

**LANARK COMMUNITY DEVELOPMENT TRUST
COMPANY LIMITED BY GUARANTEE
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE 2011**



Charity Number SC040584

I.A. STEWART & CO
Chartered Accountants
The Mechanics Workshop
New Lanark
ML11 9DB

**LANARK COMMUNITY DEVELOPMENT TRUST
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2011

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**LANARK COMMUNITY DEVELOPMENT TRUST
COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Registered charity name	Lanark Community Development Trust
Charity number	SC040584
Company registration number	SC360621
Principal office	30 Hope Street Lanark Scotland ML11 7NE
Registered office	30 Hope Street Lanark Scotland ML11 7NE
Trustees	Mr Neil Gainford Mr Frank Cruickshanks Gunning Councillor Mary Fraser McNeill Mr Brian Reilly Mrs Sylvia Russell Mr A Brooks Mr K Douglas Mr A Wallace Mrs Eleanor McLean
Secretary	Thomas Anderson
Independent examiner	Russell Watson Member of the Institute of Chartered Accountants of Scotland I. A. Stewart & Co. The Mechanics Workshop New Lanark ML11 9DB
Bankers	Bank of Scotland 23 Bloomgate Lanark ML11 9EZ

LANARK COMMUNITY DEVELOPMENT TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

YEAR ENDED 30TH JUNE 2011

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the unaudited financial statements of the charity for the year ended 30th June 2011.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

THE TRUSTEES

The trustees who served the company during the period were as follows:

Mr Paul Hendry Archibald
Mr Neil Gainford
Mr Frank Cruickshanks Gunning
Councillor Mary Fraser McNeill
Mr Brian Reilly
Mr Ernest Sims Romer
Mrs Sylvia Russell
Mr James Gibson Scott
Mr A Brooks
Mr K Douglas
Mr A Wallace
Mrs Eleanor McLean
Mr M Hilland

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Lanark Community Development Trust is a charitable company limited by guarantee. The company's constitution is its Memorandum and Articles of Association, which details the purpose and administration arrangements of the charity. The structure of the company consists of its members, who have the right to attend the annual general meeting and elect people to serve as directors, and the directors who generally control and supervise the activities of the company and monitor its financial position.

The members of the company shall consist of the subscribers to the memorandum of association. Categories of membership include 'full membership' or 'associate membership'. The minimum number of full members is 20 which must exceed the number of associate members. The directors considered each application for membership at the first directors meeting, and may at their discretion refuse to admit any person to membership. The quorum at any general meeting is 10 persons each entitled to one vote, each being a full member. The minimum number of directors involved in running the day to day business of the charity shall be 9.

The directors have considered the risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

LANARK COMMUNITY DEVELOPMENT TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

YEAR ENDED 30TH JUNE 2011

OBJECTIVES AND ACTIVITIES

The Trust is a registered Scottish Charity which has been formed as an umbrella organisation to deliver improvements to the town of Lanark. Its purpose, as recorded in its constitution is to reinforce success in Lanark by finding new activities, encouraging local projects, advancing education and community development and maintaining the historical town of Lanark. The Trust is likely to concentrate on physical improvement projects which currently include parks and community facilities. The Trust will oversee the development of quality projects, source finance and deliver and manage projects in the medium to long term.

ACHIEVEMENTS AND PERFORMANCE

The Trust has been successful in developing and delivering a variety of projects in the past year.

Work is now complete on the first stage of a project which the Trust hopes will grow to see new life given to Lanark's 'jewel in the crown', Castlebank Park. The Trust commissioned a feasibility study which aimed to investigate the possibility of the park's former garages, workshops and tennis courts being transformed into a community growing and training space. The vision is to create a place where schools, clubs, groups and others can learn about the skills involved in growing, composting and even things such as woodland management which are particularly relevant to Castlebank Park. A much-needed 'base' for 'Lanark in Bloom' forms a key part of the project. Almost £10,000 was secured from the Big Lottery Fund's 'Investing in Ideas' programme for the study. This fund provides seed-corn funding to groups wishing to take a project from 'idea' to 'plan'. This has enabled the Trust to bring in a team of architects, landscape gardeners, quantity surveyors and business planners to not only look at the possibilities for the physical site, but also to help us understand the on-going maintenance, management and financial issues which need to be considered at an early stage.

The Trust is currently investigating and examining the possibility of creating a complementary community facility which would act as an incubation space for smaller organisations, individuals and clubs with ambitions to grow and develop. There are many organisations which exist in and around Lanark, many under the radar, with ambitions to produce their first stage show or simply invite family and friends to a display of their talents. The town is severely impaired by its ability to offer affordable, practical and appropriate space that can fulfil that type of demand. A feasibility study is the next sensible step for the Trust to take which we will be looking to fund and deliver in the next six months. The Trust has been investigating some examples of successful Scottish Arts Venues which thrive due to strong community input.

LANARK COMMUNITY DEVELOPMENT TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

YEAR ENDED 30TH JUNE 2011

ACHIEVEMENTS AND PERFORMANCE (Cont'd)

The Trust is a partner in the South Lanarkshire Council led project which will see the Murray Chapel fully restored and brought back into functional use. Successful funding bids totalling around £75,000 have been made to the Pilgrim Trust and the Heritage Lottery Fund. This is a significant proportion of the overall funding package which is now in place. Works are due to begin following completion of a tender process. The Trust has responsibility for delivery of heritage interpretation at the chapel and within the surrounding graveyard. We will be working alongside pupils at Lanark Grammar School to complete a photographic record of the restoration process. A re-print of the Lanark Heritage Trail brochure is also in development.

Guides featuring circular walks and cycle routes from the town centre are to be produced for visitors to Lanark. This effort is being taken forward in partnership with Strathaven Business Association and Carluke Development Trust. It aims to encourage visitors to utilise rural town centres as a base for exploring the area, with obvious spin-offs for local businesses. Partnering with our sister organisations will allow us to produce a higher quality guide at a reduced cost and also ensures consistency across the rural area. We hope to build on the pilot nature of this collaboration in the future.

The Trust continues to be represented at the local Town Group, communicating progress to this forum on a quarterly basis. Membership recruitment is also ongoing.

FINANCIAL REVIEW

During the year £11,262 of income has been recorded, of which £11,244 is restricted grant income towards specific projects, mainly the Castlebank Park Study.

Total expenditure amounted to £1,439 of which £711 related to the purchase of computer related goods and £728 to the general operating costs of the Trust. A surplus of £9,823 is recorded this year which is added to reserves at 30 June 2010 making total reserves of £10,323 at 30 June 2011.

The funds of the Trust are applied solely for the promotion and furtherance of its aims and objectives. The Directors principal investment aim is to safeguard the Associations reserves. To this end a low risk bank deposit account is utilised.

PLANS FOR FUTURE PERIODS

The Trustees will continue to progress the above initiatives including the Community Workspace project, Castlebank Park Horticultural Training Centre, Murray Chapel and Lanark Heritage Trail. Membership recruitment and community engagement efforts will continue to be a priority.

RESPONSIBILITIES OF THE TRUSTEES

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

LANARK COMMUNITY DEVELOPMENT TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

YEAR ENDED 30TH JUNE 2011

RESPONSIBILITIES OF THE TRUSTEES (Cont'd)

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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees 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.

INDEPENDENT EXAMINER

Russell Watson, Member of the Institute of Chartered Accountants of Scotland, of I. A. Stewart & Co. has been re-appointed as independent examiner for the ensuing year.

Registered office:
30 Hope Street
Lanark
Scotland
ML11 7NE

Signed by order of the trustees



THOMAS ANDERSON
Company Secretary

21st October 2011

LANARK COMMUNITY DEVELOPMENT TRUST COMPANY LIMITED BY GUARANTEE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES AND MEMBERS OF LANARK COMMUNITY DEVELOPMENT TRUST

YEAR ENDED 30TH JUNE 2011

I report on the accounts of the charity for the year ended 30th June 2011 set out on pages 8 to 13.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND INDEPENDENT EXAMINER

The charity's trustees (who are also the directors of Lanark Community Development Trust for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. 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 state, on the basis of my examination as required under section 44(1) (c) of the Act, whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. 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 I do not express an audit opinion on whether the accounts present a 'true and fair view'.

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 trustees have not met the requirements to ensure that:

- proper accounting records are kept (in accordance with section 386 of the Companies Act 2006); and
- accounts are prepared which agree with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities; or

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

**LANARK COMMUNITY DEVELOPMENT TRUST
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES AND MEMBERS OF
LANARK COMMUNITY DEVELOPMENT TRUST *(continued)***

YEAR ENDED 30TH JUNE 2011

Russell Watson

Russell Watson

Member of the Institute of Chartered Accountants of Scotland

I. A. Stewart & Co.

Independent examiner

The Mechanics Workshop

New Lanark

ML11 9DB

21st October 2011

**LANARK COMMUNITY DEVELOPMENT TRUST
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND
EXPENDITURE ACCOUNT)**

YEAR ENDED 30TH JUNE 2011

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds Year to 30 Jun 11 £	Total Funds Period from 3 Jun 09 to 30 Jun 10 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	2	—	—	—	504
Activities for generating funds	3	—	—	—	476
Investment income	4	6	—	6	12
Incoming resources from charitable activities	5	12	11,244	11,256	14,219
TOTAL INCOMING RESOURCES		18	11,244	11,262	15,211
RESOURCES EXPENDED					
Charitable activities	6/7	(128)	(600)	(728)	(13,963)
Governance costs	8	—	—	—	(748)
Other resources expended	9	—	(711)	(711)	—
TOTAL RESOURCES EXPENDED		(128)	(1,311)	(1,439)	(14,711)
NET INCOMING RESOURCES FOR THE YEAR/NET INCOME FOR THE YEAR		(110)	9,933	9,823	500
RECONCILIATION OF FUNDS					
Total funds brought forward		443	57	500	—
TOTAL FUNDS CARRIED FORWARD		333	9,990	10,323	500

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 10 to 13 form part of these financial statements.

**LANARK COMMUNITY DEVELOPMENT TRUST
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

30TH JUNE 2011

	Note	2011 £	2010 £
CURRENT ASSETS			
Debtors	11	3	2
Cash at bank and in hand		<u>10,320</u>	<u>498</u>
		10,323	500
NET CURRENT ASSETS		10,323	500
TOTAL ASSETS LESS CURRENT LIABILITIES		10,323	500
FUNDS			
Restricted income funds	12	9,990	57
Unrestricted income funds	13	333	443
TOTAL FUNDS		10,323	500

The trustees are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476(1) of the Act.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements were approved by the members of the committee on the 21st October 2011 and are signed on their behalf by:

Brian Reilly

BRIAN REILLY
Director

Company Registration Number: SC360621

The notes on pages 10 to 13 form part of these financial statements.

LANARK COMMUNITY DEVELOPMENT TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2011

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

Fixed assets

All fixed assets are initially recorded at cost.

2. VOLUNTARY INCOME

	Total Funds 2011 £	Total Funds 2010 £
Donations		
Donation income from LCDT Association	—	504

3. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Total Funds 2011 £	Total Funds 2010 £
Fundraising events income	—	476

4. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Bank interest receivable	6	6	12

**LANARK COMMUNITY DEVELOPMENT TRUST
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2011

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Membership fees	12	–	12	16
Grant income	–	11,244	11,244	14,203
	<u>12</u>	<u>11,244</u>	<u>11,256</u>	<u>14,219</u>

6. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Advancement of the community of Lanark	128	600	728	13,963

7. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Total Funds 2011 £	Total Funds 2010 £
Advancement of the community of Lanark	728	728	13,963

8. GOVERNANCE COSTS

	Total Funds 2011 £	Total Funds 2010 £
Legal fees	–	748

9. OTHER RESOURCES EXPENDED

	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Computer costs	711	711	–

10. STAFF COSTS AND EMOLUMENTS

No salaries or wages have been paid to employees, including the members of the committee, during the year.

**LANARK COMMUNITY DEVELOPMENT TRUST
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2011

11. DEBTORS

	2011	2010
	£	£
Income tax recoverable	<u>3</u>	<u>2</u>

12. RESTRICTED INCOME FUNDS

	Balance at 1 Jul 2010	Incoming resources	Outgoing resources	Balance at 30 Jun 2011
	£	£	£	£
Town study and start up costs	<u>57</u>	<u>11,244</u>	<u>(1,311)</u>	<u>9,990</u>

13. UNRESTRICTED INCOME FUNDS

	Balance at 1 Jul 2010	Incoming resources	Outgoing resources	Balance at 30 Jun 2011
	£	£	£	£
General Funds	<u>443</u>	<u>18</u>	<u>(128)</u>	<u>333</u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Net current assets	Total
	£	£
Restricted Income Funds	9,990	9,990
Unrestricted Income Funds	333	333
Total Funds	<u>10,323</u>	<u>10,323</u>

15. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and does not have a share capital. In the event of a winding up, each of the members undertakes to contribute an amount not exceeding £1. The company is a registered charity under section 505 of the Taxes Act 1988. The Scottish Charity number is SC040584.

16. PENSIONS

The company has not operated, or contributed to any pension scheme on behalf of its employees.

17. CONTINGENCIES

The trustees have confirmed that there were no contingent liabilities which should be disclosed at 30th June 2011.

**LANARK COMMUNITY DEVELOPMENT TRUST
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2011

18. CAPITAL COMMITMENTS

The trustees have confirmed that there were no capital commitments at 30th June 2011.