

**COMPANY REGISTRATION NUMBER: SC263798**  
**CHARITY REGISTRATION NUMBER: SC035306**

**The Rural Development Trust**  
**Company Limited by Guarantee**  
**Financial Statements**  
**For the year ended**  
**30 June 2025**

**I.A. STEWART & CO LIMITED**  
Chartered Accountants & Statutory Auditor  
The Mechanics Workshop  
New Lanark  
ML11 9DB

**The Rural Development Trust**

**Company Limited by Guarantee**

**Financial Statements**

**Year ended 30 June 2025**

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**The Rural Development Trust**  
**Company Limited by Guarantee**  
**Trustees' Annual Report (Incorporating the Director's Report)**  
**Year ended 30 June 2025**

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The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 30 June 2025.

**Reference and administrative details**

<b>Registered charity name</b>	The Rural Development Trust	
<b>Charity registration number</b>	SC035306	
<b>Company registration number</b>	SC263798	
<b>Principal office and registered office</b>	1 Powell Street Douglas Water Lanark ML11 9PP	
<b>The trustees</b>	Mr R Barker Mr G Muir Mrs K A Muir Mr D R Shearer Mr W Steel Mr A Allison (Resigned 18 March 2026) Mr I L Fleming (Resigned 18 March 2026)	
<b>Bankers</b>	Bank of Scotland plc PO Box 17235 Edinburgh EH11 1YH	
<b>Company secretary</b>	Mrs K A Muir	
<b>Auditor</b>	I.A. Stewart & Co Limited Chartered Accountants & Statutory Auditor The Mechanics Workshop New Lanark ML11 9DB	

# **The Rural Development Trust**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 30 June 2025**

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#### **Structure, governance and management**

##### *Nature of governing document*

The charity is controlled by its memorandum and articles of association and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. The company was incorporated on 20 February 2004 and became a registered charity on 20 February 2004.

The liability of the members is limited. Every member undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up whilst they are a member or within one year of ceasing to be a member.

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

The trustees may at any time appoint any Ordinary Member (providing he/she is willing to act) to be a trustee, either to fill a vacancy or as an additional trustee. South Lanarkshire Council may appoint any person (other than an employee of the Company) who is willing to act to be a trustee.

In electing or appointing trustees, the members and trustees shall adhere so far as reasonably possible to the principle that one half of the trustees at any given time should be drawn from the business community.

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

It is ensured that incoming trustees fully understand the Charity's operations and are offered any external training deemed necessary.

##### *Organisational structure*

The Board of Directors (who are the trustees of The Rural Development Trust) comprises a representative of South Lanarkshire Council plus up to a further eleven Directors representing the local community, voluntary and business sectors.

The Board of Directors meets quarterly and received reports from the Managing Director.

The Directors are not involved in the day to day running of the Charity that is delegated to the Managing Director.

# **The Rural Development Trust**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 30 June 2025**

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##### **Objectives and activities**

The Company, limited by guarantee with no share capital, was incorporated on 20 February 2004 with the following main objectives:

- To provide relief to people who are in need because of age, mental or physical disability or illness, poverty or accessibility difficulties by geographical exclusion, and in particular (but without prejudice to that generality) to provide and assist in the provision of community transport services serving the needs of such people.
- To advance education and promote training, with particular reference to skills which will assist the participants in obtaining paid employment or which will be of direct relevance to the tasks performed by the participants in the course of their employment.
- To relieve unemployment for the public benefit in such ways, as may be thought fit, including assistance to find employment.
- To promote, conduct and/or support other charitable projects and initiatives of a charitable nature for the benefit of the community.

##### ***Public Benefit***

The trustees confirm that they have complied with the requirements to have due regard to the public benefit.

The trustees have referred to the guidance contained in the office of the Scottish Regulator's general guidance on public benefit when reviewing their objectives and in planning their future activities. In particular, the trustees consider how planned activities will contribute to the objectives they have set.

##### **Achievements and performance**

The year to June 2025 produced great results for our active travel projects, we received funding for three new active travel path build projects which at the year-end were underway and at account signing had been successfully completed, on time and on budget.

We obtained an agreement with Strathclyde Partnership for Transport (SPT) which allowed us to apply via SPT to Transport Scotland for funding for another three paths, after the year-end two of these received funding and at the time of signing were well underway, we've also submitted applications using the same format for the 2026/27 financial year for the three projects.

The Climate Action Hub was successful and funding has been agreed for another year.

We added more solar panels to the roof of the new building which has resulted in us having 49.8kW of PV powering the premises.

# The Rural Development Trust

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

#### Year ended 30 June 2025

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##### Financial review

The results of the year ended 30 June 2025 are set out in the statement of financial activities. The net surplus for the year amounts to £16,849 (2024: deficit £47,727), made up of a deficit on unrestricted funds of £85,774 (2024: surplus £38,256) before transfers; a surplus of £102,623 (2024: deficit £85,983) on the restricted funds. Before transfers, 2024 results also include a deficit on discontinued operations of £70,421.

Total reserves are £288,384 (2024: £271,535) of which £147,001 (2024: £229,077) are unrestricted funds and £141,383 (2024: £42,458) are attributed to restricted funds. Funds tied up in fixed assets total £135,509 (2024: £154,552) leaving general free reserves of £11,492 (2024: £74,525).

##### *Policy on reserves*

Reserves (in unrestricted funds) are subject to ongoing review by trustees to ensure the level of reserves held is not excessive, or conversely, depleted rapidly without due consideration and authorisation from trustees.

Trustees aim to maintain a level of reserves sufficient to cover 3-4 months' overhead costs plus staffing. Trustees consider retention of this level of reserves is fundamental to the charity operating efficiently and effectively, demonstrating the charity's resilience in maintaining essential services and minimising the risk of problems with cash flow arising from unexpected expenditure.

In the trustees' view, the reserves should provide the charity with adequate financial stability and the means for it to meet its charitable objectives for the foreseeable future.

Good stewardship is demonstrated by trustees actively managing the charity's finances. The level of reserves held is considered within the budget setting process and in conjunction with the strategic and operational plans, ensuring financial risks are identified and steps taken to mitigate the risks and subsequent impact of funding uncertainties, whilst ensuring longer term sustainability of service.

##### Plans for future periods

We are planning to expand on the Climate Action Hub project by obtaining funding from other sources to deliver more services to Lanarkshire communities.

As we have successfully built three active travel paths, we are working with more communities to develop, fund and build more paths across Lanarkshire.

##### Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

# **The Rural Development Trust**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 30 June 2025**

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In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Auditor**

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

#### **Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 25 March 2026 and signed on behalf of the board of trustees by:

*Mr Gordon Muir*

Mr G Muir  
Trustee

# **The Rural Development Trust**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of The Rural Development Trust**

**Year ended 30 June 2025**

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#### **Opinion**

We have audited the financial statements of The Rural Development Trust (the 'charity') for the year ended 30 June 2025 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2025 and of its 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;
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.



# **The Rural Development Trust**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of The Rural Development Trust** (continued)

**Year ended 30 June 2025**

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#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

# The Rural Development Trust

## Company Limited by Guarantee

### Independent Auditor's Report to the Members of The Rural Development Trust (continued)

**Year ended 30 June 2025**

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#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included, but were not limited to the following:

- Ensuring that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- Understanding and evaluating the design and implementation of management's controls in place to prevent and detect irregularities.
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to depreciation and accruals, and assessing whether they were indicative of potential bias.
- Assessing the extent of compliance with laws and regulations through making enquiries of management, reading minutes of meetings of those charged with governance and inspection of legal correspondence.
- Investigation of the rationale behind significant or unusual transactions to address the risk of fraud through management bias and override of controls.

# **The Rural Development Trust**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of The Rural Development Trust** *(continued)*

#### **Year ended 30 June 2025**

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There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

# **The Rural Development Trust**

## **Company Limited by Guarantee**

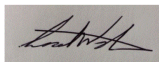
### **Independent Auditor's Report to the Members of The Rural Development Trust** *(continued)*

**Year ended 30 June 2025**

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#### **Use of our report**

This report is made solely to the charity's members, 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 charity's members those matters we are required to state to them in an auditor's 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



The Mechanics Workshop  
New Lanark  
ML11 9DB

25 March 2026

Louise Watson (Senior Statutory Auditor)

For and on behalf of  
I.A. Stewart & Co Limited  
Chartered Accountants & Statutory Auditor

I A Stewart & Co Limited is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

# The Rural Development Trust

## Company Limited by Guarantee

### Statement of Financial Activities (including income and expenditure account)

Year ended 30 June 2025

				2025				2024	
	Note	Unrestricted funds £	Restricted funds £	Total from continuing operations £	Discontinued operations £	Total funds £	Total from continuing operations £	Discontinued operations £	Total funds £
<b>Income and endowments</b>									
Charitable activities	5	102,392	1,017,815	1,120,207	–	1,120,207	707,662	–	707,662
Other income	6	814	–	814	–	814	952	–	952
<b>Total income</b>		<u>103,206</u>	<u>1,017,815</u>	<u>1,121,021</u>	<u>–</u>	<u>1,121,021</u>	<u>708,614</u>	<u>–</u>	<u>708,614</u>
<b>Expenditure</b>									
Expenditure on charitable activities	7,8	188,165	915,192	1,103,357	–	1,103,357	678,939	–	678,939
Other expenditure	10	815	–	815	–	815	6,981	70,421	77,402
<b>Total expenditure</b>		<u>188,980</u>	<u>915,192</u>	<u>1,104,172</u>	<u>–</u>	<u>1,104,172</u>	<u>685,920</u>	<u>70,421</u>	<u>756,341</u>
<b>Net income/(expenditure) and net movement in funds</b>									
		(85,774)	102,623	16,849	–	16,849	22,694	(70,421)	(47,727)
<b>Transfers between funds</b>	14	3,698	(3,698)	–	–	–	(70,421)	70,421	–
<b>Net income/(expenditure) and net movement in funds</b>		<u>(82,076)</u>	<u>98,925</u>	<u>16,849</u>	<u>–</u>	<u>16,849</u>	<u>(47,727)</u>	<u>–</u>	<u>(47,727)</u>
<b>Reconciliation of funds</b>									
Total funds brought forward		229,077	42,458	271,535	–	271,535	319,262	–	319,262
<b>Total funds carried forward</b>		<u>147,001</u>	<u>141,383</u>	<u>288,384</u>	<u>–</u>	<u>288,384</u>	<u>271,535</u>	<u>–</u>	<u>271,535</u>

The statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 24 form part of these financial statements.

# The Rural Development Trust

## Company Limited by Guarantee

### Statement of Financial Position

30 June 2025

	Note	2025 £	£	2024 £
<b>Fixed assets</b>				
Tangible fixed assets	15		135,509	154,552
<b>Current assets</b>				
Debtors	16	6,956		80,422
Cash at bank and in hand		173,656		54,648
		180,612		135,070
<b>Creditors: amounts falling due within one year</b>	17	27,737		18,087
<b>Net current assets</b>			152,875	116,983
<b>Total assets less current liabilities</b>			288,384	271,535
<b>Net assets</b>			288,384	271,535
<b>Funds of the charity</b>				
Restricted funds			141,383	42,458
Unrestricted funds			147,001	229,077
<b>Total charity funds</b>	19		288,384	271,535

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

These financial statements were approved by the board of trustees and authorised for issue on 25 March 2026, and are signed on behalf of the board by:

*Mr Gordon Muir*

Mr G Muir  
Trustee

*William Steel*

Mr W Steel  
Trustee

The notes on pages 14 to 24 form part of these financial statements.

# The Rural Development Trust

## Company Limited by Guarantee

### Statement of Cash Flows

#### Year ended 30 June 2025

	2025 £	2024 £
<b>Cash flows from operating activities</b>		
Net income/(expenditure)	16,849	(47,727)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	56,802	64,044
Net gains on investments	—	100
Interest payable and similar charges	—	30
Loss on disposal of tangible fixed assets	815	77,402
Accrued expenses/(income)	83,790	(32,084)
<i>Changes in:</i>		
Trade and other debtors	7,130	14,152
Trade and other creditors	(7,804)	9,402
Cash generated from operations	157,582	85,319
Interest paid	—	(30)
Net cash from operating activities	<u>157,582</u>	<u>85,289</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(38,574)	(64,553)
Net cash used in investing activities	<u>(38,574)</u>	<u>(64,553)</u>
<b>Net increase in cash and cash equivalents</b>	119,008	20,736
<b>Cash and cash equivalents at beginning of year</b>	54,648	33,912
<b>Cash and cash equivalents at end of year</b>	<u>173,656</u>	<u>54,648</u>

The notes on pages 14 to 24 form part of these financial statements.

# **The Rural Development Trust**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements**

**Year ended 30 June 2025**

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#### **1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in Scotland and a registered charity in Scotland. The address of the registered office is 1 Powell Street, Douglas Water, Lanark, ML11 9PP.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Going concern**

There are no material uncertainties about the charity's ability to continue.

##### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The trustees are of the opinion that there are no matters of significant judgements, estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year.

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.



# The Rural Development Trust

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 30 June 2025

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#### 3. Accounting policies *(continued)*

##### Income

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released once the performance conditions are satisfied.
- other income is recognised in the period it is receivable and to the extent that the charity has provided the goods or services.

##### Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- all costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on a basis of time spent, and depreciation charges allocated on the portion of the asset's use.
- expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.
- governance costs include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit/independent examination, strategic management and trustee meetings and reimbursed expenses.

##### Taxation

The charity is considered to meet the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is exempt from taxation in respect of income and capital gains received to the extent that such income or gains are applied exclusively to charitable purposes.

##### Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

# The Rural Development Trust

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 30 June 2025

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#### 3. Accounting policies *(continued)*

##### **Tangible assets**

Individual tangible assets costing £100 or more are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

##### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Equipment	-	25% reducing balance
Leasehold improvements	-	20% straight line

##### **Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

##### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

##### **Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

##### *Trade debtors*

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand and in the bank.

##### *Trade creditors*

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

# The Rural Development Trust

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 30 June 2025

#### 3. Accounting policies *(continued)*

##### Defined contribution pension plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

#### 4. Limited by guarantee

Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while they are a member or within one year after they cease to be a member.

#### 5. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Grant income	<u>102,392</u>	<u>1,017,815</u>	<u>1,120,207</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Grant income	<u>93,714</u>	<u>613,948</u>	<u>707,662</u>

Grants, included within restricted funds, totalling £517,536 have been received from government bodies such as the Scottish Government and South Lanarkshire Council in the year (2024: £327,756).

#### 6. Other income

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Other income	<u>814</u>	<u>814</u>	<u>952</u>	<u>952</u>

#### 7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Charity activity	184,045	913,192	1,097,237
Support costs	<u>4,120</u>	<u>2,000</u>	<u>6,120</u>
	<u>188,165</u>	<u>915,192</u>	<u>1,103,357</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Charity activity	24,664	647,115	671,778
Support costs	<u>7,161</u>	<u>—</u>	<u>7,161</u>
	<u>31,825</u>	<u>647,115</u>	<u>678,939</u>

# The Rural Development Trust

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 30 June 2025

#### 8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	<b>Total funds 2025 £</b>	Total fund 2024 £
Charity activity	1,020,588	76,649	–	1,097,237	671,778
Governance costs	–	–	6,120	6,120	7,161
	<u>1,020,588</u>	<u>76,649</u>	<u>6,120</u>	<u>1,103,357</u>	<u>678,939</u>

#### 9. Analysis of grants

	<b>2025 £</b>	<b>2024 £</b>
<b>Grants to institutions</b>		
Grants to institutions	76,649	140,444
Total grants	<u>76,649</u>	<u>140,444</u>
	<b>2025 £</b>	<b>2024 £</b>
Clydesdale Community Initiatives	–	35,000
Cloudberry Communities CIC	–	30,609
Voluntary Action North Lanarkshire	–	20,000
Scene Connect Ltd	–	20,000
Getting Better Together Ltd	–	10,000
South Lanarkshire College	–	7,000
David Livingstone Centre	–	5,000
Others less than £5000 (10 grants)	–	12,835
Ravenscraig event	5,000	–
Soul of the Junction - Climate Hub	2,000	–
Viewpark Conservation Group	1,500	–
Grow 73	1,500	–
Getting Better Together Ltd	1,500	–
Growing Biggar	1,321	–
Climate Action Seed grants (24 @ £1000)	24,000	–
Active travel grants (5 @ £1000)	5,000	–
Grants (80 plus @ < £1000)	34,828	–
	<u>76,649</u>	<u>140,444</u>

# The Rural Development Trust

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 30 June 2025

#### 10. Other expenditure

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Loss on disposal of tangible fixed assets held for charity's own use	815	—	815
	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Loss on disposal of tangible fixed assets held for charity's own use	24,585	52,816	77,402

The loss on disposal of vehicles reflects the discontinuation of the transport operations last year. The costs in 2024 largely consist of the net book value written off for vehicles transferred at zero value to another charitable organisation, the transfers being with the approval of the grant provider.

#### 11. Net income/(expenditure)

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

	2025 £	2024 £
Depreciation of tangible fixed assets	56,802	64,044
Loss on disposal of tangible fixed assets	815	77,402
Fees payable for the audit of the financial statements	4,120	3,200
Fees for other services provided by auditor/independent examiner	2,000	1,900

#### 12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2025 £	2024 £
Wages and salaries	301,017	140,228
Social security costs	19,784	3,269
Employer contributions to pension plans	17,994	8,467
	338,795	151,964

The average head count of employees during the year was 12 (2024: 7). These are all administrative staff.

No employee received employee benefits of more than £60,000 during the year (2024: Nil).

# The Rural Development Trust

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 30 June 2025

#### 13. Trustee remuneration and expenses

The company incurred management charges of £71,347 (2024: £71,653) in the year, which were paid to a company in which Mr G Muir was both a shareholder and director. The management charges were in respect of services provided and are subject to ratification by the company's funders.

Also in his role as project director, Mr Muir has access to the charity electric vehicle for use on charity business.

No other director received remuneration or was reimbursed expenses either directly or indirectly during the year.

#### 14. Transfers between funds

At the year end assets totalling £3,698 (2024: £27,303), purchased from restricted funds during the year, were transferred to the unrestricted fund to reflect that the assets are available for the use of the charity generally and carry no further restriction as to their use. In addition a further £nil (2024: £82,712) was transferred to the unrestricted fixed asset fund to reflect that there were no further restrictions on the items purchased from restricted funds in prior years.

#### 15. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Equipment £	Leasehold improvements £	Total £
<b>Cost</b>					
At 1 Jul 2024	19,475	143,810	91,607	262,589	517,481
Additions	—	—	4,037	34,537	38,574
Disposals	—	—	(55,700)	—	(55,700)
<b>At 30 Jun 2025</b>	<b>19,475</b>	<b>143,810</b>	<b>39,944</b>	<b>297,126</b>	<b>500,355</b>
<b>Depreciation</b>					
At 1 Jul 2024	18,310	99,024	61,829	183,766	362,929
Charge for the year	292	10,659	8,064	37,787	56,802
Disposals	—	—	(54,885)	—	(54,885)
<b>At 30 Jun 2025</b>	<b>18,602</b>	<b>109,683</b>	<b>15,008</b>	<b>221,553</b>	<b>364,846</b>
<b>Carrying amount</b>					
<b>At 30 Jun 2025</b>	<b>873</b>	<b>34,127</b>	<b>24,936</b>	<b>75,573</b>	<b>135,509</b>
At 30 Jun 2024	1,165	44,786	29,778	78,823	154,552

#### 16. Debtors

	2025 £	2024 £
Trade debtors	5,310	9,979
Prepayments and accrued income	1,646	68,010
Other debtors	—	2,433
	<b>6,956</b>	<b>80,422</b>

# The Rural Development Trust

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 30 June 2025

#### 17. Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	818	3,284
Accruals	22,555	5,101
Social security and other taxes	397	5,923
Other creditors	3,967	3,779
	<u>27,737</u>	<u>18,087</u>

#### 18. Pensions and other post retirement benefits

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £17,994 (2024: £8,467).

The company operates a defined contribution pension scheme on behalf of its employees. The contributions are invested with UK pension scheme providers and the funds are held separately from those of the charity.

Contributions of £2,521 (2024: £2,725) were due to the scheme at the balance sheet date.

#### 19. Analysis of charitable funds

##### Unrestricted funds

	At 1 Jul 2024	Income	Expenditure	Transfers	At 30 Jun 2025
	£	£	£	£	£
General funds	74,525	103,206	(131,362)	(34,877)	11,492
Fixed asset fund	154,552	—	(57,618)	38,575	135,509
	<u>229,077</u>	<u>103,206</u>	<u>(188,980)</u>	<u>3,698</u>	<u>147,001</u>

	At 1 Jul 2023	Income	Expenditure	Transfers	At 30 Jun 2024
	£	£	£	£	£
General funds	80,806	94,666	(56,410)	(44,537)	74,525
Fixed asset fund	—	—	—	154,552	154,552
	<u>80,806</u>	<u>94,666</u>	<u>(56,410)</u>	<u>110,015</u>	<u>229,077</u>

##### *Fixed asset fund*

In order to show clearly the funds available for the charity's day to day use in the general fund, unrestricted fixed assets have been transferred to a separate designated fund.

##### *General funds*

Unrestricted funds available for day-to-day use by the charity to deliver its objectives.

# The Rural Development Trust

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 30 June 2025

#### 19. Analysis of charitable funds *(continued)*

##### Restricted funds

	At 1 Jul 2024	Income	Expenditure	Transfers	At 30 Jun 2025
	£	£	£	£	£
REF Garage	—	—	—	—	—
LEADER Garage	—	—	—	—	—
SP Energy Networks	—	—	—	—	—
National Lottery					
Community Fund	4,669	—	(4,669)	—	—
National Lottery					
Heritage Fund	40,645	(34,889)	(5,756)	—	—
SUSTRANS	(2,856)	10,492	(7,636)	—	—
SCSP	—	52,122	(40,612)	—	11,510
Climate Action Hub	—	465,414	(431,946)	(3,698)	29,770
Paths for All	—	524,676	(424,573)	—	100,103
	<u>42,458</u>	<u>1,017,815</u>	<u>(915,192)</u>	<u>(3,698)</u>	<u>141,383</u>

	At 1 Jul 2023	Income	Expenditure	Transfers	At 30 Jun 2024
	£	£	£	£	£
REF Garage	12,484	—	(9,881)	(2,603)	—
LEADER Garage	51,233	—	(26,555)	(24,678)	—
SP Energy Networks	144,056	—	(88,625)	(55,431)	—
National Lottery					
Community Fund	30,683	—	(26,014)	—	4,669
National Lottery					
Heritage Fund	—	78,362	(37,717)	—	40,645
SUSTRANS	—	130,524	(133,380)	—	(2,856)
SCSP	—	38,115	(38,115)	—	—
Climate Action Hub	—	311,219	(283,916)	(27,303)	—
Paths for All	—	55,728	(55,728)	—	—
	<u>238,456</u>	<u>613,948</u>	<u>(699,931)</u>	<u>(110,015)</u>	<u>42,458</u>



# The Rural Development Trust

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 30 June 2025

#### 19. Analysis of charitable funds *(continued)*

##### *REF Garage fund*

The REF Garage fund related to renewable energy support for the new garage built by the trust. The build involved the installation of solar/wind applications.

##### *LEADER Garage fund*

The Leader garage fund related to financial support to build the new garage and foundations.

##### *SP Energy Networks*

The SP Energy Networks fund related to a capital grant towards the electrification of the Fleet project run by the trust.

The capital items purchased from the above three grants carry no further restriction and as such were transferred to unrestricted funds and the three funds above are now closed.

##### *National Lottery Community Fund*

The National Lottery Community funded project works with communities in North and South Lanarkshire to enhance their skills to deliver community projects themselves going forward.

##### *National Lottery Heritage Fund*

The National Lottery Heritage Fund has provided a grant for a project to deliver a heritage plan for rural communities in North Lanarkshire in consultation with local partners and communities. Monies unable to be spent were returned to the funder in the year.

##### *SUSTRANS*

The SUSTRANS project is to develop active travel routes in rural South Lanarkshire focusing on Douglas, Glespin and Leadhills and also in North Lanarkshire around Upperton.

#### 20. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Tangible fixed assets	135,509	–	135,509
Current assets	19,774	160,838	180,612
Creditors less than 1 year	(8,282)	(19,455)	(27,737)
<b>Net assets</b>	<u>147,001</u>	<u>141,383</u>	<u>288,384</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Tangible fixed assets	154,552	–	154,552
Investments	–	–	–
Current assets	92,612	42,458	135,070
Creditors less than 1 year	(18,087)	–	(18,087)
<b>Net assets</b>	<u>229,077</u>	<u>42,458</u>	<u>271,535</u>

**The Rural Development Trust**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*  
**Year ended 30 June 2025**

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**21. Analysis of changes in net debt**

	At 1 Jul 2024	Cash flows	At 30 Jun 2025
	£	£	£
Cash at bank and in hand	54,648	119,008	173,656

**22. Operating lease commitments**

The total future minimum lease payments under non-cancellable operating leases are as follows:		
	<b>2025</b>	2024
	£	£
Not later than 1 year	16,800	16,800
Later than 1 year and not later than 5 years	67,200	67,200
Later than 5 years	75,700	92,500
	<u>159,700</u>	<u>176,500</u>

**23. Related parties**

During the year the charity made the following related party transactions:

*Muir's Travel Limited*

Mr G Muir, a trustee of the Rural Development Trust is also a shareholder and director of Muir's Travel Limited, a company to which the trust has incurred management charges of £71,347 (2024: £71,653).

*Anne Muir*

The land on which the charity's garage is built belongs to Mrs A Muir and is leased to The Rural Development Trust. Mrs A Muir is the mother of Mr G Muir, a trustee of the charity. Annual rent of £16,800 (2024: £16,800) is payable for the use of this land.

# **The Rural Development Trust**

**Company Limited by Guarantee**

**Management Information**

**Year ended 30 June 2025**

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**The following pages do not form part of the financial statements.**

# The Rural Development Trust

## Company Limited by Guarantee

### Detailed Statement of Financial Activities

Year ended 30 June 2025

	2025 £	2024 £
<b>Income and endowments</b>		
<b>Charitable activities</b>		
Grant income	1,120,207	707,662
<b>Other income</b>		
Other income	814	952
<b>Total income</b>	<u>1,121,021</u>	<u>708,614</u>
<b>Expenditure</b>		
<b>Expenditure on charitable activities</b>		
Project costs	481,179	134,941
Wages and salaries	301,017	140,228
Employer's NIC	19,784	3,269
Pension costs	17,994	8,467
Rent	30,590	25,958
Rates and water	675	375
Light and heat	1,469	1,606
Repairs and maintenance	3,745	484
Insurance	3,080	2,474
Other staff related expenses	8,254	6,400
Motor vehicle expenses	3,237	4,214
Legal and professional fees	—	47,324
Telephone	2,229	2,408
Other office costs	3,466	3,121
Depreciation	56,802	64,044
Bank charges	—	30
Advertising and marketing	14,985	12,946
Entertaining	461	—
Management fee	71,347	71,653
Sundry expenses	274	1,392
	<u>1,020,588</u>	<u>531,334</u>
<b>Grant funding activities</b>		
Grants issued to organisations	76,649	140,444
<b>Governance costs</b>		
Accountancy fees	2,000	3,961
Audit fees	4,120	3,200
	<u>6,120</u>	<u>7,161</u>
	<u>1,103,357</u>	<u>678,939</u>
<b>Other expenditure</b>		
Loss on disposal of tangible fixed assets held for charity's own use	815	77,402
<b>Total expenditure</b>	<u>(1,104,172)</u>	<u>(756,341)</u>
<b>Net income/(expenditure)</b>	<u>16,849</u>	<u>(47,727)</u>