

**REGISTERED COMPANY NUMBER: SC096089 (Scotland)**  
**REGISTERED CHARITY NUMBER: SC00299**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019  
FOR  
Drumchapel Community Business Limited**



V J Burgoyne & Co  
Chartered Accountants  
52 Weymouth Drive  
Glasgow  
G12 0LX

**Drumchapel Community Business Limited**

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For The Year Ended 31 March 2019**

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## **Drumchapel Community Business Limited**

### **REPORT OF THE TRUSTEES For The Year Ended 31 March 2019**

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 March 2019. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The company is established solely for charitable purposes mainly within the Drumchapel area of Glasgow and in particular for the following purposes: "The relief of poverty by the alleviation of unemployment principally for the poor residents of Drumchapel and to provide and assist in the provision of training opportunities for the said residents with a view to teaching particular skills which will assist such people in finding work".

##### **Principal activities**

The company is a charity and its principal activity is managing Business space facilities. By so doing the company aims to create sustainable jobs by developing and supporting community owned enterprises and small businesses. A recent analysis of employment on the site revealed a very satisfactory total workforce of over 300 throughout the premises.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

The Trustees are satisfied with the performance of the organisation during the year.

Occupancy levels were circa 92% for the latter part of the year. This was mainly due to the loss of a tenant who rented large office space from the Business. Unfortunately, with little demand in general for Office Space Units have remained empty. We have virtually zero turnover in Workspace and when Workspace becomes available it is let with little or no void period. This is mainly due to the high numbers of clients on our Waiting List for Workspace Accommodation at Dalsetter Business Centre. High numbers on the Waiting List ensure that when a unit becomes vacant it was quickly filled by a client from that List. The combination of this occupancy rate for the majority of the year and the strong day to day management procedures ensured that the company was able to maximise its rental income on Workspace, however was down on Office Space. Most of our enquiries and Waiting List Clients are for small workspace around the 500 - 600 square feet. Enquiries to date, still show that there is little interest in Office Accommodation. We are fortunate in that we continue to have enquires in relation to business accommodation on a regular basis.

In conjunction with Enable Glasgow we continue to manage the Community Environmental Therapy Project with financial support being provided by Glasgow City Council. The project provides a range of garden and maintenance of gap sites within the West involving working with local community organisations.

Drumchapel Community Business also continue to work in partnership with other local organisations i.e.: Fortune Works, Antonine Court, G15, Drumchapel Money Advice Centre and Drumchapel Foodbank.

DCB not only continues to provide support and accommodation for the small business base in Drumchapel but the organisation is active within the local community and is committed to continue to work in partnership with other local organisations to improve the quality of life for local residents. The organisation is a key active member in the West and Central Voluntary Sector Network.

The company also continues to carry out Planned Maintenance and repairs to adhere to its long-term Maintenance Strategy to ensure the continuing stability of the business. This strategy will ensure the company has sufficient funds to meet the cost of maintaining the fabric of the Business Centre and its surrounding environment over the coming years. However, we will soon be seeking to renew the roof of the Building and are actively looking at securing funding to enable to Company to have this carried out.

#### **FINANCIAL REVIEW**

##### **Reserves policy**

The Trustees aim to retain six months expenditure in reserves. Separate reserves are maintained where grants received for a specific purpose have not been fully utilised in the accounting period. In addition monies are set aside in a designated fund to cover major property repairs over the period of the lease.

## **Drumchapel Community Business Limited**

### **REPORT OF THE TRUSTEES For The Year Ended 31 March 2019**

#### **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.

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

Any person who wishes to become a trustee shall lodge with the organisation a written application, and that application will be put forward at the Annual General Meeting and be put to a vote of the membership.

##### **Organisational structure**

The Trustees have delegated day to day management to the manager Liz Atkinson.

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

Induction and training of new trustees

The existing Trustees are already familiar with the practical work of the Charity and new Trustees are invited and encouraged to attend a series of short training sessions to familiarise themselves with the Charity and the context within which it operates.

These are led by the manager and cover:

- The obligations of Management Committee members
- The main documents which set out the operational framework for the Charity
- Resourcing and the current financial position as set out in the latest published accounts
- Future plans and objectives

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

SC096089 (Scotland)

##### **Registered Charity number**

SC00299

##### **Registered office**

42 Dalsetter Avenue  
Drumchapel  
Glasgow  
G15 8LB

##### **Trustees**

P Johnstone

R Galbraith

Mrs E Job

- resigned 30.7.18

Ms C O'Neill

Mrs C O'Hagan

Mrs I Brodie

D Haining

Mrs A Ainsworth

##### **Company Secretary**

P Johnstone

##### **Independent examiner**

Vincent Burgoyne

Institute of Chartered Accountants of Scotland

V J Burgoyne & Co

Chartered Accountants

52 Weymouth Drive

Glasgow

G12 0LX

**Drumchapel Community Business Limited**

**REPORT OF THE TRUSTEES  
For The Year Ended 31 March 2019**

Approved by order of the board of trustees on 11 July 2019 and signed on its behalf by:

P Johnstone - Trustee

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned to the right of the name P Johnstone.

# INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF DRUMCHAPEL COMMUNITY BUSINESS LIMITED

I report on the accounts for the year ended 31 March 2019 set out on pages five to thirteen.

## Respective responsibilities of trustees and examiner

The charity's trustees 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 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 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 the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

## Independent examiner's statement

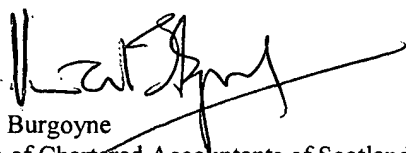
In the course of my examination, no matter has come to my attention:

(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 and to comply with Regulation 8 of the 2006 Accounts Regulations

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.



Vincent Burgoyne  
Institute of Chartered Accountants of Scotland  
V J Burgoyne & Co  
Chartered Accountants  
52 Weymouth Drive  
Glasgow  
G12 0LX

11 July 2019

**Drumchapel Community Business Limited**

**STATEMENT OF FINANCIAL ACTIVITIES  
For The Year Ended 31 March 2019**

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies		-	18,901	18,901	18,901
<b>Charitable activities</b>					
Charitable Activities		175,906	-	175,906	191,374
<b>Total</b>		<b>175,906</b>	<b>18,901</b>	<b>194,807</b>	<b>210,275</b>
 <b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Charitable Activities		200,202	73,806	274,008	259,887
<b>NET INCOME/(EXPENDITURE)</b>		<b>(24,296)</b>	<b>(54,905)</b>	<b>(79,201)</b>	<b>(49,612)</b>
 <b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>229,052</b>	<b>310,193</b>	<b>539,245</b>	<b>588,857</b>
 <b>TOTAL FUNDS CARRIED FORWARD</b>		<b>204,756</b>	<b>255,288</b>	<b>460,044</b>	<b>539,245</b>

The notes form part of these financial statements

**Drumchapel Community Business Limited**

**BALANCE SHEET**  
**At 31 March 2019**

		<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>2019 Total funds £</b>	<b>2018 Total funds £</b>
	Notes				
<b>FIXED ASSETS</b>					
Tangible assets	7	87,352	254,105	341,457	410,461
<b>CURRENT ASSETS</b>					
Debtors	8	24,062	-	24,062	43,109
Cash at bank and in hand		137,602	1,183	138,785	130,961
		<u>161,664</u>	<u>1,183</u>	<u>162,847</u>	<u>174,070</u>
<b>CREDITORS</b>					
Amounts falling due within one year	9	(44,260)	-	(44,260)	(45,286)
<b>NET CURRENT ASSETS</b>		<u>117,404</u>	<u>1,183</u>	<u>118,587</u>	<u>128,784</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>204,756</u>	<u>255,288</u>	<u>460,044</u>	<u>539,245</u>
<b>NET ASSETS</b>		<u>204,756</u>	<u>255,288</u>	<u>460,044</u>	<u>539,245</u>
<b>FUNDS</b>	10				
Unrestricted funds				204,756	229,052
Restricted funds				255,288	310,193
<b>TOTAL FUNDS</b>				<u>460,044</u>	<u>539,245</u>

The notes form part of these financial statements



**Drumchapel Community Business Limited**

**BALANCE SHEET - CONTINUED**

**At 31 March 2019**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2019 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

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

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 11 July 2019 and were signed on its behalf by:

Mrs I Brodie -Trustee



P Johnstone -Trustee



The notes form part of these financial statements

**Drumchapel Community Business Limited**

**NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended 31 March 2019**

**1. ACCOUNTING POLICIES**

**BASIS OF PREPARING THE FINANCIAL STATEMENTS**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**INCOME**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**EXPENDITURE**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**TANGIBLE FIXED ASSETS**

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

Property & refurbishment	- in accordance with the property
Fixtures and fittings	- 10% on cost

**TAXATION**

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

**FUND ACCOUNTING**

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

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

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

**PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**2. GRANTS PAYABLE**

	2019	2018
	£	£
Charitable Activities	<u>18,906</u>	<u>18,901</u>
	<u>2018</u>	<u>2017</u>
Community Environmental Therapy	<u>£18,901</u>	<u>£29,355</u>

**Drumchapel Community Business Limited**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**For The Year Ended 31 March 2019**

**3. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation - owned assets	<u>69,004</u>	<u>72,216</u>

**4. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

**TRUSTEES' EXPENSES**

There were no trustees' expenses paid for the year ended 31 March 2019 nor for the year ended 31 March 2018.

**5. STAFF COSTS**

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

	2019	2018
	3	3
Staff	<u>3</u>	<u>3</u>

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

**6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	-	18,901	18,901
<b>Charitable activities</b>			
Charitable Activities	<u>191,374</u>	-	<u>191,374</u>
<b>Total</b>	<u>191,374</u>	<u>18,901</u>	<u>210,275</u>
 <b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Charitable Activities	<u>186,086</u>	<u>73,801</u>	<u>259,887</u>
<b>Total</b>	<u>186,086</u>	<u>73,801</u>	<u>259,887</u>
 <b>NET INCOME/(EXPENDITURE)</b>	<u>5,288</u>	<u>(54,900)</u>	<u>(49,612)</u>
 <b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<u>223,764</u>	<u>365,093</u>	<u>588,857</u>
 <b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>229,052</u></u>	<u><u>310,193</u></u>	<u><u>539,245</u></u>

**Drumchapel Community Business Limited**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**For The Year Ended 31 March 2019**

**7. TANGIBLE FIXED ASSETS**

	Property & refurbishment £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 April 2018 and 31 March 2019	<u>1,751,808</u>	<u>71,314</u>	<u>1,823,122</u>
<b>DEPRECIATION</b>			
At 1 April 2018	1,363,047	49,614	1,412,661
Charge for year	<u>64,364</u>	<u>4,640</u>	<u>69,004</u>
At 31 March 2019	<u>1,427,411</u>	<u>54,254</u>	<u>1,481,665</u>
<b>NET BOOK VALUE</b>			
At 31 March 2019	<u>324,397</u>	<u>17,060</u>	<u>341,457</u>
At 31 March 2018	<u>388,761</u>	<u>21,700</u>	<u>410,461</u>

**8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Trade debtors	14,175	27,346
Other debtors	<u>9,887</u>	<u>15,763</u>
	<u>24,062</u>	<u>43,109</u>

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Trade creditors	6,934	10,505
Social security and other taxes	1,913	1,343
VAT	7,490	3,200
Other creditors	4,643	2,652
Rent deposits	12,744	15,575
Accruals and deferred income	236	236
Accrued expenses	<u>10,300</u>	<u>11,775</u>
	<u>44,260</u>	<u>45,286</u>

**Drumchapel Community Business Limited**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**For The Year Ended 31 March 2019**

**10. MOVEMENT IN FUNDS**

	At 1.4.18 £	Net movement in funds £	At 31.3.19 £
<b>Unrestricted funds</b>			
General fund	126,672	(10,192)	116,480
Designated revenue funds	102,380	(14,104)	88,276
	<u>229,052</u>	<u>(24,296)</u>	<u>204,756</u>
<b>Restricted funds</b>			
Restricted	1,188	(5)	1,183
Capital funds	309,005	(54,900)	254,105
	<u>310,193</u>	<u>(54,905)</u>	<u>255,288</u>
<b>TOTAL FUNDS</b>	<u><u>539,245</u></u>	<u><u>(79,201)</u></u>	<u><u>460,044</u></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	175,906	(186,098)	(10,192)
Designated revenue funds	-	(14,104)	(14,104)
	<u>175,906</u>	<u>(200,202)</u>	<u>(24,296)</u>
<b>Restricted funds</b>			
Restricted	18,901	(18,906)	(5)
Capital funds	-	(54,900)	(54,900)
	<u>18,901</u>	<u>(73,806)</u>	<u>(54,905)</u>
<b>TOTAL FUNDS</b>	<u><u>194,807</u></u>	<u><u>(274,008)</u></u>	<u><u>(79,201)</u></u>

**Drumchapel Community Business Limited**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**For The Year Ended 31 March 2019**

**10. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.4.17 £	Net movement in funds £	At 31.3.18 £
<b>Unrestricted Funds</b>			
General fund	99,588	27,084	126,672
Designated revenue funds	124,176	(21,796)	102,380
	<u>223,764</u>	<u>5,288</u>	<u>229,052</u>
<b>Restricted Funds</b>			
Restricted	1,188	-	1,188
Capital funds	363,905	(54,900)	309,005
	<u>365,093</u>	<u>(54,900)</u>	<u>310,193</u>
<b>TOTAL FUNDS</b>	<u><u>588,857</u></u>	<u><u>(49,612)</u></u>	<u><u>539,245</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	189,374	(162,290)	27,084
Designated revenue funds	2,000	(23,796)	(21,796)
	<u>191,374</u>	<u>(186,086)</u>	<u>5,288</u>
<b>Restricted funds</b>			
Restricted	18,901	(18,901)	-
Capital funds	-	(54,900)	(54,900)
	<u>18,901</u>	<u>(73,801)</u>	<u>(54,900)</u>
<b>TOTAL FUNDS</b>	<u><u>210,275</u></u>	<u><u>(259,887)</u></u>	<u><u>(49,612)</u></u>

**Drumchapel Community Business Limited**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**For The Year Ended 31 March 2019**

**10. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.17 £	Net movement in funds £	At 31.3.19 £
<b>Unrestricted funds</b>			
General fund	99,588	16,892	116,480
Designated revenue funds	124,176	(35,900)	88,276
<b>Restricted funds</b>			
Restricted	1,188	(5)	1,183
Capital funds	363,905	(109,800)	254,105
	<u>365,093</u>	<u>(109,805)</u>	<u>255,288</u>
<b>TOTAL FUNDS</b>	<u>588,857</u>	<u>(128,813)</u>	<u>460,044</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	365,280	(348,388)	16,892
Designated revenue funds	2,000	(37,900)	(35,900)
	<u>367,280</u>	<u>(386,288)</u>	<u>(19,008)</u>
<b>Restricted funds</b>			
Restricted	37,802	(37,807)	(5)
Capital funds	-	(109,800)	(109,800)
	<u>37,802</u>	<u>(147,607)</u>	<u>(109,805)</u>
<b>TOTAL FUNDS</b>	<u>405,082</u>	<u>(533,895)</u>	<u>(128,813)</u>

**11. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 March 2019.

**12. FUTURE FINANCIAL REVIEW**

The Trustees of the company shall continue to consider budget options and exercise prudent financial management.

Taking account of all known circumstances, the Trustees are of the opinion that the financial position of the organisation will remain secure as long as occupancy rates remain high.