

2016/17  
GREEN

**REGISTERED COMPANY NUMBER: SC299623 (Scotland)**  
**REGISTERED CHARITY NUMBER: SC037625**

**Report and Consolidated  
Financial Statements for the Year Ended 31 December 2016  
for**

**Neilston Development Trust  
(A company limited by guarantee)**

The Kelvin Partnership Ltd  
Statutory Auditor  
Chartered Accountants  
The Cooper Building  
505 Great Western Road  
Glasgow  
G12 8HN

**Neilston Development Trust**  
**(A company limited by guarantee)**

**Contents of the Consolidated Financial Statements**  
**for the Year Ended 31 December 2016**

	Page
Report of the Trustees	1 to 5
Report of the Independent Auditors	6 to 7
Consolidated Statement of Financial Activities	8
Charity Statement of Financial Activities	9
Consolidated Balance Sheet	10
Charity Balance Sheet	11
Notes to the Financial Statements	12 to 21
Detailed Statement of Financial Activities	22 to 23

**Neilston Development Trust**  
**(A company limited by guarantee)**

**Report of the Trustees**  
**for the Year Ended 31 December 2016**

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 31 December 2016. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2015.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
SC299623 (Scotland)

**Registered Charity number**  
SC037625

**Registered office**  
84 Main Street  
Neilston  
GLASGOW  
East Renfrewshire  
G78 3EA

**Trustees**

Mrs C M Boyd	
D Frame	- resigned 19.01.17
I C Fraser	- resigned 19.05.17
Ms P M Gallacher	
Miss L Gray	
R A Jackson	
C R Melrose	
Ms L Naven	
A U Walker	
S A Robinson	
A McDougall	- resigned 31.3.16
J Davidson	- appointed 7.6.16
J Stables	- appointed 17.11.16, resigned 22.06.17
P Lunn	- resigned 25.10.16

**Company Secretary**  
G Keenan

**Auditors**

The Kelvin Partnership Ltd  
Statutory Auditor  
Chartered Accountants  
The Cooper Building  
505 Great Western Road  
Glasgow  
G12 8HN

**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.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Recruitment and appointment of new trustees**

Neilston Development Trust can appoint elected or co-opted Trustees up to a maximum number of 15.

#### **Elected Trustees**

At an annual general meeting the members may elect as a director any member who has confirmed his/her willingness to be appointed. In addition the directors may at any time (provided he /she is willing to act) to be a director ("an elected Director") either to fill a vacancy or as an additional director.

#### **Co-Opted Directors**

The directors may at any time appoint any individual (other than an employee of the company) to be a director ("a Co-opted Director") provided he/she is willing so to act, either on the basis that he/she has special skills or experience which would be of assistance to the board or on the basis that he/she has been nominated by an organisation or agency with which the company has close contact in the course of its activities.

The Company is formulating a recruitment and succession policy for the appointment of new Trustees.

#### **Induction and training of new trustees**

The trustees are in the process of developing an induction handbook for new Trustees. This will be issued to new trustees on appointment. The trustees recognise that ongoing training and development is essential to their role. As such, individual Trustees shall undertake a skills audit on appointment to identify any specific areas of training need. In addition, individual Trustees and the board as a whole will regularly take part in training sessions to ensure they are fully made aware of statutory and best practice requirements.

#### **Organisational structure**

Neilston Development Trust (NDT) is a company limited by guarantee (SC299623) and a charity (SC037625). Its board (currently nine people) meets on a six-weekly cycle. Anyone living in the G78 3 postal code area and supporting the aims of NDT can apply for membership.

Elected board directors are required to live in Neilston. The board also has the power to co-opt additional directors on the basis of skills requirements. Current skills within the board include business development, town planning and regeneration, community development and health development.

NDT has a trading subsidiary, NDT Trading Ltd (SC363381) which is the partner in the Neilston Community Windfarm LLP. The role of the trading company in delivering tax-efficient resources is critical, typically through gift aid. Another significant dimension in NDT's future structure is the intention to establish a common good fund, honouring a pledge made to the community at the outset of the windfarm planning process. This fund will allocate funds to local groups and projects in the context of the Town Charter, which itself is not a rigid document.

#### **Related parties**

As the company is limited by guarantee, the company has no share capital in which the Trustees can have a beneficial interest.

#### **Risk management**

The Trustees have developed a risk register as part of the company business plan. This identifies and categorises the risks facing the organisation and sets out the plan for managing these.

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

Our overall aim is to develop the physical, economic, cultural and human assets of Neilston.

### **Our specific aims and objectives focus on People, Place and Prospects**

- A quality, safe, sustainable and accessible environment that supports community life
- A thriving, active, informed and engaged local community
- A robust local economy

**Report of the Trustees**  
**for the Year Ended 31 December 2016**

**2016 was a year of significant effort, achievement & progress for Neilston Development Trust**

**The Bank**

2016 saw the range of activities promoted from the Bank continue to expand with the help & support of paid staff members and volunteers. With the café facility acting as the focus for a range of services delivered by NDT, the Bank has been the base for numerous external hirers who have promoted a range of inclusive, people centred activities with examples including health & fitness groups, walking & cycling groups, numerous advice forums, IT training and multiple family friendly events and workshops.

**Neilston Community Windfarm**

2016 saw the Windfarm in its third full year of commercial operation. As outlined in the 2015 annual accounts a number of external factors notably UK government removal of carbon levy payments and significant falls in energy prices severely impacted on dividend projections. This led the NDT board in 2016 to engage in active discussions with lenders and partners resulting in positive revisions to lending conditions and repayments for the short to medium term.

**Community Activities, Volunteering & Training** - Throughout 2016 NDT volunteering, work placement and trainee numbers continued to grow as The Trust worked with many local groups and stakeholders to maximize the range of opportunities in the locality and specifically within the Bank. Throughout the year a range of activities were facilitated and delivered by NDT staff with committed volunteer and Community Job Scotland funded employee support.

Highlights included:

- Go Neilston - With funding support from the Robertson Trust NDT in 2016 has been able to provide a regular programme of active travel focused events including promotion of multiple cycle and walking activities, engagement with local schools active travel programmes, encompassing walking days, cycling proficiency, bike maintenance classes and bike-rides led by trained & qualified cycle volunteers
- The Neilston gardening group continues to flourish with flowers and vegetables produced at both the Bank and at Neilston train station and a new sensory garden developed in conjunction with volunteers from Enable Scotland
- the mixture of volunteer groups and community classes at the Bank has continued to expand with walking, fitness & health and catering classes proving especially popular
- In Feb 2016 a Pedalwise ER steering group consisting of key partners and stakeholders across East Renfrewshire was formed and in August 2016 a new cycle workshop facility was opened in Rouken Glen park, building on the work and experience NDT has acquired in the operation of the Neilston Bike hub and associated Go Neilston project work.
- In April 2016 NDT secured funding from the Climate Challenge Fund enabling us to employ 3 additional staff to deliver the Pedalwise ER 'Making a Wheel Change to carbon emissions' initiative. This scheme involved a programme of active travel promotions, specifically by bike but also by public transport and on foot. By December 2016, 3000+ adults and school children across East Renfrewshire had received direct support, advice and training from the Pedalwise ER project team.
- with funding support from SCVO and the Community Jobs Scotland initiative, NDT created an additional 6 jobs for young people in the year to Dec 2016. This represented another successful year and is an area in which NDT is building a reputation for training excellence and quality support for those furthest from the formal job market.
- In August 2016 NDT - with contract support from East Renfrewshire Council's Education dept - commenced delivery of vocational accredited training for schoolchildren across East Renfrewshire. This represented the first borough wide funded scheme across Scotland and has started positively with a number of young people securing City & Guilds level qualification via the initiative

**Report of the Trustees**  
**for the Year Ended 31 December 2016**

**Financial Review**

During the period the charitable group had income of £246,218 (2015 - £181,456) and incurred expenditure of £411,229 (2015 - £331,986) Full results are shown on the Statement of Financial Activities on page 8. The group share of associates operating profit for the period was £107,154 (2015 - £489,806).

On 28<sup>th</sup> April 2017 the entire shareholding in the subsidiary NDT Trading Limited was sold with a sum of £2,190,223 received and £169,776 held in retention. This is significantly greater than the historical carrying cost recorded in the accounts of the Trust, but no amendments are required to the financial statements as at 31 December 2016, with the sale and gain realised being recognised in financial statements for the year to 31 December 2017.

**Principal Funding Sources**

During the period covered by these accounts, the company's main funding sources were charitable trusts and foundations. A small amount of income was generated from within the Trust to supplement these grants and awards.

The major funding contributors were

Scottish Government - Strengthening Communities Programme

The Robertson Trust

Keep Scotland Beautiful - Climate Challenge Fund

Voluntary Action Fund

Cycling UK

The Big Lottery

SCVO Community Jobs Scotland

Neilston Development Trust wishes to record its appreciation and thanks to these principal funders for their support and commitment to the purposes of NDT over the last year.

**Reserves Policy**

The NDT Board continues to review the charity's requirement for reserves and in 2016 sought to improve its reserve position by working towards a 3 months minimum equivalent expenditure reserve of unrestricted funds not tied up in fixed assets or otherwise specifically designated in both the charity's primary account and that of its trading subsidiary. The Board acknowledges this to be an active target which should be reviewed on an annual basis. Based on current expenditure levels this would equate to £56,126. At the Balance Sheet date the charity had reserves of £168,380 (2015 - £156,740) being total unrestricted funds of £250,219 less amounts tied up in fixed assets of £81,839 which is a further improvement on 2015. The Board will continue to actively monitor the reserves position and will consider seeking an improved reserves standard in the year ahead.

**Plans for Future Periods**

Within the next financial period, the Company has identified a number of key programmes & actions that it wishes to implement.

Continuing development of the Bank as a well-used community facility.

To look to improve both the financial sustainability and delivery potential of the trust as the core community anchor body for Neilston

To take a renewed look at the 'Place' based goals outlined within the Neilston charter and explore potential for opportunities linked to the newly activated Community Empowerment legislation

Further development of training & employment opportunities for young people with closer working partnerships & core worker support

A review of Neilston Community objectives and outcomes in order to identify potential funding and resources

A financial and business planning review with the aim of setting out a 3 year strategic plan



Report of the Trustees  
for the Year Ended 31 December 2016

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of Neilston Development Trust 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 2015 (FRS102);
- 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, 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


In so far as the trustees are aware:

- there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The auditors, The Kelvin Partnership Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 18 July 2017 and signed on its behalf by:

  
Mrs P Gallacher  
Trustee

## **Report of the Independent Auditors to the Trustees and Members of Neilston Development Trust**

We have audited the financial statements of Neilston Development Trust for the year ended 31 December 2016 on pages 8 to 21 which comprise the Group and Parent Charitable Company Statements of Financial Activities, the Group and Parent Charitable Company Balance Sheets, 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) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Trustees Responsibilities set out on page five, 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 auditors 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 those 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'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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 group's and the parent charitable company's affairs as at 31 December 2016 and of the group and the parent charitable company's 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 6 and 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.



**Report of the Independent Auditors to the Trustees and Members of  
Neilston Development Trust**

**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 parent charitable 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.



Raymond Henry FCA (Senior Statutory Auditor)

for and on behalf of The Kelvin Partnership Ltd

Statutory Auditor

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Chartered Accountants

The Cooper Building

505 Great Western Road

Glasgow

G12 8HN

Date: 18 July 2017

**Neilston Development Trust**  
**(A company limited by guarantee)**

**Statement of Consolidated Financial Activities**  
**for the Year Ended 31 December 2016**

		Unrestricted fund £	Restricted funds £	31.12.16 Total funds £	31.12.15 Total funds £
	Notes				
<b>INCOME AND ENDOWMENTS FROM</b>					
<b>Charitable activities</b>					
Income from charitable activities	2	213,997	31,822	245,819	179,324
Donation and legacies	3	97	-	97	107
Other trading activities	4	-	-	-	1,701
Income from investments	5	<u>302</u>	<u>-</u>	<u>302</u>	<u>324</u>
		214,396	31,822	246,218	181,456
Share of Associate Income		621,217	-	621,217	849,231
Less: Share of Associate Income		<u>(621,217)</u>	<u>-</u>	<u>(621,217)</u>	<u>(849,231)</u>
<b>Total</b>		<u>214,396</u>	<u>31,822</u>	<u>246,218</u>	<u>181,456</u>
<b>EXPENDITURE ON</b>					
<b>Other trading activities</b>					
Costs of other trading activities	6	81,318	-	81,318	76,152
Charitable activities	7	<u>244,279</u>	<u>85,632</u>	<u>329,911</u>	<u>255,834</u>
<b>Total</b>		<u>325,597</u>	<u>85,632</u>	<u>411,229</u>	<u>331,986</u>
<b>NET INCOME/EXPENDITURE</b>		(111,201)	(53,810)	(165,011)	(150,530)
<b>Share of operating profit of Associate</b>		<u>107,154</u>	<u>-</u>	<u>107,154</u>	<u>489,806</u>
<b>Net movement in Funds</b>		(4,047)	(53,810)	(57,857)	339,276
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>254,266</u>	<u>548,739</u>	<u>803,005</u>	<u>463,729</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>250,219</u>	<u>494,929</u>	<u>745,148</u>	<u>803,005</u>

The notes form part of these financial statements

**Neilston Development Trust**  
**(A company limited by guarantee)**

**Statement of Financial Activities**  
**for the Year Ended 31 December 2016**

	Unrestricted fund £	Restricted funds £	31.12.16 Total funds £	31.12.15 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
<b>Charitable activities</b>				
Income from charitable activities	213,997	31,822	245,819	179,324
Donations and legacies	97	-	97	107
Other trading activities	90,000	-	90,000	101,701
Income from investments	<u>118</u>	<u>-</u>	<u>118</u>	<u>192</u>
<b>Total</b>	304,211	31,822	336,033	281,324
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Charitable activities	<u>241,479</u>	<u>85,632</u>	<u>327,111</u>	<u>254,046</u>
<b>Total</b>	241,479	85,632	327,111	254,046
<b>NET INCOME/EXPENDITURE</b>	62,732	(53,810)	8,922	27,278
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	220,044	548,739	768,783	741,505
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>282,776</u>	<u>494,929</u>	<u>777,705</u>	<u>768,783</u>

The notes form part of these financial statements

**Neilston Development Trust**  
(A company limited by guarantee)

**Consolidated Balance Sheet**  
**At 31 December 2016**

	Notes	31.12.16 £	31.12.15 £
<b>FIXED ASSETS</b>			
Tangible assets	12	598,797	614,808
Investment in Associate	13	<u>706,149</u>	<u>753,993</u>
		1,304,946	1,368,801
<b>CURRENT ASSETS</b>			
Debtors	14	93,774	128,617
Cash at bank and in hand		<u>358,426</u>	<u>338,833</u>
		452,200	467,450
<b>CREDITORS</b>			
Amounts falling due within one year	15	<u>(14,221)</u>	<u>(59,532)</u>
<b>NET CURRENT ASSETS</b>		<u>437,979</u>	<u>407,918</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,742,925	1,776,719
<b>CREDITORS</b>			
Amounts falling due after more than one year	16	<u>(997,777)</u>	<u>(973,714)</u>
<b>NET ASSETS</b>		<u><u>745,148</u></u>	<u><u>803,005</u></u>
Unrestricted funds			
Designated Funds	19	81,839	
General Funds	19	<u>168,380</u>	
		250,219	254,266
Restricted funds		<u>494,929</u>	<u>548,739</u>
<b>TOTAL FUNDS</b>		<u><u>745,148</u></u>	<u><u>803,005</u></u>

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 January 2015).

The financial statements were approved by the Board of Trustees on 18 July 2017 and were signed on its behalf by:



Mrs P Gallacher  
Trustee

The notes form part of these financial statements

**Neilston Development Trust**  
(A company limited by guarantee)

**Charity Balance Sheet**  
**At 31 December 2016**

	Notes	31.12.16 £	31.12.15 £
<b>FIXED ASSETS</b>			
Tangible assets	12	598,797	614,808
Investments	13	<u>100</u>	<u>100</u>
		598,897	614,908
<b>CURRENT ASSETS</b>			
Debtors	14	28,203	10,944
Cash at bank and in hand		<u>162,426</u>	<u>162,970</u>
		190,629	173,914
<b>CREDITORS</b>			
Amounts falling due within one year	15	<u>(11,821)</u>	<u>(20,039)</u>
<b>NET CURRENT ASSETS</b>		<u>178,808</u>	<u>153,875</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		777,705	768,783
<b>NET ASSETS</b>		<u>777,705</u>	<u>768,783</u>
<b>FUNDS</b>	19		
Unrestricted funds		251,078	220,044
Restricted funds		<u>526,627</u>	<u>548,739</u>
<b>TOTAL FUNDS</b>		<u>777,705</u>	<u>768,783</u>

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 January 2015).

The financial statements were approved by the Board of Trustees on 18th July 2017 and were signed on its behalf by:



Mrs P Gallacher  
Trustee

## 1. ACCOUNTING POLICIES

### **Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards, FRS102 "The financial reporting statement applicable in the UK and Republic of Ireland" (FRS102), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS102, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Charity has availed itself of S396 of the Companies Act 2006 as permitted in paragraph 4(1) of schedule 1 of SI 2008 No 409, and adapted the Companies Act formats to reflect the special nature of the charities activities.

Neilston Development Trust meets the definition of a public benefit entity under the FRS102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

These financial statements for the year ended 31 December 2016 are the first financial statements of Neilston Development Trust prepared in accordance with FRS102, the financial reporting standard applicable in the UK and Republic of Ireland. The date of transition to FRS102 was 1 January 2015. An explanation of how the transition to FRS102 has affected the reported financial position and financial performance is given below.

### **Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS102 and the Charities SORP FRS 102 the restatement of comparative items was required. No restatement is required.

### **Preparation of the accounts on a going concern basis**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing their accounts.

### **Exemption from preparing a cash flow statement**

The charity has taken advantage of the reduced disclosure framework of FRS102 available to certain qualifying subsidiaries, namely the requirement to present a statement of cash flows.

### **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. The following specific policies are applied to particular categories of income.

- Voluntary income is received by way of grants, donations and gifts and is included in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Incoming resources from charitable trading activities are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by performance.

Income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.



1. ACCOUNTING POLICIES – continued

**Resources expended**

Expenditure is accounted for on an accruals basis as a liability is incurred. Expenditure includes any vat which cannot be fully recovered and is reported as part of the expenditure to which it relates:

- Cost of generating funds comprise the costs associated with attracting voluntary income and the costs trading for fundraising purposes.
- Charitable expenditure comprises these costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both the costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g floor areas, per capita or estimated usage as set out in note 10.

**Tangible fixed assets and depreciation**

Tangible fixed assets costing more than £1,000 are capitalised, including any incidental expenses of acquisition.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	- 4% on cost
Improvements to property	- 4% on cost
Fixtures and fittings	- 25% reducing balance
Motor vehicles	- 25% reducing balance

**Financial instruments**

The charity has elected to apply the provisions of section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS102 to all of its financial instruments.

The charity only has a financial liability that qualify as basic financial instrument. Basic financial instruments are initially recognised at transaction value and are subsequently carried at amortised costs using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of future payments discounted at a market rate of interest.

**Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on a historical experience and other factors that are considered to be relevant. Actual results may differ from estimated.

The estimated and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The directors consider that there are no estimates, judgements or assumptions made in the process of applying the entity's accounting policies that have a significant effect on the amounts recognised in the accounts, or a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**Taxation**

The company is a charitable company within the meaning of Section 467 of the Corporation Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

1. ACCOUNTING POLICIES – continued

**Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general activities of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

**Investments**

Investments in subsidiary and associate undertakings are included at cost less any provision for impairment.

**Operating leases**

Rentals paid under operating leases are charged to the statement of financial activities. The obligations to pay future rentals on operating leases is shown by way of a note to the accounts

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are administered by the Trustees in a fund independent from those of the company.

The pension costs charged against profits represent the employer's contributions payable to the scheme in respect of the accounting period.

**Legal status**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - GROUP

	Unrestricted	Restricted	2016 Total	2015 Total
	£	£	£	£
Grants	166,777	31,822	198,599	145,756
Café income	20,856	-	20,856	18,577
Room rental	11,547	-	11,547	11,519
Bike hub	13,952	-	13,952	2,104
Other	865	-	865	1,368
	<u>213,997</u>	<u>31,822</u>	<u>245,819</u>	<u>179,324</u>

2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - GROUP - continued

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

	31.12.16	31.12.15
	£	£
Scottish Government - Strengthening Communities	47,652	46,464
J & M Murdoch – Landfill	-	36,891
Local Energy Scotland - Energy Savings Trust	-	19,800
East Renfrewshire Credit Union	1,425	1,650
Voluntary Action Fund	10,000	10,000
Big Lottery Funding Celebration Fund	4,822	-
Climate Challenge Fund	83,387	-
Cycling Scotland	2,200	-
Cycling UK	2,000	-
Robertson Trust	15,000	-
Learning to Co-operate	-	5,600
Action for Children	-	1,500
Foundation Scotland – Asda	-	1,295
Enable	-	1,500
Sainsburys - Silver Screen Grant	-	500
SCVO	31,613	20,266
Other	500	290
	<u>198,599</u>	<u>145,756</u>

3. DONATIONS AND LEGACIES – GROUP

	Unrestricted	Restricted	2016	2015
	£	£	Total	Total
	£	£	£	£
Donations and Membership Income	97	-	97	107
	<u>97</u>	<u>-</u>	<u>97</u>	<u>107</u>

4. ACTIVITIES FOR GENERATING FUNDS - GROUP

	Unrestricted	Restricted	2016	2015
	£	£	Total	Total
	£	£	£	£
Fundraising events	-	-	-	1,701
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,701</u>

5. INVESTMENT INCOME - GROUP

	Unrestricted	Restricted	2016	2015
	£	£	Total	Total
	£	£	£	£
Bank interest	302	-	302	324
	<u>302</u>	<u>-</u>	<u>302</u>	<u>324</u>

**6. COSTS OF GENERATING FUNDS - GROUP**

	Direct costs	Support costs	2016 Total	2015 Total
	£	£	£	£
NDT Trading Limited	81,318	-	81,318	76,512
	<u>81,318</u>	<u>-</u>	<u>81,318</u>	<u>76,512</u>

**7. CHARITABLE ACTIVITIES COSTS - GROUP**

	Direct costs	Support costs	2016 Total	2015 Total
	£	£	£	£
Promotion of premises	41,356	95,101	136,457	106,717
Promotion of local community	92,112	95,101	187,213	141,963
Auditors remuneration	-	6,241	6,241	8,354
	<u>133,468</u>	<u>196,443</u>	<u>329,911</u>	<u>255,834</u>

**8. SUPPORT COSTS - Breakdown by Activities**

	Promotion of premises	Promotion of local community	Governance	Basis of Allocation
	£	£	£	
Depreciation	19,305	19,304	-	Usage
Staff costs	22,861	22,861	-	Timespent
Office costs	52,935	52,935	-	Usage
Auditors remuneration	-	-	6,241	
	<u>95,101</u>	<u>95,101</u>	<u>6,241</u>	

**9. NET INCOMING/(OUTGOING) RESOURCES - GROUP**

Net resources are stated after charging/(crediting):

	31.12.16	31.12.15
	£	£
Auditors' remuneration	6,241	8,354
Depreciation - owned assets	<u>38,609</u>	<u>33,378</u>

**10. TRUSTEES' REMUNERATION AND BENEFITS - GROUP**

No trustees received any remuneration during the period (2015 - nil)

**Trustees' expenses**

Expenses amounting to £nil (2015 - £nil) were reimbursed to nil Trustees (2015 - nil Trustees)

11. STAFF COSTS - GROUP

	31.12.16	31.12.15
	£	£
Wages and salaries	148,938	103,406
Social security costs	6,945	3,842
Other pension costs	<u>2,168</u>	<u>544</u>
	<u>158,051</u>	<u>107,792</u>

The average monthly number of employees during the year was as follows:

31.12.16	31.12.15
<u>10</u>	<u>9</u>

No employees received emoluments in excess of £60,000.

12. TANGIBLE FIXED ASSETS

	Freehold property	Improvements to property	Fixtures and fittings	Computer equipment	Motor vehicle	Totals
	£	£	£	£	£	£
<b>COST</b>						
At 1 January 2016	225,729	566,726	19,382	3,515	-	818,352
Additions	<u>-</u>	<u>-</u>	<u>4,979</u>	<u>-</u>	<u>17,619</u>	<u>22,598</u>
At 31 December 2016	<u>225,729</u>	<u>566,726</u>	<u>24,361</u>	<u>3,515</u>	<u>17,619</u>	<u>837,950</u>
<b>DEPRECIATION</b>						
At 1 January 2016	75,117	107,574	15,165	2,688	-	200,544
Charge for year	<u>9,029</u>	<u>22,669</u>	<u>2,299</u>	<u>207</u>	<u>4,405</u>	<u>38,609</u>
At 31 December 2016	<u>84,146</u>	<u>130,243</u>	<u>17,464</u>	<u>2,895</u>	<u>4,405</u>	<u>239,153</u>
<b>NET BOOK VALUE</b>						
At 31 December 2016	<u>141,583</u>	<u>436,483</u>	<u>6,897</u>	<u>620</u>	<u>13,214</u>	<u>598,797</u>
At 31 December 2015	<u>150,612</u>	<u>459,152</u>	<u>4,217</u>	<u>827</u>	<u>-</u>	<u>614,808</u>

13. INVESTMENTS

	COMPANY		GROUP	
	2016	2015	2016	2015
	£	£	£	£
Investments in Subsidiaries	100	100	-	-
Investments in Associates	<u>-</u>	<u>-</u>	<u>706,149</u>	<u>753,993</u>
		<u>100</u>	<u>706,149</u>	<u>753,993</u>

The company's investments at the balance sheet date in the share capital of companies include the following:

**13. FIXED ASSET INVESTMENTS - GROUP - continued**

**subsidiary**

NDT Trading Ltd

Nature of business: Energy production

Class of share:	%
Ordinary	holding 100

	31.12.16	31.12.15
	£	£
Aggregate capital and reserves	121,394	140,330
Profit (loss) for the year	<u>(18,936)</u>	<u>205,797</u>

**Associated company**

Neilston Community Windfarm LLP

Nature of business: Energy production

Class of share:	%
Ordinary	holding 28.30

	31.12.16	31.12.15
	£	£
Aggregate capital and reserves	2,494,874	2,663,933
Profit for the year	<u>547,693</u>	<u>1,355,495</u>

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - GROUP**

	COMPANY		GROUP	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	5,533	3,598	5,533	3,598
Prepayments	17,222	1,650	17,222	1,650
Other debtors	5,448	5,696	71,019	118,335
Amounts owed by group undertakings	-	-	-	34
	<u>28,203</u>	<u>10,944</u>	<u>93,774</u>	<u>128,617</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - GROUP**

	COMPANY		GROUP	
	2016	2015	2016	2015
	£	£	£	£
Trade creditors	3,298	3,622	3,298	3,622
Other creditors	8,523	16,417	10,923	55,910
	<u>11,821</u>	<u>20,039</u>	<u>14,221</u>	<u>59,532</u>

In June 2016 the Trust came to an agreement with all its lenders for a moratorium of capital and interest on all loans until June 2022. However the lenders have reserved the right to review the situation and have reserved the right to cancel the moratorium and recommence repayments if the company is financially able to meet the obligation. As a result of this the split between less than one year and greater than one year has changed significantly from 2014. The only loans repayable less than one year are the actual loan repayments made in 2016. Due to the moratorium all other repayments are assumed to be greater than one year.



16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - GROUP

	COMPANY		GROUP	
	2016	2015	2016	2015
	£	£	£	£
Bank loans	-	-	807,772	864,942
Accruals	-	-	190,005	108,772
	<u>-</u>	<u>-</u>	<u>997,777</u>	<u>973,714</u>

Analysis of Maturity

	COMPANY		GROUP	
	2016	2015	2016	2015
	£	£	£	£
In more than one year but not more than two years	-	-	111,451	111,451
In more than two years but not more than five years	-	-	395,357	395,357
In more than five years	-	-	300,964	358,134
	<u>-</u>	<u>-</u>	<u>807,772</u>	<u>864,942</u>

In June 2016 the Trust came to an agreement with all its lenders for a moratorium of capital and interest on all loans until June 2022. However the lenders have reserved the right to review the situation and have reserved the right to cancel the moratorium and recommence repayments if the company is financially able to meet the obligation. As a result of this the split between less than one year and greater than one year has changed significantly from 2014. The only loans repayable less than one year are the actual loan repayments made in 2016. Due to the moratorium all other repayments are assumed to be greater than one year.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP

	Unrestricted fund	Restricted funds	31.12.16 Total funds	31.12.15 Total funds
	£	£	£	£
Fixed assets	113,213	485,584	598,797	614,808
Investments	706,149	-	706,149	753,993
Current assets	442,855	9,345	452,200	467,450
Current liabilities	(14,221)	-	(14,221)	(326,814)
Long term liabilities	<u>(997,777)</u>	<u>-</u>	<u>(997,777)</u>	<u>(706,432)</u>
	<u>250,219</u>	<u>494,929</u>	<u>745,148</u>	<u>803,005</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

18. MOVEMENT IN FUNDS - GROUP

	At 1.1.16 £	Net movement in funds £	At 31.12.16 £
<b>Unrestricted funds</b>			
General fund	254,266	(4,047)	250,219
<b>Restricted funds</b>			
Purchase and refurbishment of property	289,765	(22,669)	267,096
Purchase and refurbishment of property-Big Lottery	227,517	(9,029)	218,488
Cycling Scotland/RT - Active Neilston	-	1,204	1,204
VAF	-	2,500	2,500
Cycling UK - Big bike renewal	-	839	839
Big Lottery Fund - Celebrate Fun	-	4,802	4,802
Landfill	25,149	(25,149)	-
CFC	6,308	(6,308)	-
	<u>548,739</u>	<u>(53,810)</u>	<u>494,929</u>
<b>TOTAL FUNDS</b>	<u>803,005</u>	<u>(57,857)</u>	<u>745,148</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	321,550	(325,597)	(4,047)
<b>Restricted funds</b>			
Voluntary Action Fund	10,000	(7,500)	2,500
Landfill	-	(25,149)	(25,149)
Cycling Scotland/RT - Active Neilston	15,000	(13,796)	1,204
Cycling UK -Big bike revival	2,000	(1,161)	839
Big Lottery Fund - Celebrate Fun	4,822	(20)	4,802
Purchase and refurbishment of property	-	(22,669)	(22,669)
Purchase and refurbishment of property-Big Lottery	-	(9,029)	(9,029)
CFC	-	(6,308)	(6,308)
	<u>31,822</u>	<u>(85,632)</u>	<u>(53,810)</u>
<b>TOTAL FUNDS</b>	<u>353,372</u>	<u>(411,229)</u>	<u>(57,857)</u>

**Neilston Development Trust**  
**(A company limited by guarantee)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2016**

**18. MOVEMENT IN FUNDS - GROUP continued**

Purchase and refurbishment of property	-	Relates to the funds tied up in the property owned by the charity and funds received for the refurbishment of the property.
Voluntary Action Fund	-	Core staff and organisational funding to promote development of NDT as a Development Trust and community resource.
Cycling UK	-	To promote cycling events in the local community
Robertson Trust	-	Core staff funding to promote active travel
Big Lottery Funding	-	This was for the 10 <sup>th</sup> anniversary celebrations of the Neilston Development Trust

**19. UNRESTRICTED FUNDS - GROUP**

**Movement in funds**

	Balance at 1 January 2016 £	Incoming resources £	Resources expended £	Associate Profit £	Transfers £	Balance at 31 December 2016 £
General charitable funds	156,740	214,396	309,910	107,154	-	168,380
Designated funds:						
Tangible fixed assets	<u>97,526</u>	<u>-</u>	<u>15,687</u>	<u>-</u>	<u>-</u>	<u>81,839</u>
	<u>254,266</u>	<u>214,396</u>	<u>325,597</u>	<u>107,154</u>	<u>-</u>	<u>250,219</u>

**20. RELATED PARTIES DISCLOSURES - GROUP**

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the period (2015 - nil)

**21. POST BALANCE SHEET EVENT**

On 28<sup>th</sup> April 2017 the entire shareholding in the subsidiary NDT Trading Limited was sold with a sum of £2,190,223 received and £169,776 held in retention. This is significantly greater than the historical carrying cost recorded in the accounts of the Trust, but no amendments are required to the financial statements as at 31 December 2016, with the sale and gain realised being recognised in financial statements for the year to 31 December 2017.

**Neilston Development Trust**  
**(A company limited by guarantee)**

**Detailed Statement of Financial Activities**  
**for the Year Ended 31 December 2016**

	31.12.16 £	31.12.15 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Charitable activities</b>		
Donations and legacies	<u>97</u>	<u>107</u>
	97	107
<b>Other trading activities</b>		
Fundraising events	<u>-</u>	<u>1,701</u>
	-	1,701
<b>Income from investment</b>		
Income from subsidiary	90,000	100,000
Income from associate	<u>107,154</u>	<u>489,806</u>
	197,154	589,806
<b>Income from charitable activities</b>		
Grants	198,599	145,756
Cafe income	20,856	18,577
Room rental	11,547	11,519
Bike Hub	13,952	2,104
Other	<u>865</u>	<u>1,368</u>
	245,819	179,324
<b>Other income</b>		
Interest	<u>302</u>	<u>324</u>
<b>Total incoming resources</b>	443,371	771,262
<b>EXPENDITURE</b>		
<b>Costs of trading activities</b>		
NDT Trading	81,318	76,152
<b>Charitable activities</b>		
Wages	148,938	103,406
Social security	6,945	3,842
Pensions	2,168	544
Sessional workers	2,715	-
Cafe expenditure	10,308	8,658
Insurance	3,689	2,573
Postage and stationery	829	668
Sundries	1,154	893
Staff training	3,515	1,883
Subscriptions and memberships	1,355	1,525
Carried forward	181,616	124,00

This page does not form part of the statutory financial statements

**Neilston Development Trust**  
**(A company limited by guarantee)**

**Detailed Statement of Financial Activities**  
**for the Year Ended 31 December 2016**

	31.12.16 £	31.12.15 £
<b>Charitable activities</b>		
Brought forward	181,616	124,005
Bike hub costs	10,311	7,884
Utilities	3,679	5,917
Licences	388	77
Van costs	1,724	-
Tools and equipment	20,735	6,116
Hygiene services and cleaning	1,667	1,778
Maintenance and repairs	12,946	14,130
Events costs	1,476	3,722
Trustees and staff expenses	-	1,386
Telephone	1,843	1,882
Photocopying	2,424	2,755
Marketing	3,571	5,964
Subsistence and catering	9	65
Legal and professional fees	19,026	27,483
Payroll and bookkeeping	22,490	10,510
Volunteer expenses	1,155	441
Management charges	90,000	100,000
Freehold property	9,029	9,029
Improvements to property	22,669	22,669
Fixtures and fittings	2,299	1,405
Computer equipment	207	275
Motor vehicles	4,405	-
	<u>413,669</u>	<u>347,480</u>
<b>Governance costs</b>		
Auditors' remuneration	<u>6,241</u>	<u>8,354</u>
Total resources expended	<u>501,228</u>	<u>431,986</u>
<b>Net income</b>	<u>(57,857)</u>	<u>339,276</u>

