

**LANARK COMMUNITY DEVELOPMENT TRUST
COMPANY LIMITED BY GUARANTEE
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE 2013**

Charity Number SC040584



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SCT 04/03/2014 #197
COMPANIES HOUSE

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 2013

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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	Mechanics Workshop New Lanark Lanark Scotland ML11 9DB
Trustees	Mrs Sylvia Russell Mr Frank Cruickshanks Gunning Mr Brian Reilly Mr K Douglas Mr D Lammie Mrs E McLean Mr D Ritchie Mr S Forrest Mr G Winning
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 2013

The trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the company for the year ended 30th June 2013.

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 year were as follows:

Mrs Sylvia Russell
Mr Frank Cruickshanks Gunning
Mr Brian Reilly
Mr K Douglas
Mr D Lammie
Mrs E McLean
Mr D Ritchie

Appointed during the year

Mr S Forrest
Mr G Winning

Resigned during the year

Mr Neil Gainford

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 trustees, and the trustees 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 trustees consider each application for membership at a trustee's 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 trustees involved in running the day to day business of the charity shall be 9.

The trustees 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 *(continued)*

YEAR ENDED 30TH JUNE 2013

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

Castlebank Horticultural Training Centre Project

Stage 1 grant funding from Lottery Community Spaces fund and a further grant from Leader allowed us to commission the architecture firm, EK:JN of Linlithgow to draw up plans for the Castlebank Horticultural Training Project. The plans received planning consent from South Lanarkshire Council Planning Department in November 2012. We were unfortunately informed in February 2013 that our second stage Lottery application was not successful but in discussing the reasons for rejection with the Lottery, they accepted that they had made mistakes in our assessment and said we could resubmit the application when the fund reopens.

The Trust successfully obtained funding from the Climate Challenge Fund, from Renewable Energy Fund and also from South Lanarkshire Leader. As we have not yet achieved full funding for the project we have decided to split it into 2 phases.

Phase 1 - Starting immediately

This phase will see the construction of the growing area on the old tennis courts which will include security fencing, poly tunnels, raised beds and composting facilities. This will be funded by the grant awarded by the Climate Challenge Fund to develop the growing area, soft and hard landscaping and also to pay the salary of an educational gardener for 18 months. The grant awarded by Leader and the Renewable Energy grant will be used to develop the toilet block area of the sawmill sheds development. These will not be public toilets but will be used by the groups receiving training and working at the horticultural centre. The detailed plans necessary for a building warrant for the toilet block and growing area were submitted to South Lanarkshire Council in June 2013 and we are awaiting building warrant approval but in the meanwhile twelve companies have been invited to tender with a start date of 1 September 2013. The Horticulture Education Officer has been selected and his employment began on 1 October 2013. We now have a Lease of the Castlebank buildings and growing area from South Lanarkshire Council. A grant to cover the professional fees incurred was obtained from Development Trust Association Scotland. This has allowed us to engage the services of a local solicitor to examine the lease and ensure that it is not disadvantageous to the Trust.

"Friends of Castlebank" membership has now reached 82 and many of the members have expressed an interest in volunteering once the project is up and running.

PHASE 2

We are currently exploring grant funding of approximately £250,000 which will allow us to renovate the rest of the sawmill buildings to create the horticultural learning centre.

Community Arts Hub

LANARK COMMUNITY DEVELOPMENT TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 30TH JUNE 2013

The Trust received a grant of £5,000 from South Lanarkshire Leader to carry out a feasibility study into developing a Community Arts Hub. The report from this study indicated that the Arts Hub was unlikely to succeed due to the fact that the recently renovated Memorial Hall would provide too much competition. The Trust is now investigating whether a "Virtual Arts Hub" with a website dedicated to the various Art and Performing Arts groups in the area would be a useful resource.

Murray Chapel

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. Unfortunately, this project has been delayed as the funds obtained were not going to be sufficient to cover the costs of all of the required work which had increased considerably since the initial survey. 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.

Lanark Heritage Trail

The Lanark Heritage Trail brochure is completed and ready for distribution.

Walks Around Lanark

A guide featuring circular walks from the town centre of Lanark has been produced for visitors to Lanark and is now available in hotels, Tourist Information Centre, Youth Hostel etc. This effort was 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.

Town Group

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

LANARK COMMUNITY DEVELOPMENT TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 30TH JUNE 2013

FINANCIAL REVIEW

During the year £15,902 (2012 - £2,208) of income has been recorded, of which £15,180 (2012 - £nil) is restricted grant income towards specific projects, mainly the Castlebank Park project.

Total expenditure amounted to £15,734 (2012 - £10,534) of which £12,435 (2012 - £9,763) related to the development of Castlebank Park, £2,839 (2012 - £nil) to the Social Value Lab study and the balance to the general operating costs of the Trust. A surplus of £168 (2012 - deficit of £8,326) is recorded this year which is added to reserves brought forward, making total reserves of £2,165 at 30 June 2013 (2012 - £1,997).

The funds of the Trust are applied solely for the promotion and furtherance of its aims and objectives. The trustees' principal aim is to safeguard the Trust's reserves and to this end a low risk bank account is utilised. There is no set policy to determine the level of reserves which need to be retained by the Trust.

PLANS FOR FUTURE PERIODS

The Trustees will continue to progress the above initiatives including Castlebank Park Horticultural Training Centre, Murray Chapel and St Kentigerns Church Restoration. The Trust is currently investigating the possibility of creating an incubation space for smaller businesses/ start-up businesses. 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.

Membership recruitment and community engagement efforts will continue to be a priority.

INDEPENDENT EXAMINER

Russell Watson, a 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.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Registered office:
Mechanics Workshop
New Lanark
Lanark
Scotland
ML11 9DB

Signed by order of the trustees



Thomas Anderson
Company Secretary

31st January 2014

LANARK COMMUNITY DEVELOPMENT TRUST COMPANY LIMITED BY GUARANTEE

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

YEAR ENDED 30TH JUNE 2013

I report on the accounts of the company for the year ended 30th June 2013 which are set out on pages 8 to 12.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The 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 (the 2005 Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended) (the 2006 Accounts Regulations). The company's trustees consider that the audit requirements of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the 2005 Act and to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

My examination is carried out in accordance with the Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the company and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the 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 the view given by the accounts.

INDEPENDENT EXAMINER'S STATEMENT

In the course of 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 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 44(1)(b) of the 2005 Act and Regulation 8 of the 2006 Accounts Regulations 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.

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

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

YEAR ENDED 30TH JUNE 2013



Russell Watson
Member of the Institute of Chartered Accountants of Scotland
I. A. Stewart & Co.
Independent examiner

The Mechanics Workshop
New Lanark
ML11 9DB

31st January 2014

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

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

YEAR ENDED 30TH JUNE 2013

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	2	582	—	582	930
Incoming resources from charitable activities	3	140	15,180	15,320	1,278
TOTAL INCOMING RESOURCES		722	15,180	15,902	2,208
RESOURCES EXPENDED					
Costs of generating funds:					
Fundraising trading:					
cost of goods sold and other costs					
	4	—	—	—	(150)
Charitable activities	5/6	(445)	(15,289)	(15,734)	(10,384)
TOTAL RESOURCES EXPENDED		(445)	(15,289)	(15,734)	(10,534)
NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR/NET INCOME/(EXPENDITURE) FOR THE YEAR					
		277	(109)	168	(8,326)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,770	227	1,997	10,323
TOTAL FUNDS CARRIED FORWARD		2,047	118	2,165	1,997

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 12 form part of these financial statements.

LANARK COMMUNITY DEVELOPMENT TRUST COMPANY LIMITED BY GUARANTEE

BALANCE SHEET

30TH JUNE 2013

	Note	2013 £	2012 £
CURRENT ASSETS			
Debtors	8	1,940	3
Cash at bank and in hand		<u>225</u>	<u>1,994</u>
		2,165	1,997
NET CURRENT ASSETS		2,165	1,997
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,165</u>	<u>1,997</u>
FUNDS			
Restricted income funds	9	118	227
Unrestricted income funds	10	<u>2,047</u>	<u>1,770</u>
TOTAL FUNDS		<u>2,165</u>	<u>1,997</u>

For the year ended 30th June 2013 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the members of the committee and authorised for issue on the 31st January 2014 and are signed on their behalf by:

Sylvia Russell

Mrs Sylvia Russell
Director/Trustee

Company Registration Number: SC360621

The notes on pages 10 to 12 form part of these financial statements.

LANARK COMMUNITY DEVELOPMENT TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2013

1. ACCOUNTING POLICIES

Basis of accounting

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), and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005).

Funds: Unrestricted and restricted income

Designated funds are funds established by the trustees from time to time for specific projects or purposes, are not in any way restricted and any surplus or deficit will be transferred to/from the general fund when the designated fund is closed.

Restricted funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal. The purpose and use of designated and restricted income funds is set out in the notes to the financial statements.

Fixed assets

All fixed assets are initially recorded at cost.

Taxation

The Trust is recognised as a charity by HM Revenue and Customs and therefore benefits from certain exemptions from taxation on income and gains, to the extent they are applied for charitable purposes. No tax charges have arisen in the Trust.

2. VOLUNTARY INCOME

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Donations			
Donations	<u>582</u>	<u>582</u>	<u>930</u>

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Membership fees	—	—	—	66
Grant income	—	14,800	14,800	759
Other income	<u>140</u>	<u>380</u>	<u>520</u>	<u>453</u>
	<u>140</u>	<u>15,180</u>	<u>15,320</u>	<u>1,278</u>

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2013

4. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	Total Funds 2013 £	Total Funds 2012 £
Fundraising support costs	<u>—</u>	<u>150</u>

5. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Advancement of the community of Lanark	<u>445</u>	<u>15,289</u>	<u>15,734</u>	<u>10,384</u>

6. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Total Funds 2013 £	Total Funds 2012 £
Advancement of the community of Lanark	<u>15,734</u>	<u>15,734</u>	<u>10,384</u>

7. STAFF COSTS AND EMOLUMENTS

No salaries or wages have been paid during the year.

8. DEBTORS

	2013 £	2012 £
Income tax recoverable	3	3
Prepayments	<u>1,937</u>	<u>—</u>
	<u>1,940</u>	<u>3</u>

9. RESTRICTED INCOME FUNDS

	Balance at 1 Jul 2012 £	Incoming resources £	Outgoing resources £	Balance at 30 Jun 2013 £
Town study and start up costs	<u>227</u>	<u>15,180</u>	<u>(15,289)</u>	<u>118</u>

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2013

10. UNRESTRICTED INCOME FUNDS

	Balance at 1 Jul 2012	Incoming resources	Outgoing resources	Balance at 30 Jun 2013
	£	£	£	£
General Funds	<u>1,770</u>	<u>722</u>	<u>(445)</u>	<u>2,047</u>

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Net current assets	Total
	£	£
Restricted Income Funds	118	118
Unrestricted Income Funds	<u>2,047</u>	<u>2,047</u>
Total Funds	<u>2,165</u>	<u>2,165</u>

12. RELATED PARTY TRANSACTIONS

There were no transactions with related parties nor were there any expenses paid to trustees in the year.

13. 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.

14. PENSIONS

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

15. CONTINGENCIES

The trustees have confirmed that there were no contingent liabilities which should be disclosed at 30th June 2013.

16. CAPITAL COMMITMENTS

The trustees have confirmed that there were no capital commitments at 30th June 2013.

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

MANAGEMENT INFORMATION

YEAR ENDED 30TH JUNE 2013

**The following pages do not form part of the statutory financial statements
which are the subject of the independent examiner's report on pages 6 to 7.**

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

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 30TH JUNE 2013

	2013 £	2012 £
INCOMING RESOURCES		
VOLUNTARY INCOME		
Donations	<u>582</u>	<u>930</u>
INCOMING RESOURCES FROM CHARITABLE ACTIVITIES		
Membership fees	—	66
Grant income	14,800	759
Other income	<u>520</u>	<u>453</u>
	<u>15,320</u>	<u>1,278</u>
TOTAL INCOMING RESOURCES	<u>15,902</u>	<u>2,208</u>
RESOURCES EXPENDED		
FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS		
Purchases	<u>—</u>	<u>150</u>
CHARITABLE ACTIVITIES		
Rent	215	133
Printing, stationery and postages	88	44
Advertising	—	300
Social Value Lab	2,839	—
Project development costs	12,435	9,763
Website costs	50	50
Sundries	<u>107</u>	<u>94</u>
	<u>15,734</u>	<u>10,384</u>
TOTAL RESOURCES EXPENDED	<u>15,734</u>	<u>10,534</u>
NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR	<u>168</u>	<u>(8,326)</u>