

ROSNEATH PENINSULA WEST



COMMUNITY DEVELOPMENT TRUST

**ROSNEATH PENINSULA WEST
COMMUNITY DEVELOPMENT TRUST**

Financial Statements for the year ended 30 June 2012

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2012

The directors (who are also Trustees of the charitable company) present their second annual report and financial statements for the year ended 30 June 2012 and confirm they comply with the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 and the Statements of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name	Rosneath Peninsula West Community Development Trust
Scottish Charity No	SC041983
Company No	SC380398
Principal Office	Lochscape House Argyll Road Kilcreggan Helensburgh Argyll & Bute G84 0JW

BOARD OF DIRECTORS

The following Directors held office since 1 July 2011:

M. MacDonald (Convener)	A. Bray	M. Brown
A.L. Young (Company Secretary)	G. Watkinson	P. Munro
A. Devenny	A. Cullum	A. Page
C. McMurtrie	N. Isaacs	A. Burden
A. Reid (appointed 11.1.12)	L. Slavin (Treasurer) (appointed 12.11.11)	
M. Aldridge (appointed 24.4.12)	M. McNeilage (appointed 11.1.12)	
A. Logue (resigned 13.9.11)		

No remuneration or expenses were paid during the year to any Director or person connected to a Director.

RECRUITMENT AND APPOINTMENT OF MEMBERS AND DIRECTORS

As disclosed in the Trust's Memorandum and Articles of Association the structure of the Trust consists of members and directors. Members have the right to attend the annual general meeting and elect people to serve as directors. The subscribers to the memorandum of the Company and such other persons are admitted to membership in accordance with the Articles and are Members of the Company. There is a single class of full membership.

The directors may, at any point, appoint any member (providing he/she is willing to act) to be a director. At each annual general meeting, all of the directors shall retire from office – but shall then be eligible for re-election. A person shall not be eligible for election as a director unless they are a Trust member. On appointment directors are provided an induction pack which provides them with information relating to their role, duties and responsibilities. Further clarification is available on request from the Company Secretary.

DETAILS OF ANY RELATED PARTIES

During the financial year, there were no significant contacts between the company and any of the directors or third party organisations which the directors have influence over or interest in. This is detailed in note 13.

GOVERNANCE

As a company limited by guarantee, no share capital is authorised or issued. In the event of the company being wound up, members are each required to contribute an amount not exceeding £1.

The Trust is constituted as a private company limited by guarantee and is a charitable trust registered with the Office of the Scottish Charity Regulator under charity number SC041983. It is governed by a memorandum and articles of association that defines the existence of the Trust, regulates its structure and establishes its constitution. It was last updated in December 2010.

The company is controlled by the directors for the purposes of company law with the Board meeting monthly to consider company business.

RISK MANAGEMENT

The Directors have considered the major risks to which the charity is exposed, in particular those in relation to the operations and finances of the company, and are satisfied that systems are in place to mitigate the company's exposure to the major risks.

OBJECTIVES

The objects of the Trust are set out in the memorandum and articles of association and are summarised as follows:

- Prevention or Relief of Poverty
- Advancement of Education
- Advancement of Health
- Advancement of Citizenship or Community Development
- Advancement of The Arts, Heritage, Culture or Science
- Advancement of Environmental Protection or Improvement
- Relief of Those in Need
- Provision/Organisation of Recreational Facilities

PRINCIPAL ACTIVITIES

The principal activities of the Trust in the year under review were:

- Our Climate and Energy Reduction Officer conducted home surveys throughout the year assisting many members of the community to reduce their energy losses. We held successful renewable energy and thermal imaging exhibitions.
- Investigation started into the viability of Cove Community Wind Farm. The anemometer was erected in July 2011 and continues to provide valuable data.
- The Trust commissioned an Environmental Impact Assessment on the possibility of a wind farm on the west of the peninsula. Various studies were undertaken in areas such as Landscape and Visual Impact, Noise, Aviation, Geotechnical Issues, Legal

Agreements, Grid Connection, and many others. This work is complete and will be published in August 2012.

- The Trust has received support for the wind farm from parliamentarians and councillors in all political parties and we are grateful for this assistance.
- Work on the wind farm now progresses to the pre-planning stage and the Trust will be holding public meetings to put our proposals to the community.
- The Trust's Environment Group sprayed knotweed on the foreshore to assess the best way of eradicating it. They were also involved in the clearance of scrub and overgrown rhododendrons in Kilcreggan village.
- The Trust's Housing Group continued research into needs on the peninsula and hope to commission a professional housing needs survey in conjunction with our colleagues on the east of the peninsula.
- The Trust's Arts Group created the highly successful SeaChange Festival in June with the assistance of Kilcreggan and Rosneath Primary Schools, and financial assistance from Argyll & Bute Council and Babcock Marine, for which we are very grateful.
- To assist in financing the planning and construction phase of Cove Community Wind Farm, the Trust has obtained the offer of a loan from Community Energy Scotland and a grant from Argyll & the Isles LEADER.

REVIEW OF THE BUSINESS

The overall net surplus for the year amounted to £932 (2010/11 £1,054). Total expenditure in the year was £184,946 (2010/11 £86,036) with the majority of this relating to the wind farm project and an energy reduction project (£182,407). The expenditure for the wind farm project was matched by grant funding awarded by the Climate Challenge Fund. The Trust also held a SeaChange Festival in the weekend of June 8th-10th with funding provided by Argyll & Bute Council and a donation from Babcock Marine.

The Trust has restricted income funds. This is fully disclosed in note 17 to the accounts.

RESERVES POLICY

The Trust has an unrestricted reserve for general use plus a restricted reserve for funding that can only be applied for specific purposes. As at 30 June 2012, the Trust holds £1,112 in the unrestricted reserve and £874 in the restricted reserve. A policy of a minimum level of £100 has been set for the unrestricted reserve to accommodate any unforeseen liabilities.

Unrestricted reserves have increased by £405 over the financial period, largely due to donations. The restricted reserves have increased by £527 and reflect the unspent earmarked grant funding for specific project as shown in note 17.

PLANS FOR 2012/13

The Trust will work with all groups in the community to improve those needs identified in our Community Action Plan. We will continue to pursue our interest in developing Cove Community Wind Farm to finance these projects, and lay out the details of the scheme at a public meeting.

POLITICAL AND CHARITABLE CONTRIBUTIONS

The Trust made no political or charitable contributions during the year.

SMALL COMPANY PROVISIONS

The Directors' report and accounts have been delivered in accordance with the provisions applicable to small companies subject to the small companies' regime in the Companies Act 2006.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO INDEPENDENT EXAMINER

So far as the trustees are aware, there is no relevant information of which the charitable company's Independent Examiner is unaware, and each trustee has taken all reasonable steps they ought to have taken as a trustee in order to make him aware of any examination information and to establish that the charitable company's Independent Examiner is aware of that information.

INDEPENDENT EXAMINER

The appointment of Bert Allison as the Independent Examiner for the year ended 30 June 2012 was approved by the Convener under delegated authority. Bert Allison will be proposed for re-appointment at the next Annual General Meeting.

Signed on behalf of the Board of Directors on 15th October 2012:

M. MacDonald
(Convener)

ROSNEATH PENINSULA WEST COMMUNITY DEVELOPMENT TRUST
Scottish Charity No. SC041983

ANNUAL ACCOUNTS FOR YEAR ENDED 30 JUNE 2012

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 JUNE 2012

	Note	Unrestricted funds £	Restricted funds £	2011/12 Total £	2010/11 Total £
INCOMING RESOURCES					
Grant Funding	2		185,150	185,150	85,720
Membership Fees	3	173	-347	-174	694
Board Fees	4	100		100	76
Donations		670		670	600
Events		132		132	0
Total incoming resources		1,075	184,803	185,878	87,090
RESOURCES EXPENDED					
Professional Fees	5		155,614	155,614	81,594
Staff Costs	6		22,218	22,218	2,522
Supplies			2,438	2,438	0
Venue Hire			2,033	2,033	722
Events			1,869	1,869	0
Administration	8	670	104	774	1,198
Total resources expended		670	184,276	184,946	86,036
Movement in funds for the year – net income for the year		405	527	932	1,054
Total funds brought forward		707	347	1,054	0
Total funds carried forward		1,112	874	1,986	1,054

The company has no recognised gains or losses other than the results as set out above. The notes on pages 8 to 15 form part of these accounts.

All of the activities of the company are classified as continuing.

BALANCE SHEET AS AT 30 JUNE 2012

	Note	2012 £	2011 £
CURRENT ASSETS			
Debtors	9	4,925	57,262
Cash at bank and in hand		15,449	1,448
Total current assets		20,374	58,710
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	10	(18,388)	(57,656)
NET ASSETS		1,986	1,054
FUNDS OF THE CHARITY			
Unrestricted funds		1,112	707
Restricted funds	17	874	347
Total funds		1,986	1,054

The notes on pages 8 to 15 form part of these accounts.

For the year ended 30 June 2012 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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

The Accounts were approved by the Board on 15th October 2012 and signed on their behalf by:

M. MacDonald (Convener)

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

	2012 £	2011 £
CASH FLOW FROM OPERATING ACTIVITIES	14,001	1,448
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	0	0
Interest paid	0	0
CAPITAL INVESTMENT AND FINANCIAL INVESTMENT		
Payments to acquire tangible fixed assets	0	0
Receipts from sale of tangible fixed assets	0	0
<i>Cash inflow for the year</i>	14,001	1,448

The notes on pages 8 to 15 form part of these accounts. In particular note 11 is the note to the cash flow statement.

ROSNEATH PENINSULA WEST COMMUNITY DEVELOPMENT TRUST**NOTES TO THE ACCOUNTS FOR YEAR ENDED 30 JUNE 2012****1. Accounting Policies****Accounting convention and going concern**

The financial statements have been prepared under the historic cost convention and in accordance with the Financial Reporting Standards for Smaller Enterprises (effective April 2008), the Companies Act 2006, Charities Accounts (Scotland) Regulations 2006 and the requirements of the Statement of Recommended Practice and Reporting by Charities (SORP 2005).

Funds structure

Unrestricted funds comprise those funds that the trustees are free to use for any purpose in furtherance of the Trust's objects. Restricted funds are funds that are to be used in accordance with specific restrictions imposed by the donor or the Trust's terms.

Incoming resources

All incoming resources are recognised in the Statement of Financial Activities (SOFA) once the Trust has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Incoming resources from grants, where there are performance or service deliverables required by the terms of the grant, are accounted for as the Trust earns the right to payment through its performance and has unconditional entitlement to the resources.

The value of services donated by volunteers has not been included in these accounts.

No tax reclaims are included in the SOFA for donations or gifts.

Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the trust to pay out resources. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Analysis of Income and Expenditure

The "natural categories" approach is used for the analysis of the charitable company's income and expenditure in the SOFA, as permitted under the concessions granted by the Charities SORP for smaller charities where a statutory audit (and the SORP's activity based classification) is not required.

Income and expenditure headings in the SOFA have been split between unrestricted reserves and restricted reserves on a direct basis including administration and governance costs. Where costs are eligible to be met from restricted funding, these are classified as restricted; otherwise expenditure is classified as unrestricted.

Tangible fixed assets

The Trust does not own any tangible fixed assets.

Taxation

The Trust has charitable status and is not liable to Corporation Tax. It is also below the registration threshold for VAT.

2. Grant Funding

The Trust is predominantly funded through grants awarded by various funding bodies. £185,150 of grant funding was awarded in 2011/12. All grant funding received were restricted to be used in accordance with specific restrictions imposed by the donor. The funding bodies, grants awarded and the purpose establishing the restrictions were:

Funding Body	Purpose and Restrictions	Amount Received in 2011/12	Amount Received in 2010/11
Climate Challenge Fund	Conduct home energy checks and improve energy efficiency. Undertake development work up to planning stage for a community owned wind farm.	£183,150	£54,342
Argyll & Bute Council	Contribution toward costs of SeaChange Festival	£2,000	£0
Voluntary Action Fund	Establishment of Community Development Trust and engagement with the Community.	£0	£1,025
Big Lottery Fund's Investing in Ideas	Renewable Energy Feasibility Study.	£0	£8,090
Community and Renewable Energy Scheme	Development, production and distribution of a Community Action Plan.	£0	£2,000
Royal Incorporation of Architects in Scotland	Development, production and distribution of a Community Action Plan.	£0	£500
Big Lottery Fund's Awards for All	Development, production and distribution of a Community Action Plan.	£0	£9,563
Dunbritton Housing Association	Development, production and distribution of a Community Action Plan.	£0	£200
LEADER	Development, production and distribution of a Community Action Plan.	£0	£10,000
Total		£185,150	£85,720

A movement in restricted funds analysis is included at note 17.

3. Membership Fees

Each member undertakes that if the Trust is wound up while they are a member (or within one year after they cease to be a member), they will contribute up to a maximum of £1 to the assets of the Trust to be applied towards:

- i. Payment of the Trust's debts and liabilities contracted before they ceased to be a member.
- ii. Payment of the costs, charges and expenses of winding up.
- iii. Adjustment of the rights of the contributories among themselves

This undertaking is formally documented in the Trust's Memorandum and Articles of Association.

During 2011/12 the Board proposed to move from an annual membership to lifetime membership with lifetime membership costing £2. This proposal will be presented to Members for consideration at a special meeting to be held on 9 November 2012. 50% of this is disclosed as a creditor in the balance sheet in accordance with this undertaking. Note that the income disclosed in the SOFA for membership fees is limited to the other 50% and renewal fees paid, on a voluntary basis, by existing members. At 30 June 2012 the Trust had 396 paid up members (2010/11 - 347).

In 2010/11 50% of members fees was recognised as restricted fund income and held in a restricted fund erroneously. A correction has been processed in 2011/12 to remove the income and disclose the balance as a creditor. The prior year figures have not been restated due to materiality, instead the 2011/12 figures have been adjusted which ensures the cumulative figure is correct.

4. Board Fees

Each Director is invited to make a £1 contribution at every Board meeting to contribute to the running costs of the Trust. This is a voluntary contribution.

5. Professional Fees

The Trust incurred £155,614 in consultancy fees in 2011/12.

Consultants	2011/12 Fees	2010/11 Fees
LoganPM	£85,004	£59,000
Thornton Law LLP	£11,800	£0
Horner & MacLennan	£27,707	£0
Green Cat Renewables Ltd	£16,128	£0
Northlight Heritage	£2,400	£0
Harper MacLeod LLP	£4,800	£0
Thermal Image UK	£3,443	£0
Community Energy Scotland	£2,610	£870
Mark Turnbull (Architect)	£1,122	£0
Mike Wood (Architect)	£600	£0
Community Links Scotland	£0	£21,724
Total	£155,614	£81,594

6. Staff Costs

In June 2011 the Trust recruited a Carbon Energy Reduction Officer and an Administrative Assistant on fixed term contracts which ended in March 2012. Staff costs of £22,218 (2010/11 - £2,522) have been disclosed in the statement of financial activities.

	2011/12	2010/11
Gross Wages, salaries and benefits in kind	£22,218	£2,522
Employer's National Insurance costs	£0	£0
Total	£22,218	£2,522

The Trust applied to HM Revenue & Customs (HMRC) to join the Regional Employer National Insurance contributions (NICs) Holiday for New Businesses. The application was accepted which means the Trust did not have to pay HMRC Class 1 employer NICs on the first ten employees hired during the first twelve months of the Trust's business activities.

No employees had emoluments in excess of £50,000.

7. Remuneration and Expenses of Trustees (Directors)

	2011/12	2010/11
Number of Trustees who were paid remuneration	None	None
Number of Trustees who were paid expenses	None	None
Nature of expenses	N/A	N/A
Total	£0	£0

8. Administration

The Trust incurred £774 (2010/11- £1,198) of administration expenditure during 2011/12. A total of 8 invoices make up this balance with none exceeding £500 in value. Administration expenditure incurred related to areas such as Companies House fees, HMRC costs, stationery supplies, information technology and employee liability insurance.

9. Debtors (amounts falling due within one year)

The Trust had year-end debtors of £4,925.

Debtor	2011/12	2010/11
Climate Challenge Fund	£4,460	£54,762
Insurance Prepayment	£465	£0
Cove & Kilcreggan Community Council	£0	£2,500
Total	£4,925	£57,262

The £4,460 is to recognise grant funding income due to the Trust at the year-end for unbilled work performed by LoganPM drafting the wind farm environmental statement.

10. Creditors (amounts falling due within one year)

The Trust had year-end creditors of £18,388.

Creditor	2011/12	2010/11
Thornton's Law LLP	£11,800	£0
LoganPM	£5,100	£50,916
Other	£1,092	£2,258
Member's Fees	£396	£0
Staff Costs	£0	£2,522
Cove & Kilcreggan Community Council	£0	£1,960
Total	£18,388	£57,656

The £11,800 relates to legal fees incurred to agree on a lease agreement for land. The £5,100 is to recognise a year end creditor for unbilled work carried out by LoganPM to draft the Environmental Statement. The £396 of member's fees is the 50% of the fees which are the member's undertaking in the event of the trust being wound up (refer to note 3 for further details). The remaining £1,092 is the total of 6 invoices unpaid at the year-end and a donation to the Kilcreggan Youth Café in recognition of their contribution to the SeaChange Festival. None of these invoices were in excess of £500 in value.

The Directors confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary, all liability transactions have been recorded in the accounting records and are reflected in the financial statements.

11. Notes to the Cash Flow Statement

	2012 £	2011 £
a) Reconciliation of net incoming resources for the year to net cash inflow from operating activities		
Operating surplus or (deficit)	932	1,054
(Increase)/decrease in tangible fixed assets	0	0
(Increase)/decrease in debtors	52,337	(57,262)
Increase/(decrease) in creditors	(39,268)	57,656
Net cash inflow from operating activities	14,001	1,448
b) Reconciliation of net cash flow to movement in net funds		
Increase in cash in the year	14,001	1,448
Net funds at the start of the year	1,448	0
Net funds at the end of the year	15,449	1,448

12. Capital Commitments

At 30 June 2012 there were no capital commitments.

13. Close Relationship/Related Party

The Trust has a close relationship with Cove & Kilcreggan Community Council (C&KCC) as the Trust's Convener is also a member of the C&KCC.

There were no financial transactions between the Trust and C&KCC in the year ended 30 June 2012.

14. Analysis of Net Assets Between Funds

Fund balances at 30 June 2012 are represented by:

	Unrestricted Funds (£)	Restricted Funds (£)	Total (£)
Debtors	465	4,460	4,925
Cash at bank and in hand	761	14,688	15,449
Creditors falling due within one year	(114)	(18,274)	(18,388)
Total net assets	1,112	874	1,986

15. Share Capital

The Trust does not have share capital but is limited by guarantee. The liability of members is limited to £1 each. At 30 June 2012 the Trust had 396 paid up members.

16. Independent Examiner

The appointed independent examiner carried out his work on a voluntary basis. No fee was charged to the Trust for his examination.

17. Movement in Restricted Income Funds

Fund name	Fund balances brought forward (£)	Incoming resources (£)	Outgoing resources (£)	Transfers (£)	Gains and losses (£)	Fund balances carried forward (£)
Community Wind Farm and Energy Reduction Project	0	183,150	-182,407	0	0	743
		Climate Challenge Fund 183,150	Professional fees -155,614 Staff Costs -22,218 Supplies -2,438 Venue Hire -2,033 Administration -104			
SeaChange Festival	0	2,000	-1,869	0	0	131
		Argyll & Bute Council 2,000	Events -1,869			
Membership Fees Retainer	347	-347	0	0	0	0
		Reclassification as creditor -347	Nil 0			
	347	184,803	-184,276	0	0	874

Community wind farm and energy reduction project - Funds received from Climate Challenge Fund for renewable energy feasibility study and for subsequent development work up to planning stage and for home energy checks and improve energy efficiency.

SeaChange festival – Funds received to support a weekend festival held on the Rosneath Peninsula between June 8th and 10th, 2012.

Membership fees retainer - 50% of members' annual fees retained against the possible costs of future dissolution of the company. These were recognised as income and held in a restricted fund in 2010/11 erroneously. This has been corrected in 2011/12 and the balance reclassified as a creditor.

Independent Examiner's Report to the Trustees of Rosneath Peninsula West Community Development Trust

I report on the accounts of the charity for the year ended 30th June 2012 which are set out on pages 1 to 15.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company 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 trustees consider that the audit requirement 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 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 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 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 aspect 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 and comply with Regulation 8 of the 2006 Accounts Regulationshave 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.

Bert Allison CPFA

5 Mossgiel Road, GLASGOW, G43 2DF

16th October 2012