

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

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020
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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Drumchapel Community Business Limited

REPORT OF THE TRUSTEES For The Year Ended 31 March 2020

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 2020. 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 2019).

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 90% for the main part of the year. The Business Centre continues to have demand for workspace at this time, however there is zero interest in Office Space. There remains a waiting list for workspace. We are fortunate in that during this current situation with the economy we continue to have a waiting list for small workspace.

In conjunction with Enable Glasgow we continue to manage the Community Environmental 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 working in partnership with other local organisations.

DCB not only continues to provide support for the small business base in Drumchapel but the organisation is also extremely 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.

As a result of the Covid pandemic the DCB Offices and tenants within the Business Centre were closed for the period from March 2020 in line with Scottish Government guidance.

The current economic climate remains extremely challenging. Higher void losses represent a financial risk to Drumchapel Community Business.

The Company 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.

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 2020

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 A McCourt (appointed 1.10.19)
Ms C O'Neill
Mrs L Smith (appointed 1.10.19)
Mrs C O'Hagan
Mrs I Brodie
D Haining
Mrs A Ainsworth (resigned 30.9.19)

Company Secretary

P Johnstone

Drumchapel Community Business Limited

REPORT OF THE TRUSTEES For The Year Ended 31 March 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

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

Approved by order of the board of trustees on 15 December 2020 and signed on its behalf by:

P Johnstone - Trustee

A handwritten signature in black ink, appearing to be 'P Johnstone', written over a horizontal line.

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

I report on the accounts for the year ended 31 March 2020 set out on pages five to fourteen.

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. 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. 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 connection with my examination, no matter has come to my attention :

- (1) which gives me reasonable cause to believe that, in any material respect, the 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

15 December 2020

Drumchapel Community Business Limited

**STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 March 2020**

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		-	18,901	18,901	18,901
Charitable activities					
Charitable Activities		181,368	-	181,368	175,906
Investment income	2	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>
Total		181,369	18,901	200,270	194,807
EXPENDITURE ON					
Charitable activities					
Charitable Activities		<u>192,483</u>	<u>73,761</u>	<u>266,244</u>	<u>274,008</u>
NET INCOME/(EXPENDITURE)		(11,114)	(54,860)	(65,974)	(79,201)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>204,756</u>	<u>255,288</u>	<u>460,044</u>	<u>539,245</u>
TOTAL FUNDS CARRIED FORWARD		<u>193,642</u>	<u>200,428</u>	<u>394,070</u>	<u>460,044</u>

The notes form part of these financial statements

Drumchapel Community Business Limited

BALANCE SHEET 31 March 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	8	75,048	199,205	274,253	341,457
CURRENT ASSETS					
Debtors	9	21,721	-	21,721	24,062
Cash at bank and in hand		<u>144,061</u>	<u>1,223</u>	<u>145,284</u>	<u>138,785</u>
		165,782	1,223	167,005	162,847
CREDITORS					
Amounts falling due within one year	10	(47,188)	-	(47,188)	(44,260)
NET CURRENT ASSETS		<u>118,594</u>	<u>1,223</u>	<u>119,817</u>	<u>118,587</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>193,642</u>	<u>200,428</u>	<u>394,070</u>	<u>460,044</u>
NET ASSETS		<u>193,642</u>	<u>200,428</u>	<u>394,070</u>	<u>460,044</u>
FUNDS	11				
Unrestricted funds				193,642	204,756
Restricted funds				<u>200,428</u>	<u>255,288</u>
TOTAL FUNDS				<u>394,070</u>	<u>460,044</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- 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.

The notes form part of these financial statements

Drumchapel Community Business Limited

BALANCE SHEET - continued 31 March 2020

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 15 December 2020 and were signed on its behalf by:

P Johnstone - Trustee



I Brodie - Trustee



The notes form part of these financial statements

Drumchapel Community Business Limited

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended 31 March 2020

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 2019)', 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.

Drumchapel Community Business Limited

NOTES TO THE FINANCIAL STATEMENTS - continued For The Year Ended 31 March 2020

2. INVESTMENT INCOME

	2020	2019
	£	£
Bank Interest	<u>1</u>	<u>-</u>

3. GRANTS PAYABLE

	2020	2019
	£	£
Charitable Activities	<u>18,861</u>	<u>18,906</u>

	2018	2017
	£	£
Community Environmental Therapy	<u>£18,901</u>	<u>£29,355</u>

4. NET INCOME/(EXPENDITURE)

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

	2020	2019
	£	£
Depreciation - owned assets	<u>67,204</u>	<u>69,004</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2020 nor for the year ended 31 March 2019.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31 March 2020 nor for the year ended 31 March 2019.

6. STAFF COSTS

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

	2020	2019
	<u>3</u>	<u>3</u>
Staff		

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

Drumchapel Community Business Limited

NOTES TO THE FINANCIAL STATEMENTS - continued For The Year Ended 31 March 2020

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

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

8. TANGIBLE FIXED ASSETS

	Property & refurbishment £	Fixtures and fittings £	Totals £
COST			
At 1 April 2019 and 31 March 2020	<u>1,751,808</u>	<u>71,314</u>	<u>1,823,122</u>
DEPRECIATION			
At 1 April 2019	1,427,411	54,254	1,481,665
Charge for year	<u>62,564</u>	<u>4,640</u>	<u>67,204</u>
At 31 March 2020	<u>1,489,975</u>	<u>58,894</u>	<u>1,548,869</u>
NET BOOK VALUE			
At 31 March 2020	<u>261,833</u>	<u>12,420</u>	<u>274,253</u>
At 31 March 2019	<u>324,397</u>	<u>17,060</u>	<u>341,457</u>

Drumchapel Community Business Limited

NOTES TO THE FINANCIAL STATEMENTS - continued For The Year Ended 31 March 2020

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	11,021	14,175
Other debtors	<u>10,700</u>	<u>9,887</u>
	<u>21,721</u>	<u>24,062</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	6,554	6,934
Social security and other taxes	1,570	1,913
VAT	8,203	7,490
Other creditors	4,643	4,643
Rent deposits	13,132	12,744
Accruals and deferred income	236	236
Accrued expenses	<u>12,850</u>	<u>10,300</u>
	<u>47,188</u>	<u>44,260</u>

11. MOVEMENT IN FUNDS

	At 1.4.19	Net movement in funds	At 31.3.20
	£	£	£
Unrestricted funds			
General fund	116,480	1,190	117,670
Designated revenue funds	<u>88,276</u>	<u>(12,304)</u>	<u>75,972</u>
	204,756	(11,114)	193,642
Restricted funds			
Restricted	1,183	40	1,223
Capital funds	<u>254,105</u>	<u>(54,900)</u>	<u>199,205</u>
	<u>255,288</u>	<u>(54,860)</u>	<u>200,428</u>
TOTAL FUNDS	<u>460,044</u>	<u>(65,974)</u>	<u>394,070</u>

Drumchapel Community Business Limited

NOTES TO THE FINANCIAL STATEMENTS - continued For The Year Ended 31 March 2020

11. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	181,369	(180,179)	1,190
Designated revenue funds	-	(12,304)	(12,304)
	181,369	(192,483)	(11,114)
Restricted funds			
Restricted	18,901	(18,861)	40
Capital funds	-	(54,900)	(54,900)
	18,901	(73,761)	(54,860)
TOTAL FUNDS	<u>200,270</u>	<u>(266,244)</u>	<u>(65,974)</u>

Comparatives for movement in funds

	At 1.4.18 £	Net movement in funds £	At 31.3.19 £
Unrestricted funds			
General fund	126,672	(10,192)	116,480
Designated revenue funds	102,380	(14,104)	88,276
	229,052	(24,296)	204,756
Restricted funds			
Restricted	1,188	(5)	1,183
Capital funds	309,005	(54,900)	254,105
	310,193	(54,905)	255,288
TOTAL FUNDS	<u>539,245</u>	<u>(79,201)</u>	<u>460,044</u>

Drumchapel Community Business Limited

NOTES TO THE FINANCIAL STATEMENTS - continued For The Year Ended 31 March 2020

11. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	175,906	(186,098)	(10,192)
Designated revenue funds	<u>-</u>	<u>(14,104)</u>	<u>(14,104)</u>
	175,906	(200,202)	(24,296)
Restricted funds			
Restricted	18,901	(18,906)	(5)
Capital funds	<u>-</u>	<u>(54,900)</u>	<u>(54,900)</u>
	<u>18,901</u>	<u>(73,806)</u>	<u>(54,905)</u>
TOTAL FUNDS	<u>194,807</u>	<u>(274,008)</u>	<u>(79,201)</u>

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

	At 1.4.18 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	126,672	(9,002)	117,670
Designated revenue funds	<u>102,380</u>	<u>(26,408)</u>	<u>75,972</u>
	229,052	(35,410)	193,642
Restricted funds			
Restricted	1,188	35	1,223
Capital funds	<u>309,005</u>	<u>(109,800)</u>	<u>199,205</u>
	<u>310,193</u>	<u>(109,765)</u>	<u>200,428</u>
TOTAL FUNDS	<u>539,245</u>	<u>(145,175)</u>	<u>394,070</u>

Drumchapel Community Business Limited

NOTES TO THE FINANCIAL STATEMENTS - continued For The Year Ended 31 March 2020

11. MOVEMENT IN FUNDS - continued

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 £
Unrestricted funds			
General fund	357,275	(366,277)	(9,002)
Designated revenue funds	<u>-</u>	<u>(26,408)</u>	<u>(26,408)</u>
	357,275	(392,685)	(35,410)
Restricted funds			
Restricted	37,802	(37,767)	35
Capital funds	<u>-</u>	<u>(109,800)</u>	<u>(109,800)</u>
	<u>37,802</u>	<u>(147,567)</u>	<u>(109,765)</u>
TOTAL FUNDS	<u><u>395,077</u></u>	<u><u>(540,252)</u></u>	<u><u>(145,175)</u></u>

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2020.

13. 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.