

REGISTERED COMPANY NUMBER: SC338213 (Scotland)
REGISTERED CHARITY NUMBER:

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2012
FOR
VALLEY RENEWABLES GROUP**



Macfarlane Gray Limited
Chartered Accountants
Macfarlane Gray House
Castlecraig Business Park
Springbank Road
Stirling
Stirlingshire
FK7 7WT

VALLEY RENEWABLES GROUP

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FOR THE YEAR ENDED 30 JUNE 2012**

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VALLEY RENEWABLES GROUP

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2012

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2012. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC338213 (Scotland)

Registered Charity number

Registered office

2 Buckieburn
Carron Bridge
Denny
Stirlingshire
FK6 5JJ

Trustees

F Kelly	Trustee	
Ms F Craig	Trustee	
A Smith-Taylor	Trustee	- resigned 8/2/2012
I MacFarlane	Trustee	
D McAlpine	Trustee	
Miss M Porter	Trustee	
Miss B Wilson	Trustee	
Mrs M Gallagher	Trustee	
D P Sparkes	Trustee	- appointed 8/9/2011
R Ferguson	Trustee	- appointed 9/2/2012

Company Secretary

Independent Examiner

Macfarlane Gray Limited
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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The trust was recognised as a Scottish charity with effect from 20 March 2008. The trust is administered in accordance with the terms of the Trust Deed set out in the Memorandum and Articles of Association dated 13 February 2008.

Recruitment and appointment of new trustees

The trustees at the year end represent the maximum number being nine. The appointment and removal is reviewed at the Annual General Meeting, although appointment and removal can be made in between but all have to be in accordance with the Trust Deed. Since the start of the new accounting year Ms F Craig resigned on 17th July 2012 and recruitment of a replacement will be sought at the Annual General Meeting on 8th November 2012.

VALLEY RENEWABLES GROUP

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2012

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

All new trustees are given, in the view of the board, sufficient training and have enough knowledge of their specific field to understand the nature of the charity and fully comply with the charities current view of its progression. They are fully aware of both their legal and professional responsibilities under charity and company law.

Organisational structure

The Board of Trustees must, as per the governing document, have at least four Trustees, and not more than nine, serving at any one time. Then from this number an appointment of Chairperson, Secretary and Treasurer is made each year.

The entire board meets currently on a monthly basis, there are also sub groups that carry out external meetings/research work and report back.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Professional advice

We have appointed Macfarlane Gray, Chartered Accountants, Stirling, to carry out the independent preparation and examining of our accounts as they are experienced in the Charity Sector and this has already been of benefit. They also, from time to time, run seminars for clients with speakers.

For legal advice we use Burness Solicitors, Glasgow, who are recognised specialists in both the Charity Sector and in dealing with communities and windfarms, and also have seminars from time to time, to which we are invited.

VRG are members of the Development Trusts Association Scotland, the community led regeneration network, and we receive very useful information from them and invitations to attend events. They are also available to answer questions.

VRG attend the regular meetings of the members of the Stirlingshire Developments Trust Association and this has been of benefit in discussing common local issues.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The advancement of community development, environmental protection or improvement and education. The provision of recreational or useful facilities or the organisation of recreational or useful activities, with the object of improving conditions of life for the persons for whom the facilities or activities are primarily intended. Any other purpose that may reasonably be regarded as analogous to any of the preceding purposes.

The Charity specifically benefits the community being the Carron Valley Community and its environs. It makes grants to individuals and organisations and carries out activities or services itself.

During the accounting year the charity received actual payments of £43,590 (as opposed to the previous accounting years actual of £41,740) from Scotia Windfarms (Craigengelt Windfarm). Any decisions regarding investments are currently being discussed but no appointment has been made of any investor and/or manager to seek a return in accordance with benchmarks agreed by trustees.

Other activities

Valley Renewables Group received distributions during the year. Grants of £4,500 on 18/10/11 and £5,675 on 09/05/12 have been received from the Scottish Community Foundation.

VALLEY RENEWABLES GROUP

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2012

OBJECTIVES AND ACTIVITIES

Social or programme related investments

The trustees have continued to refer to its published Strategy Document which includes its direction, priorities, vision, governance, values and goals.

During this accounting year the charity has continued its Grantmaking Procedure, paid out grants totalling £2,500 to assist individuals with environmental work in the local community and more applications are in the pipeline, the maximum grant at present is up to £250 for each application to offset expenditure in improving energy efficiency.

Following the successful Open Day held last year on 11 June 2011 for members and residents of the Carron Valley Community and nearby residents, a further open day has been arranged for Saturday 1st September 2012, and this charitable activity has now successfully taken place.

FINANCIAL REVIEW

Reserves policy

The charity is holding reserves in its bank account at the present time and considers this appropriate to allow them to respond promptly to requests for financial support. However, discussions are taking place to seek a return that will be in accordance with benchmarks set by trustees.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Valley Renewables Group for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

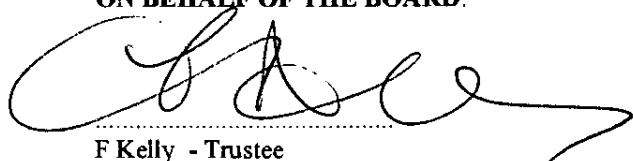
Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



F Kelly - Trustee

Date: Thursday 8th November 2012

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF VALLEY RENEWABLES GROUP

I report on the accounts for the year ended 30 June 2012 set out on pages five to ten.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

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

Macfarlane Gray Ltd

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Chartered Accountants
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Stirlingshire
FK7 7WT

Date: 8/11/12

VALLEY RENEWABLES GROUP**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2012**

		2012	2011
		Unrestricted	Total
		funds	funds
	Notes	£	£
INCOMING RESOURCES			
Incoming resources from generated funds			
Voluntary income	2	53,780	52,248
RESOURCES EXPENDED			
Costs of generating funds			
Costs of generating voluntary income	3	1,031	871
Charitable activities			
VRG Grant Scheme		2,500	324
Independent Community Survey		3,645	-
Open day		-	1,002
Governance costs		<u>550</u>	<u>700</u>
Total resources expended		7,726	2,897
NET INCOMING RESOURCES		46,054	49,351
RECONCILIATION OF FUNDS			
Total funds brought forward		49,014	(337)
TOTAL FUNDS CARRIED FORWARD		<u>95,068</u>	<u>49,014</u>

The notes form part of these financial statements

VALLEY RENEWABLES GROUP**BALANCE SHEET
AT 30 JUNE 2012**

		2012	2011
		Unrestricted	Total
		funds	funds
	Notes	£	£
CURRENT ASSETS			
Debtors: amounts falling due within one year	6	10,000	10,000
Cash at bank		<u>85,618</u>	<u>39,714</u>
		95,618	49,714
 CREDITORS			
Amounts falling due within one year	7	(550)	(700)
NET CURRENT ASSETS		<u>95,068</u>	<u>49,014</u>
 TOTAL ASSETS LESS CURRENT LIABILITIES		95,068	49,014
 NET ASSETS		<u>95,068</u>	<u>49,014</u>
 FUNDS	8		
Unrestricted funds		<u>95,068</u>	<u>49,014</u>
TOTAL FUNDS		<u>95,068</u>	<u>49,014</u>

The notes form part of these financial statements

VALLEY RENEWABLES GROUP

**BALANCE SHEET - CONTINUED
AT 30 JUNE 2012**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2012.

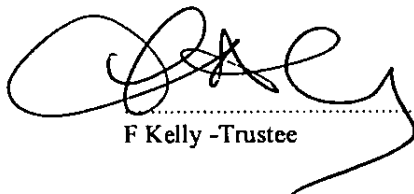
The members have not required the charitable company to obtain an audit of its financial statements for the year ended 30 June 2012 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

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

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on Thursday 8th November 2012 and were signed on its behalf by:



F Kelly -Trustee

The notes form part of these financial statements

VALLEY RENEWABLES GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. VOLUNTARY INCOME

	2012	2011
	£	£
Craigengelt windfarm payments	43,590	51,740
Grants received from Earlsburn windfarm via Scottish Community Foundation	10,175	508
Subscriptions from residents of Carron Valley becoming members	15	-
	<u>53,780</u>	<u>52,248</u>

Grants received, included in the above, are as follows:

	2012	2011
	£	as restated £
Scottish Community Foundation	<u>10,175</u>	<u>508</u>

During the year, grants totalling £10,175 have been received from Earlsburn Windfarm via the Scottish Community Foundation. The first of these for £4,500, was used for the design of the community survey and implementation plan. The second for £5,675, is being used to carry out and independent survey of, and advice for, residents houses in the Carron Valley in respect of renewables, to be completed during 2012/2013.

Please note, in respect of Craigengelt windfarm payments for 2010/11, an amount of £10,000 is treated as being received for accounting the accounting year to 30th June 2010 but was not included in income for that period, as payments started being received in September 2010, after the accounting period end. Windfarm payments are received in arrears half yearly at the end of March and September.

VALLEY RENEWABLES GROUP

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2012**

3. COSTS OF GENERATING VOLUNTARY INCOME

	2012	2011
	£	£
Support costs	<u>1,031</u>	<u>871</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2012 nor for the year ended 30 June 2011.

Trustees' Expenses

There were no trustees' expenses paid for the year ended 30 June 2012 nor for the year ended 30 June 2011.

5. PRIOR YEAR ADJUSTMENT

Sales overstated in previous year as previous accountant assumed windfarm income received in advance. Income actually received in arrears so 2011 accounts required to be re-stated.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Distribution receivable	<u>10,000</u>	<u>10,000</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Other creditors	<u>550</u>	<u>700</u>

8. MOVEMENT IN FUNDS

	At 1/7/11	Net movement in funds	At 30/6/12
	£	£	£
Unrestricted funds			
General fund	49,014	46,054	95,068
	<u>49,014</u>	<u>46,054</u>	<u>95,068</u>
TOTAL FUNDS	<u>49,014</u>	<u>46,054</u>	<u>95,068</u>

VALLEY RENEWABLES GROUP

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2012**

8. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	53,780	(7,726)	46,054
TOTAL FUNDS	<u>53,780</u>	<u>(7,726)</u>	<u>46,054</u>

VALLEY RENEWABLES GROUP**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2012**

	2012	2011
	£	£
INCOMING RESOURCES		
Voluntary income		
Distribution (from Craigengelt Windfarm)	43,590	51,740
Grants (from Earlsburn Windfarm via Scottish Community Foundation)	10,175	508
Subscriptions (from new members)	<u>15</u>	<u>-</u>
	53,780	52,248
Total incoming resources	53,780	52,248
RESOURCES EXPENDED		
Charitable activities		
Independent Community Survey	3,645	-
VRG grant scheme	2,500	324
Open day	<u>-</u>	<u>1,002</u>
	6,145	1,326
Governance costs		
Accountancy	550	700
Support costs		
Finance		
Postage and stationery	87	590
Sundries	144	276
Bank charges	-	5
Website design and implementation	<u>800</u>	<u>-</u>
	1,031	871
Total resources expended	7,726	2,897
Net income	<u>46,054</u>	<u>49,351</u>

This page does not form part of the statutory financial statements