees                                         | 12,699                      | 3,782           | 1,540             | 18,021           | 10,194                      | 4,805           | 1,360             | 16,359           |
| Bank charges                                              | 962                         | -               | -                 | 962              | 949                         | -               | -                 | 949              |
| Premises expenses                                         | 6,649                       | 1,385           | -                 | 8,034            | 3,153                       | 2,241           | 214               | 5,608            |
| Computers & software                                      | 15,556                      | 1,151           | 306               | 17,013           | 6,091                       | -               | -                 | 6,091            |
| Sundries                                                  | 3,505                       | 223             | 151               | 3,879            | 714                         | -               | -                 | 714              |
|                                                           | <u>1,298,127</u>            | <u>389,124</u>  | <u>123,237</u>    | <u>1,810,488</u> | <u>1,056,581</u>            | <u>524,487</u>  | <u>134,833</u>    | <u>1,715,901</u> |
| Grant funding of activities (see note 7)                  | -                           | 32,920          | -                 | 32,920           | -                           | 33,994          | -                 | 33,994           |
| <b>Share of support and governance costs (see note 8)</b> |                             |                 |                   |                  |                             |                 |                   |                  |
| Governance                                                | 11,253                      | 6,738           | 1,571             | 19,562           | 14,820                      | 8,653           | 2,467             | 25,940           |
|                                                           | <u>1,309,380</u>            | <u>428,782</u>  | <u>124,808</u>    | <u>1,862,970</u> | <u>1,071,401</u>            | <u>567,134</u>  | <u>137,300</u>    | <u>1,775,835</u> |
| <b>Analysis by fund</b>                                   |                             |                 |                   |                  |                             |                 |                   |                  |
| Unrestricted funds                                        | 1,249,680                   | 362,125         | 124,809           | 1,736,614        | 995,550                     | 507,959         | 137,300           | 1,640,809        |
| Restricted funds                                          | 59,700                      | 66,657          | -                 | 126,357          | 75,851                      | 59,175          | -                 | 135,026          |
|                                                           | <u>1,309,380</u>            | <u>428,782</u>  | <u>124,809</u>    | <u>1,862,971</u> | <u>1,071,401</u>            | <u>567,134</u>  | <u>137,300</u>    | <u>1,775,835</u> |

# TRANSFORM COMMUNITY DEVELOPMENT

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

### 7 Grants payable

|                                   | Housing<br>2026<br>£ | Housing<br>2025<br>£ |
|-----------------------------------|----------------------|----------------------|
| Grants to institutions (1 grant): |                      |                      |
| Hillcrest Housing Association     | 32,920               | 33,994               |
|                                   | <u>32,920</u>        | <u>33,994</u>        |

Grant funding was disbursed to Hillcrest as part of a partnership arrangement under a Scottish Government funded project, delivered via The Corra Foundation, to support addiction services in Dundee.

### 8 Support costs allocated to activities

|                                   | 2026<br>£         | 2025<br>£         |
|-----------------------------------|-------------------|-------------------|
| Governance                        | 19,562            | 25,940            |
|                                   | <u>19,562</u>     | <u>25,940</u>     |
| <b>Governance costs comprise:</b> | <b>2026<br/>£</b> | <b>2025<br/>£</b> |
| Audit fees                        | 19,562            | 25,940            |
|                                   | <u>19,562</u>     | <u>25,940</u>     |

Governance costs comprise solely of fees payable to the auditors for statutory audit of the charity's financial statements. The reduction in audit fees in the year reflects an under-accrual in 2024.

### 9 Net movement in funds

|                                                                  | 2026<br>£      | 2025<br>£ |
|------------------------------------------------------------------|----------------|-----------|
| The net movement in funds is stated after charging/(crediting):  |                |           |
| Fees payable for the audit of the charity's financial statements | 19,562         | 25,940    |
| Depreciation of owned tangible fixed assets                      | 83,686         | 68,939    |
| Impairment of owned tangible fixed assets                        | -              | 716,355   |
| Profit on disposal of tangible fixed assets                      | (5,500)        | -         |
|                                                                  | <u>(5,500)</u> | <u>-</u>  |

### 10 Auditor's remuneration

|                                                       | 2026<br>£     | 2025<br>£     |
|-------------------------------------------------------|---------------|---------------|
| Fees payable to the charity's auditor and associates: |               |               |
| <b>For audit services</b>                             |               |               |
| Audit of the financial statements of the charity      | 19,562        | 25,940        |
|                                                       | <u>19,562</u> | <u>25,940</u> |

# TRANSFORM COMMUNITY DEVELOPMENT

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

### 11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity (2025 - £nil), or were reimbursed for any expenses during the year (2025 - £nil).

### 12 Employees

The average monthly number of employees during the year was:

|  | 2026<br>Number | 2025<br>Number |
|--|----------------|----------------|
|  | 39             | 37             |

#### Employment costs

|                       | 2026<br>£ | 2025<br>£ |
|-----------------------|-----------|-----------|
| Wages and salaries    | 1,078,788 | 1,015,931 |
| Social security costs | 131,113   | 94,389    |
| Other pension costs   | 58,578    | 55,172    |
|                       | 1,268,479 | 1,165,492 |

The number of employees whose annual remuneration was more than £60,000 is as follows:

|                     | 2026<br>Number | 2025<br>Number |
|---------------------|----------------|----------------|
| £90,000 to £100,000 | 1              | 1              |

#### Remuneration of key management personnel

The remuneration of key management personnel was as follows:

|                        | 2026<br>£ | 2025<br>£ |
|------------------------|-----------|-----------|
| Aggregate compensation | 252,686   | 235,477   |

### 13 Other expenditure

|                        | Unrestricted<br>funds<br>2026<br>£ | Restricted<br>funds<br>2026<br>£ | Total<br>2026<br>£ | Unrestricted<br>funds<br>2025<br>£ | Restricted<br>funds<br>2025<br>£ | Total<br>2025<br>£ |
|------------------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Impairment of building | -                                  | -                                | -                  | 455,523                            | 260,832                          | 716,355            |

# TRANSFORM COMMUNITY DEVELOPMENT

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2026

#### 13 Other expenditure

(Continued)

In the prior year, other expenditure included an impairment charge of £716,355 relating to the charity's head office, Alasdair Macqueen House, 95 Douglas Street, Dundee. Following an external valuation by Graham & Sibbald Chartered Surveyors on 18 August 2025, the carrying value of the property was reduced to £440,000 to reflect its recoverable amount. The charity continues to hold the property at cost less accumulated depreciation and impairment, and future depreciation will be charged on the revised carrying amount.

#### 14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

#### 15 Impairments

The following impairment losses have been recognised in profit or loss:

|                               | 2026<br>£ | 2025<br>£ |
|-------------------------------|-----------|-----------|
| In respect of:                |           |           |
| Property, plant and equipment | -         | 716,355   |

In YE25, an impairment charge of £716,355 was recognised in respect of Alasdair Macqueen House, 95 Douglas Street, Dundee, as described in note 13 (Other expenditure).

#### 16 Tangible fixed assets

|                                    | Buildings<br>£ | Leasehold<br>improvements<br>£ | Plant and<br>equipment<br>£ | Motor<br>vehicles<br>£ | Total<br>£ |
|------------------------------------|----------------|--------------------------------|-----------------------------|------------------------|------------|
| <b>Cost</b>                        |                |                                |                             |                        |            |
| At 1 April 2025                    | 1,583,923      | 52,016                         | 169,178                     | 94,078                 | 1,899,195  |
| Additions                          | 147,889        | -                              | 15,222                      | 48,574                 | 211,685    |
| Disposals                          | -              | -                              | (9,000)                     | (18,030)               | (27,030)   |
| At 31 March 2026                   | 1,731,812      | 52,016                         | 175,400                     | 124,622                | 2,083,850  |
| <b>Depreciation and impairment</b> |                |                                |                             |                        |            |
| At 1 April 2025                    | 1,143,923      | 20,806                         | 121,685                     | 94,078                 | 1,380,492  |
| Depreciation charged in the year   | 31,679         | 10,403                         | 29,461                      | 12,143                 | 83,686     |
| Eliminated in respect of disposals | -              | -                              | (9,000)                     | (18,030)               | (27,030)   |
| At 31 March 2026                   | 1,175,602      | 31,209                         | 142,146                     | 88,191                 | 1,437,148  |
| <b>Carrying amount</b>             |                |                                |                             |                        |            |
| At 31 March 2026                   | 556,210        | 20,807                         | 33,254                      | 36,431                 | 646,702    |
| At 31 March 2025                   | 440,000        | 31,210                         | 47,493                      | -                      | 518,703    |

All of the charity's assets have been pledged to secure borrowings of the company. The company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

# TRANSFORM COMMUNITY DEVELOPMENT

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

### 17 Debtors

|                                             | 2026<br>£     | 2025<br>£      |
|---------------------------------------------|---------------|----------------|
| <b>Amounts falling due within one year:</b> |               |                |
| Trade debtors                               | 86,381        | 99,291         |
| Other debtors                               | 6,144         | 6,852          |
| Prepayments and accrued income              | 6,812         | 7,442          |
|                                             | <u>99,337</u> | <u>113,585</u> |

### 18 Loans and overdrafts

|                         | 2026<br>£     | 2025<br>£     |
|-------------------------|---------------|---------------|
| Bank loans              | <u>47,713</u> | <u>63,965</u> |
| Payable within one year | 17,226        | 16,209        |
| Payable after one year  | <u>30,487</u> | <u>47,756</u> |

The loans are secured by a standard charge over Parkmill Business Centre (Alasdair Macqueen House, 95 Douglas Street, Dundee) and a floating charge over all of the assets of the charity.

The bank loan is being repaid in monthly instalments of £1,599 at an interest rate of 5.24%.

### 19 Creditors: amounts falling due within one year

|                                    | Notes | 2026<br>£      | 2025<br>£      |
|------------------------------------|-------|----------------|----------------|
| Bank loans                         | 18    | 17,226         | 16,209         |
| Other taxation and social security |       | 26,218         | 20,872         |
| Trade creditors                    |       | 44,865         | 61,886         |
| Other creditors                    |       | 6,221          | -              |
| Accruals and deferred income       |       | 171,446        | 49,221         |
|                                    |       | <u>265,976</u> | <u>148,188</u> |

### 20 Creditors: amounts falling due after more than one year

|            | Notes | 2026<br>£     | 2025<br>£     |
|------------|-------|---------------|---------------|
| Bank loans | 18    | <u>30,487</u> | <u>47,756</u> |

# TRANSFORM COMMUNITY DEVELOPMENT

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

### 21 Retirement benefit schemes

|                                                                     | 2026<br>£ | 2025<br>£ |
|---------------------------------------------------------------------|-----------|-----------|
| <b>Defined contribution schemes</b>                                 |           |           |
| Charge to profit or loss in respect of defined contribution schemes | 58,578    | 55,172    |

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

### 22 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

|                         | At 1 April<br>2025<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | At 31 March<br>2026<br>£ |
|-------------------------|-------------------------|----------------------------|----------------------------|--------------------------|
| Capital funding         | 17,080                  | 11,400                     | (11,761)                   | 16,719                   |
| Fareshare               | -                       | 42,262                     | (42,262)                   | -                        |
| Tesco                   | -                       | 974                        | (974)                      | -                        |
| The Corra Foundation    | 20,758                  | 78,673                     | (67,360)                   | 32,071                   |
| The Scottish Government | -                       | 4,000                      | (4,000)                    | -                        |
|                         | <u>37,838</u>           | <u>137,309</u>             | <u>(126,357)</u>           | <u>48,790</u>            |

#### Previous year:

|                         | At 1 April<br>2024<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | At 31 March<br>2025<br>£ |
|-------------------------|-------------------------|----------------------------|----------------------------|--------------------------|
| Capital funding         | 294,888                 | -                          | (277,808)                  | 17,080                   |
| Fareshare               | -                       | 56,483                     | (56,483)                   | -                        |
| Tesco                   | -                       | 1,164                      | (1,164)                    | -                        |
| The Corra Foundation    | -                       | 80,161                     | (59,403)                   | 20,758                   |
| The Scottish Government | -                       | 1,000                      | (1,000)                    | -                        |
|                         | <u>294,888</u>          | <u>138,808</u>             | <u>(395,858)</u>           | <u>37,838</u>            |

# TRANSFORM COMMUNITY DEVELOPMENT

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

### 22 Restricted funds

(Continued)

#### Purpose of Funds

##### **Capital Grants**

Funding received for the acquisition of operational assets. Balances on this fund are being amortised over the useful life of the underlying assets.

##### **Fareshare**

Annual grants received from Fareshare to support salary costs, motor expenses, and food waste-related expenses.

##### **Tesco**

Topup funding received from Tesco permanent collection points for Fareshare.

##### **Corra Foundation**

Scottish Government funding administered via The Corra Foundation. This supports a partnership with Hillcrest to provide a 24-hour IEP vending machine and deliver direct support to individuals engaged in addiction.

##### **Scottish Government**

Personalised budget funding from the Scottish Government to cover outreach costs for supporting homelessness and hardship.

### 23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

|                                  | At 1 April<br>2025<br>£          | Incoming<br>resources<br>£          | Resources<br>expended<br>£          | At 31 March<br>2026<br>£          |
|----------------------------------|----------------------------------|-------------------------------------|-------------------------------------|-----------------------------------|
| Brewery Lane maintenance reserve | 150,000                          | -                                   | -                                   | 150,000                           |
| General funds                    | 1,664,658                        | 1,709,790                           | (1,736,614)                         | 1,637,834                         |
|                                  | <u>1,814,658</u>                 | <u>1,709,790</u>                    | <u>(1,736,614)</u>                  | <u>1,787,834</u>                  |
| <b>Previous year:</b>            | <b>At 1 April<br/>2024<br/>£</b> | <b>Incoming<br/>resources<br/>£</b> | <b>Resources<br/>expended<br/>£</b> | <b>At 31 March<br/>2025<br/>£</b> |
| Brewery Lane maintenance reserve | 150,000                          | -                                   | -                                   | 150,000                           |
| General funds                    | 2,049,476                        | 1,711,514                           | (2,096,332)                         | 1,664,658                         |
|                                  | <u>2,199,476</u>                 | <u>1,711,514</u>                    | <u>(2,096,332)</u>                  | <u>1,814,658</u>                  |

Within unrestricted funds is a designated reserve which has been set aside by the trustees for long-term maintenance of the property at Brewery Lane.

# TRANSFORM COMMUNITY DEVELOPMENT

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

### 24 Analysis of net assets between funds

|                              | Unrestricted<br>funds<br>2026<br>£ | Restricted<br>funds<br>2026<br>£ | Total<br>2026<br>£ |
|------------------------------|------------------------------------|----------------------------------|--------------------|
| <b>At 31 March 2026:</b>     |                                    |                                  |                    |
| Tangible assets              | 629,983                            | 16,719                           | 646,702            |
| Current assets/(liabilities) | 1,188,338                          | 32,071                           | 1,220,409          |
| Long term liabilities        | (30,487)                           | -                                | (30,487)           |
|                              | <u>1,787,834</u>                   | <u>48,790</u>                    | <u>1,836,624</u>   |
|                              |                                    |                                  |                    |
|                              | Unrestricted<br>funds<br>2025<br>£ | Restricted<br>funds<br>2025<br>£ | Total<br>2025<br>£ |
| <b>At 31 March 2025:</b>     |                                    |                                  |                    |
| Tangible assets              | 501,623                            | 17,080                           | 518,703            |
| Current assets/(liabilities) | 1,360,791                          | 20,758                           | 1,381,549          |
| Long term liabilities        | (47,756)                           | -                                | (47,756)           |
|                              | <u>1,814,658</u>                   | <u>37,838</u>                    | <u>1,852,496</u>   |

### 25 Operating lease commitments

#### Lessee

Operating leases consist of property and equipment rentals. Leases are negotiated on terms of 3 - 5 years.

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

|                            | 2026<br>£     | 2025<br>£     |
|----------------------------|---------------|---------------|
| Within one year            | 13,617        | 13,617        |
| Between two and five years | 14,422        | 28,039        |
|                            | <u>28,039</u> | <u>41,656</u> |

### 26 Capital commitments

|                                                                      | 2026<br>£      | 2025<br>£ |
|----------------------------------------------------------------------|----------------|-----------|
| Amounts contracted for but not provided in the financial statements: |                |           |
| Acquisition of property, plant and equipment                         | <u>165,549</u> | <u>-</u>  |

At 31 March 2026, the charity had contracted capital expenditure of £165,549 (2025: £nil) in respect of an office extension project at Douglas Street, Dundee. The project commenced during the year and remained ongoing at the year end.

# TRANSFORM COMMUNITY DEVELOPMENT

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

### 27 Events after the reporting date

In September 2026, Cleghorn Charitable Trust completed its wind-up process and transferred net assets of £46,817 to the charity. As the transfer remained subject to formal agreement and regulatory approval at 31 March 2026, no asset or income has been recognised in these financial statements. The transfer completed after the reporting date and has therefore been disclosed as a non-adjusting post balance sheet event.

### 28 Related party transactions

There were no disclosable related party transactions during the year (2025 - none).

### 29 Analysis of changes in net funds

|                                            | At 1 April 2025<br>£ | Cash flows<br>£ | At 31 March 2026<br>£ |
|--------------------------------------------|----------------------|-----------------|-----------------------|
| Cash at bank and in hand                   | 1,416,152            | (29,104)        | 1,387,048             |
| Loans falling due within one year          | (16,209)             | (1,017)         | (17,226)              |
| Loans falling due after more than one year | (47,756)             | 17,269          | (30,487)              |
|                                            | <u>1,352,187</u>     | <u>(12,852)</u> | <u>1,339,335</u>      |

### 30 Cash generated from/(absorbed by) operations

|                                                      | 2026<br>£      | 2025<br>£        |
|------------------------------------------------------|----------------|------------------|
| Deficit for the year                                 | (15,872)       | (641,868)        |
| <b>Adjustments for:</b>                              |                |                  |
| Gain on disposal of tangible fixed assets            | (5,500)        | -                |
| Depreciation and impairment of tangible fixed assets | 800,041        | 68,939           |
| <b>Movements in working capital:</b>                 |                |                  |
| Decrease/(increase) in debtors                       | 14,248         | (23,553)         |
| Increase in creditors                                | 116,771        | 42,460           |
| <b>Cash generated from/(absorbed by) operations</b>  | <u>909,688</u> | <u>(554,022)</u> |

# T0004\_Accounts for Signing YE26

Final Audit Report

2026-10-09

|                 |                                                    |
|-----------------|----------------------------------------------------|
| Created:        | 2026-10-09                                         |
| By:             | lesley campbell (lesley.campbell@findlay-ca.co.uk) |
| Status:         | Signed                                             |
| Transaction ID: | CBJCHBCAABAAv0YXhUff-CyRq9qLiB-xvVHOG5KK2i5t       |

## "T0004\_Accounts for Signing YE26" History

-  Document created by lesley campbell (lesley.campbell@findlay-ca.co.uk)  
2026-10-09 - 6:53:43 AM GMT
-  Document emailed to iain@gfmlaw.co.uk for signature  
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-  Signer iain@gfmlaw.co.uk entered name at signing as Iain MacRae  
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Signature Date: 2026-10-09 - 8:23:01 AM GMT - Time Source: server - Signature Appearance Selected: IMAGE
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