

CAMPHILL CENTRAL SCOTLAND TRUST LIMITED

Scottish Charity No. SC021689

Company No. SC145366

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2011**

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**Report of the Directors
For the Year ended 31 July 2011**

The directors present their report with the financial statements of the company for the year ended 31 July 2011.

Reference and Administrative Details

<i>Company number:</i>	SC145366
<i>Charity number:</i>	SC021689
<i>Registered Office:</i>	Ochil Tower School, 140 High Street, Auchterarder, PH3 1AD
<i>Principal office:</i>	Ochil Tower School, 140 High Street, Auchterarder, PH3 1AD.
<i>Auditors</i>	James Anderson & Co, Pentland Estate, Straiton, Edinburgh, EH20 9QH.
<i>Bankers:</i>	Royal Bank of Scotland.
<i>Solicitors:</i>	Anderson, Beaton, Lamond, 31 Kinnoull Street, Perth, PH1 5EN.
<i>Directors:</i>	The directors serving during the year and since the year-end were as follow: W A Nicol Chairman Mrs D Beaton (resigned 31 July 2010) D Bringham (appointed 4 November 2010, resigned 15 February 2011) J Carson J Glass (appointed 24 February 2011) I Lamond (appointed 22 February 2011) D Nicholson (appointed 24 February 2011) U Ruprecht Mrs M Snellgrove G Venters (resigned 5 August 2010)

Statement of Directors Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements the directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting 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.
- Observe the methods and principles in the Charities Statement of Recommended Practice.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Directors**For the Year ended 31 July 2011 continued****Statement of Disclosure of Information to Auditors.**

In the case of each of the persons who are directors at the time when the directors report is approved:

- So far as the director is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Structure Governance and Management*Governing Document*

Camphill Central Scotland Trust Limited is a charitable company limited by guarantee and is governed by its Memorandum and Articles of Association dated 9 July 1993. The liability of each member is limited to £1. It is a registered charity with the Office of the Scottish Charity Regulator (OSCR).

Director induction and training

New directors are briefed on their legal obligations under charity law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. Directors are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. All directors are reappointed each year at the Annual General Meeting.

Organisation

The board of directors administers the charity and meets on average four occasions a year.

Risk Management

The directors are satisfied that the major risks to which the charity is exposed have been reviewed and procedures have been established to manage these risks.

Objectives and Activities

The purpose of the charity is the acquisition, management and development of property in support of schools and residential centres that operate in accordance with the principles of the late Dr Rudolf Steiner, as carried out by the Camphill movement, in providing for people with special needs, to equip them to find a place in the social order. The charity currently owns the properties from which Camphill (Blair Drummond) Trust Ltd, Corbenic Camphill Community Ltd and Ochil Tower School operate and receives rental income from each of these three charitable organisations. A representative from each organisation sits on the board of Camphill Central Scotland Trust Ltd together with independent directors. The charity works with each organisation to maintain, improve and develop the property from which it operates.

Achievements and Performance

Over the past year the Charity has been active in supporting and monitoring development at its Blair Drummond, Corbenic and Ochil Tower estates. At Blair Drummond we have committed to supporting the ongoing capital development plan by authorising substantial grants to improve the services infrastructure of the estate and provide secure utility supplies to the development. It is proposed in the future to support a substantial part of the development of one of the new residential houses.

In line with our policy of continual development and improvement of the infrastructure of our tenants businesses we are also supporting the creation of a £1.6m residential house at Corbenic for older residents with some assisted living places. This development will allow an intake of younger residents elsewhere on the estate, provide a 'quieter' house for some of our older people and improve the income stream to the Corbenic business.

**Report of the Directors
For the Year ended 31 July 2011 continued**

Financial Review

The financial statements follow on pages 6 to 11. These statements are prepared in terms of the Statement of Recommended Practice 2005 – Accounting and Reporting by Charities and the Companies Act 2006.

There was a surplus for the year of £290,971 (2010 - £144,033), which resulted from the timing of property repairs and renewal expenditure. Other costs remained static. The surplus has been carried forward and added to reserves.

The directors continue to take a conservative approach to the level of borrowing having due regard to the company's ability to service its loan and to the overall value of its properties.

Reserves policy

The charity had no free reserves at 31st July 2011, all of the reserves being represented by fixed assets. The directors aim to retain sufficient revenue surplus each year to service bank and other loans.

Plans for Future Periods

Camphill (Blair Drummond) Trust Ltd

Camphill (Blair Drummond) Trust Ltd is continuing to implement its five year capital development plan which involves a thorough upgrading of services, the building of new workshops and residential houses, and alterations to the mansion house. Significant developments in 2011/2012 are expected to include the completion of a new building to house the Craft and "In Touch" workshops, the introduction of a new water supply and the start of building work on the first two new residential houses.

Corbenic Camphill Community Ltd

Following a period of analysis and consideration, Corbenic is seeking planning permission to construct a new £1.6m house for older residents and residents progressing to assisted living. The house will be built within the existing estate policies and it is hoped to be operational by early 2013.

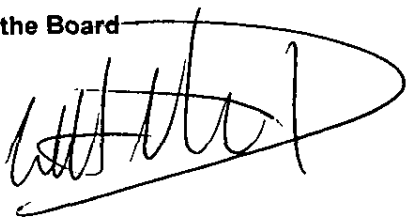
Ochil Tower School

Although there are no major projects currently planned at Ochil Tower the community is giving active consideration to a major upgrade of the Coach House area of classrooms and workshops.

Auditors

The auditors, James Anderson & Co C.A., will be proposed for reappointment in accordance with S485 of the Companies Act 2006.

By Order of the Board



**W A Nicol
Chairman**

19 January 2012

**INDEPENDENT REPORT OF THE AUDITORS TO THE MEMBERS OF
CAMPHILL CENTRAL SCOTLAND TRUST LIMITED**

4.

We have audited the financial statements of Camphill Central Scotland Trust Limited for the year ended 31 July 2011 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters that 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 company and the company's members as a body, for our audit work, or the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 regulations made under these acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- Give a true and fair view of the state of the company's as at 31 July 2011 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 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Opinion (Continued)...

Matters on which we are required to report by exception

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

- The company has not kept proper and adequate accounting records, 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 directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit;

James Anderson & Co

Christopher Spalding (Senior Statutory Auditor)
for and behalf of James Anderson & Co, Statutory Auditors, Pentland Estate, Straiton, EH20 9QH

James Anderson & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities
(Incorporating Income & Expenditure Account)
For the Year ended 31 July 2011

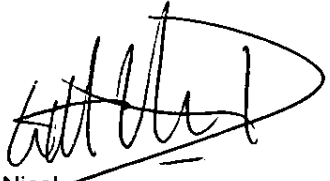
	Notes	Unrestricted Funds £	Capital Fund £	2011 Total Funds £	2010 Total Funds £
Incoming Resources					
Incoming resources from Charitable activities	2	<u>430,938</u>	<u>-</u>	<u>430,938</u>	<u>402,520</u>
Resources Expended					
Charitable expenditure					
Property expenditure	3	91,104	-	91,104	235,203
Finance costs	4	44,082	-	44,082	17,357
Support costs	5	1,553	-	1,553	2,601
Governance costs	6	<u>3,228</u>	<u>-</u>	<u>3,228</u>	<u>3,326</u>
		<u>139,967</u>	<u>-</u>	<u>139,967</u>	<u>258,487</u>
Net Incoming Resources	7	290,971	-	290,971	144,033
Fund balances 31 July 2010		<u>2,380,971</u>	<u>1,530,099</u>	<u>3,911,070</u>	<u>3,767,037</u>
Fund balances 31 July 2011	13	<u>2,671,942</u>	<u>1,530,099</u>	<u>4,202,041</u>	<u>3,911,070</u>

The results set out in the income and expenditure account above derive from the continuing operations of the company.

Balance Sheet
As at 31 July 2011

	Notes	2011 £	2010 £
Fixed Assets			
Tangible assets	8	5,068,260	5,041,059
Investment	9	1,000	1,000
		<u>5,069,260</u>	<u>5,042,059</u>
Current Assets			
Debtors	10	-	1,028
Creditors			
Amounts falling due within one year	11	867,219	1,132,017
Net Current Liabilities		<u>(867,219)</u>	<u>(1,130,989)</u>
Total Assets less Liabilities		<u>4,202,041</u>	<u>3,911,070</u>
Reserves			
Unrestricted fund	13	2,671,942	2,380,971
Capital fund	13	1,530,099	1,530,099
		<u>4,202,041</u>	<u>3,911,070</u>

The financial statements on pages 6 to 11 were approved and signed on behalf of the board of directors on 19 January 2012.



W A Nicol
 Director

**Notes to the Financial Statements
For the Year ended 31 July 2011**

1. Accounting Policies

a) Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and in accordance with the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

b) Depreciation

The Company's fixed assets consist entirely of residential properties. No depreciation has been charged on such properties due to their long economic life. Any depreciation is nil or negligible when this lifespan and residual value is considered.

c) Investment

The investment is stated at cost price.

d) Incoming Resources

Rental income is stated at amounts receivable in the year.

e) Resources Expended

All expenditure is included on the accruals basis and has been directly attributed to one of the financial categories of resources expended in the Income & Expenditure Account and Statement of Financial Activities. The expenditure also includes irrecoverable VAT.

f) Taxation

No provision for corporation tax is necessary as the company has charitable status.

	2011 £	2010 £
2. Incoming Resources from Charitable Activities		
Rents receivable		
Blair Drummond	132,738	110,536
Corbenic	109,200	107,144
Ochil Tower	189,000	184,840
	430,938	402,520

The company's income consists of one activity, being rents receivable from the charities which occupy its properties. These rents are exempt supplies for VAT purposes.

Notes to the Financial Statements continued
For the Year ended 31 July 2011

	2011 £	2010 £
3. Property Expenditure		
Insurance	5,283	5,284
Repairs & renewals	57,717	212,520
Grants for repairs	23,944	-
Professional fees	-	17,399
Legal fees	4,160	-
	<u>91,104</u>	<u>235,203</u>
4. Finance Costs		
Bank overdraft interest	9,997	13,557
Bank charges	30,099	102
Loan interest	3,986	3,698
	<u>44,082</u>	<u>17,357</u>
5. Support Costs		
Accountancy - current year	1,121	2,560
- previous year	(1,150)	-
Directors' travel	1,431	-
Sundry	151	41
	<u>1,553</u>	<u>2,601</u>
6. Governance Costs		
Indemnity insurance	843	838
Auditors remuneration - current year	2,400	2,160
- previous year	(180)	313
Filing fee	165	15
	<u>3,228</u>	<u>3,326</u>
7. Operating Surplus (net incoming resources)		
The operating surplus is stated after charging:		
Auditors remuneration - current year	2,400	2,160
- previous year	(180)	313
Directors' travel	<u>1,431</u>	<u>-</u>

Notes to the Financial Statements continued
For the Year ended 31 July 2011

8. Tangible Fixed Assets	Land & Buildings £
Cost	
At 31 July 2010	5,041,059
Additions	27,201
At 31 July 2011	5,068,260
Net Book Value	
At 31 July 2010	5,041,059
At 31 July 2011	5,068,260

Note

The Company's property was valued in October 2007 at £8,295,000 by C K D Galbraith, Chartered Surveyors, Lynedoch House, Barossa Street, Perth. In the opinion of the directors the current market value of the properties remains in excess of the stated historical cost.

9. Fixed Asset Investment	2011 £	2010 £
Cost value 31 July 2010	1,000	1,000
Gain/(Loss) on revaluation	-	-
Cost value 31 July 2011	1,000	1,000

The investment represents £1,000 of investment stock in Triodos Stockholding Plc, a subsidiary of Triodos Bank Plc. The shares are not listed on any stock market and are stated at cost price.

10. Debtors

Rents receivable	-	1,028

11. Creditors

Amounts falling due within one year

Bank overdraft	452,606	826,951
Creditors & accruals	41,453	39,356
Income in advance (note 12)	123,160	15,710
Loans	250,000	250,000
	867,219	1,132,017

The loans include £100,000 which is repayable on notice being given of three months – early repayment is not anticipated, and £150,000 which carry no repayment schedule and are included above. The loans are unsecured.

The bank overdraft is secured by first charge standard security over two of the charity's three heritable properties.

Notes to the Financial Statements continued
For the Year ended 31 July 2011

	2011 £	2010 £
12. Income in Advance		
Opening balance	15,710	91,500
Received in year	296,450	109,050
Transferred to Income & Expenditure account	(189,000)	(184,840)
	<u>123,160</u>	<u>15,710</u>
Closing balance		

13. Statements of Funds

	Unrestricted Fund £	Capital Fund £	Total £
Balance 31 July 2010	2,380,971	1,530,099	3,911,070
Incoming resources	430,938	-	430,938
Resources expended	(139,967)	-	(139,967)
	<u>2,671,942</u>	<u>1,530,099</u>	<u>4,202,041</u>
Balance 31 July 2011			

14. Analysis of Net Assets between Funds

Tangible fixed assets	3,538,161	1,530,099	5,068,260
Investment	1,000	-	1,000
Net liabilities	(867,219)	-	(867,219)
	<u>2,671,942</u>	<u>1,530,099</u>	<u>4,202,041</u>

15. Indemnity Insurance

A premium of £843 (2010 - £838) was paid during the year for Directors and officers liability insurance.

16. Contingent Liability

The company acts as a guarantor in respect of a bank credit facility of £30,000 made to Camphill (Blair Drummond) Trust Ltd. During the year it provided a guarantee for a loan of £250,000 made to Camphill (Blair Drummond) Trust Ltd.

17. Related Party Transactions

The amount reimbursed to directors for travel expenses during the year was £1,431 (2010 : nil). No director received any remuneration during the year. An ex gratia gift costing £150 was given to a retiring trustee (2010 : nil).