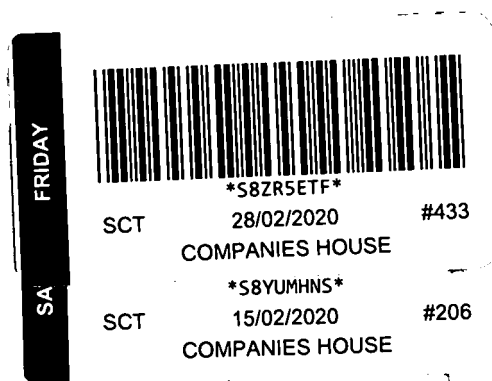


# **NEW LUCE COMMUNITY TRUST**

**(A company limited by guarantee)**

**Annual Report & Financial Statements**

**For the year ended 31 March 2019**



**Company No SC497287**

**ANNUAL REPORT & FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED 31 MARCH 2019

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## **TRUSTEES' ANNUAL REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2019**

The Trustees who are also directors of New Luce Community Trust ("the Trust") for the purposes of the Companies Act, submit their annual report and financial statements for the year ending 31 March 2019.

#### **OBJECTS AND ACTIVITIES**

The objects of the Trust as set out in the Memorandum and Articles of Association are to benefit the community of New Luce and District as defined by the Community Council boundary. The Trust was set up to receive and manage Community Benefit payments offered to New Luce community by wind farm development companies. Payments are currently being received in respect of SPR's Kilgallioch Wind farm and RES's Glenchamber Wind Farm. Priority for grant support will be given to projects located within or directly benefiting the New Luce Community Council Area, although proposals from outside the area can be considered if they include clear benefit to the New Luce community.

The overarching purpose of the Trust is to promote, establish, operate and/or support schemes and projects which are in furtherance of charitable purposes for the benefit of the Community. The activities must provide some measure of economic, environmental, educational, social or cultural benefit for people living in the area.

#### **ACHIEVEMENTS & PERFORMANCE**

The Trust received its first full annual payment Community Benefit from SPR's Kilgallioch Wind Farm. A payment of £184,980 was made which included £30,830 that could be invested in an Endowment Fund for the future. The Trust added this sum to a previous allocation and invested £42,705 in a 2 year fixed Term Deposit with United Trust Bank.

The Trust also received another payment of £30,357 for the Community Benefit Fund in relation to RES's Glenchamber Wind Farm together with a share of its unclaimed Local Electricity Discount Scheme monies.

Under the relative Terms of Agreement, the Trust must use Community Benefit sums only for Community Benefits within the Community Area. This means for the purposes of community facilities, skills and employment, community or local events, sport and recreation, environmental improvements, youth and education, and/or heritage, or such other purpose as has first been approved in writing.

The Trust had appointed Sharon Cameron as Development Officer with the remit of carrying out research and consultation, leading to the development of projects that will deliver on the key areas identified in the New Luce Community Action Plan: Winter Fuel Allowance; Underused Buildings; Community Transport; Communications, Greenspaces. Sharon has now been taken on full-time as the volume of her work has increased as the Trust enters the delivery phase of its projects.

- The Winter Fuel Allowance Scheme continued for a second year with all households in the New Luce Community Council area eligible to benefit from a Winter Fuel Payment of £150.
- The Trust commissioned extensive consultation on the underused buildings in the village, which identified a potential community buyout of the Kenmuir Arms as the most favourable option. The Trust was successful in its application to the Scottish Land Fund for a grant to fund 95% of the hotel's valuation price and the purchase was concluded in February 2019. The hard work of developing the building as a community asset will now follow.
- A Taxicard Community Transport scheme was established to address problems with limited public transport links between New Luce and Stranraer. Taxi cards have been issued to households who

## **TRUSTEES' ANNUAL REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2019**

applied for this scheme, with £150 of credit being issued on pre-paid cards. Use of the card is limited to use on journeys to or from their New Luce address and should not be used at times when buses are available.

- The community's mobile phone issue was addressed when the Scottish Government selected New Luce as one of 16 areas to be upgraded to a 4G mobile signal as part of its 4G infill programme. WHP Telecoms was appointed as the contractor to erect a mobile phone mast at Mains of Larg and they expect it to go live by the end of the year.
- Greenspaces Projects will include work on the woodland area as you enter the village from Glenluce and this will include thinning and removal of trees and a cleanup of the area. The Trust will be looking into the possibility of reinstating the curling pond.

The Trust approved three grants during the year: £18,457 to New Luce Community Council to provide the balance required for the cost of establishing a new Play Park in New Luce; £17,905 to New Luce Memorial Hall Management Committee to enable them to carry out refurbishment works required in the building together with support to user groups using the hall; and £1,993 was given to New Luce Gardening Group for equipment to help with its work and in its entry in the Scotland in Bloom competition.

#### **FINANCIAL REVIEW**

The financial statements have been prepared in accordance with current statutory requirements and the company's memorandum and articles of association.

Income of the organisation for the year to 31 March 2019 was £392,507; Expenditure was £96,594 resulting in a surplus of £295,913.

The company was funded by Community Benefit from Wind farms managed by SPR and RES and it received a Capital grant from the Scottish Land Fund to assist in the purchase of the Kenmuir Arms Hotel.

#### **Principal risks**

The Trustees have conducted their own review of major risks to the Company and have implemented systems to mitigate these. The major external risk to funding is recognised as the company's dependence on Community Benefit grants from Wind farm developers, the solution to which is closely monitoring grant commitments and ensuring that no awards are made until funds have been received. Internal risks are minimised by the implementation of procedures for authorisation of all transactions.

#### **Reserves Policy**

In line with good practice the trustees have defined the company's policy for holding reserves. The intention in establishing this reserves policy is to ensure the continuation of the charity's activities. The policy will enable the company to meet its legal objectives, provide confidence to supporters and donors seeking to give financial support to a prudently controlled company and to ensure that the reserves are at a level to discharge the company's obligations in the event that it should cease operations. The reserves which the company is required to maintain are those needed to fund ongoing monthly costs. The company also has the option to invest part of the community benefit received from SPR Kilgallioch each year into an Endowment Fund to be retained for benefit of the community after the lifetime of the Wind farm.

#### **FUTURE PLANS**

The Trust will aim to deliver the priorities of the New Luce Community Action Plan by establishing,

## **TRUSTEES' ANNUAL REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2019**

operating and supporting relative projects. Sharon Cameron, Development Officer will continue to research, design and deliver said projects.

The Kenmuir Arms Hotel was acquired in February 2019 and is need of extensive renovation. The Trust will appoint a Design Team to produce development plans for the facility and bring it back into use as a community asset.

The Trust will look to distribute Community Benefit monies through a grant scheme with an emphasis to organisations and projects based and sited in New Luce.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

New Luce Community Trust is a company limited by guarantee and was incorporated on 9 February 2015. It is governed by its Memorandum and Articles of Association. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust.

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

New Luce Community Trust, company number SC497287, is based and administered in Scotland. The registered address is New Luce Community Trust, 26 South Main Street, Wigtown, Newton Stewart DG8 9EH.

##### **Trustees**

Nigel Forster

Lorna Galloway

Alistair McClelland

Eileen McClelland

Amanda Richardson (*appointed 3 October 2018*)

Neale McQuistin (*resigned 14 August 2019*)

##### **Company Secretary**

Jak Kane

##### **Bankers**

The Co-operative Bank, PO Box 250,

Delf House, Southway, Skelmersdale WN8 6WT

#### **APPROVAL**

This report, which has been prepared in accordance with the provisions of the Companies Act 2006 relating to small companies, was approved by the Members on 6 November 2019 and signed on their behalf by:



**JAK KANE, Company Secretary**

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2019

	Note	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
<b>Income from:</b>		£	£		£
Grants	2		392,257	392,257	119,937
Other			250	250	0
Bank Interest					0
			392,507	392,507	119,937
<b>Expenditure</b>	3		96,594	96,594	91,015
			96,594	96,594	91,015
<b>Net income/(expenditure)</b>			295,913	295,913	28,922
<b>Reconciliation of funds</b>					
Total funds as at 31 March 2018			135,283	135,283	106,361
<b>Total funds as at 31 March 2019</b>			431,196	431,196	135,283

The above statement of financial activities includes all gains and losses during the year.

All incoming resources and resources expended derive from continuing activities.

The Notes form an integral part of these accounts.

# BALANCE SHEET

AS AT 31 MARCH 2019

	Note	Unrestricted Funds £	Restricted Funds £	Total 2019	Total 2017 £
<b>FIXED ASSETS</b>					
Tangible Assets		0	200,000	200,000	0
<b>CURRENT ASSETS</b>					
Debtors			0	0	
Cash at bank and in hand	5	0	232,756	232,756	135,283
		0	232,756	232,756	135,283
<b>LIABILITIES</b>					
Creditors (due within one year)		0	1,560	1,560	0
<b>NET CURRENT ASSETS</b>			231,196	231,196	135,283
<b>NET ASSETS</b>			431,196	431,196	135,283
<b>FUNDS</b>					
General Fund			200,315	200,315	
<b>Restricted funds</b>					
SPR Kilgallioch			118,988	118,988	67,752
SPR Endowment Fund			42,705	42,705	11,875
RES Glenchamber			49,188	49,188	55,591
Scottish Land Fund			20,000	20,000	
			431,196	431,196	135,283

The directors confirm that for the year ended 31 March 2019:

- the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies, and
- members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts, which have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime, were approved by the Trustees on 6 November 2019 and signed on their behalf by:



**NIGEL FORSTER, Chairman**

# STATEMENT OF FINANCIAL ACTIVITIES

## FOR THE YEAR ENDED 31 MARCH 2019

### 1. Transactions with trustees and related parties

- No remuneration was paid to the trustees during the year.
- No expenses were reimbursed to the trustees during the year.
- No travelling expenses were reimbursed to any trustees.
- There were no transactions with related parties.

### 2. Income from Grants

	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
	£	£	£	£
SPR Kilgallioch		154,150	154,150	78,696
SPR Endowment Fund		30,830	30,830	11,875
RES Glenchamber		30,357	30,357	29,366
Scottish Land Fund		176,920	176,920	
<b>Total current year</b>		<b>392,257</b>	<b>392,257</b>	<b>119,937</b>

### 3. Expenditure

	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
	£	£	£	£
Grants		38,355	38,355	68,000
Winter Fuel Scheme		13,329	13,329	12,234
Taxicard Scheme		5,861	5,861	
Underused Buildings		14,047	14,047	
Kenmuir Arms		5,864	5,864	
Development Officer		14,283	14,283	5,883
Management fee	0	3,563	3,563	4,000
Administration	0	893	893	537
Insurance		399	399	
Website				360
Consultation	0			
		<b>96,594</b>	<b>96,594</b>	<b>91,014</b>

### 4. Grants issued

Recipient		£
New Luce Community Council	New Luce Play Park	18,457
New Luce Memorial Hall	Hall Refurbishment & Equipment	17,905
New Luce Gardening Group	Equipment	1,993
		<b>£38,355</b>

### 5. Cash at bank and in hand

	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
	£	£		£
Co-operative Bank	0	190,051	190,051	135,283
United Trust Bank		42,705	42,705	
Cash in hand	0		0	0
	<b>0</b>	<b>232,756</b>	<b>232,756</b>	<b>135,283</b>